CENTRAL ELECTRICITY REGULATORY COMMISSION NEW DELHI

Petition No. 123/TL/2012

Coram: Shri V.S. Verma, Member Shri M. Deena Dayalan, Member

Date of Hearing: 11.7.2013 Date of Order : 16.7.2013

IN THE MATTER OF

Application under Section 14 (a) of the Electricity Act, 2003 for Grant of Transmission Licence to Torrent Energy Limited ("TEL")

AND IN THE MATTER OF

Torrent Energy Limited, Ahmedabad

Applicant

Vs

- 1. Power Grid Corporation of India Limited, Gurgaon
- 2. Energy and Power Department, Government of Gujarat, Ahmedabad
- 3. Central Electricity Authority, New Delhi
- 4. Gujarat Urja Vikas Nigam Ltd, Vadodara
- 5. Torrent Power Ltd, Ahmedabad
- 6. Western Regional Power Committee, Mumbai
- 7. M.P. Power Trading Company Limited , Jabalpur
- 8. Maharashtra State Electricity Distribution Co. Ltd., Mumbai
- 9. Chhattisgarh State Power Transmission Co. Ltd, Kolkata
- 10. Goa Electricity Department, Govt. of Goa, Panji
- 11. Secretary, UT of Dadra Nagar Haveli
- 12. Secretary, UT of Daman and Diu

Respondents

Following were present:

Shri Sakya Chaudhuri, Advocate for the petitioner Ms. Mandakini Ghosh, Advocate for the petitioner Shri Vinod Khanna, TPL Shri K.Srinivas, TPL

<u>ORDER</u>

The application has been made by Torrent Energy Limited , Ahmadabad

under Section 14 read with Section 15 (1) of the Electricity Act, 2003 (the Act)



for grant of transmission licence for establishing, commissioning, operating and maintaining the DGEN-Navsari transmission system comprising the following element:

Transmission line

Name (end-points location)	Voltage class (kV)	Length (km)	Type (S/C or D/C)
TEL (DGEN) CCPP- Navsari (PGCIL)	400 kV	Approximately 110 kms	Double Circuit line with triple snow bird conductor

Sub-stations

S. N.	Name (location)	Voltage class (kV)	Transformer (Nos and MVA capacity)	Reactive/capacitive compensation (device with MVAR capacity)	No of Bays
1.	Extension of GIS Bays at Navsari (PGCIL) sub- station	400 kV	-	-	2
2.	TEL (DGEN) CCPP	400 kV	-	420 kV, 125 MVAR (Bus Reactor)	1

2. We had examined the application of the applicant in the light of the provisions of the Electricity Act, 2003 and the provisions of the Central Electricity Regulatory Commission (Procedure, Terms and Conditions for grant of Transmission Licence and other related matters) Regulations, 2009 (hereinafter referred to as 'the transmission licence regulations') and had come to the following conclusion in our order dated 8.6.2013:

"25. From the above discussion we conclude that the applicant has complied with the provisions of the Act and transmission licence regulations for grant of licence. Though we are of the view that the petitioner could come to us once the conditions of usage of the line by the beneficiaries happen, we are *prima facie* satisfied that the applicant fulfils the other conditions for grant of transmission licence. Accordingly, we propose to grant the transmission licence

to the applicant for the operation and maintenance of the DGEN- Navasari transmission line. However, we would like to order in Petition No. 123/TL/2012 make it clear that the DGEN - Navasari transmission line shall be included in the basic ISTS network for the purpose of pooling the transmission and loss charges under PoC regimen only after (a) the system strengthening scheme for Western Region has been implemented by completion of DGEN Vadodara transmission line by PGCIL and provides a parallel path to the grid, and (b) the applicant has executed PPAs for 50% of the total saleable capacity of DGEN. Till such time these conditions are fulfilled, the DGEN-Navasari transmission line, despite grant of the transmission licence. The petitioner shall submit application for determination of transmission charges with full details at the appropriate time after completion of the above conditions.

26. Accordingly, we direct that a notice of our proposal to grant transmission licence to the applicant company be published in two daily newspapers inviting suggestion/objections from the public in terms of Section 15 (5) of the Act."

3. The public notice under Section 15 (5) of the Act was published on 20.6.2013 in all editions of Times of India and Dainik Bhaskar. In response to the public notice, no suggestions/objections have been received. During the hearing on 11.7.2013, none was appeared on behalf of any of the respondents or any objector.

4. Clauses (15) and (16) of Regulation 7 of transmission licence regulations provide as under:

"(15) The Commission may after consideration of the further suggestions and objections, if any, received in response to the public notice aforesaid, grant licence as nearly as practicable in Form-III attached to these regulations or for reasons to be recorded in writing, reject the application if such application is not in accordance with the provisions of the Act, the rules or regulations made thereunder or any other law for the time being in force or for any other valid reasons.

(16) The Commission may, before granting licence or rejecting the application, provide an opportunity to the applicant, the Central

Transmission Utility, the Long-term customers, or the person who has filed suggestions and objections, or any other person:

Provided further that the applicant shall always be given a reasonable opportunity of being heard before rejecting the application."

5. CTU in its affidavit dated 19.10.2012 has clarified that since the installed capacity of TEL (DGEN) TPS was 400 MW which was more than 500 MW, the transmission system was part of the coordinated planning by the CTU and CEA. Since the time required to construct the line was less than the time specified by the Commission for constructing the line by CTU, it was decided in the 13th meeting of the WR Constituents regarding connectivity/ open access held on 27.10.2012 that the identified line for connectivity i.e. DGEN- Navsari- 400 kV D/C line would be constructed by the generation developer.

6. In the order dated 8.6.2013, we have observed that the transmission line cannot be operated as a dedicated transmission line and on account of incidental flow of electricity, the transmission line will be used as an ISTS. Accordingly, we proposed to grant transmission licence to the applicant company and directed for issue of public notice. In response to the public notice, no suggestions/objections have been received. We are satisfied that the applicant company meets the requirements of the Act and the transmission licence regulations for grant of transmission licence for the subject transmission system mentioned at para 1 of this order. Accordingly, we direct that a transmission licence be granted to Torrent Energy Limited for the operation

and maintenance of the DGEN-Navsari transmission line as per the details given in para 1 above.

7. The grant of transmission licence to the applicant is subject to the fulfillment of the following conditions throughout the period of licence:

(a) The transmission licence shall, unless revoked earlier, remain in force for a period of 25 years;

(b) The transmission licensee shall comply with the provisions of the Central Electricity Regulatory Commission (Procedure, Terms and Conditions for grant of Transmission Licence and other related matters) Regulations, 2009 or any subsequent enactment thereof during the period of substance of the licence.

(c) Useful life of the transmission system as per the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2009 is 35 years. The present licence is granted for 25 years. Accordingly, it is directed that the applicant shall approach the Commission in the 23rd year of the present licence for grant of licence for another term which shall be considered by the Commission in accordance with law;

(d) The applicant shall not enter into any contract for or otherwise engage in the business of trading in electricity during the period of subsistence of the transmission licence; (e) The applicant shall have the liability to pay the license fee in accordance with the provisions of the Central Electricity Regulatory Commission (Payment of Fees) Regulations, 2008, as amended from time to time or any of other regulations in force. Delay in payment or non-payment of licence fee or a part thereof for a period exceeding sixty days shall be construed as breach of the terms and conditions of licence;

(f) The applicant shall comply with the directions of the National Load Despatch Centre under section 26 of the Act, or the Regional Load Despatch Centre under sub-section (3) of section 28 or sub-section (1) of section 29 of the Act, as may be issued from time to time for maintaining the availability of the transmission system;

(g) The applicant shall remain bound by the Central Electricity Regulatory Commission (Standard of performance of inter-State transmission licensees) Regulations which will be notified by the Commission shortly.

(h) The applicant shall provide non-discriminatory open access to its transmission system for use by any other licensee, including a distribution licensee or an electricity trader, or generating company or any other person in accordance with the Act, Central Electricity Regulatory Commission (Open Access in inter-State Transmission) Regulations, 2008 and Central Electricity Regulatory Commission (Grant of Connectivity, Long-term Access and Medium-term Open

Access in inter-State Transmission and related matters) Regulations, 2009 as amended from time to time;

(i) The applicant shall not undertake any other business for optimum utilization of the transmission system without prior intimation to the Commission and shall comply with the provisions of the Central Electricity Regulatory Commission (Sharing of revenue derived from utilization of transmission assets for other business) Regulations, 2007, as amended from time to time;

(j) The applicant shall remain bound by the Central Electricity Regulatory Commission (Sharing of inter-State Transmission Charges and Losses) Regulations, 2010 as amended from time to time; and

(k) The applicant shall remain bound by the provisions of the Act, the rules and regulations framed thereunder, in particular the transmission licence regulations, the Grid Code, the Standards specified by the Central Electricity Authority, orders and directions of the Commission issued from time to time.

(I) The DGEN - Navasari transmission line shall be included in the basic ISTS network for the purpose of pooling the transmission and loss charges under PoC regime in accordance with the Central Electricity Regulatory Commission (Sharing of Transmission charges and Losses) Regulations, 2010 only after the system strengthening scheme for Western Region has been implemented by completion of DGEN Vadodara transmission line by PGCIL for providing a parallel path to the grid. Till such time these conditions are fulfilled, the DGEN-Navasari transmission line shall be deemed to be operating as the dedicated transmission line, despite grant of the transmission licence. The petitioner shall submit application for determination of transmission charges with full details at the appropriate time after completion of the above conditions.

8. Petition No. 123/TL/2012 is disposed of in terms of the above. We direct that copies of this order shall be endorsed to all the respondents.

(M. Deena Dayalan) Member

Sd/-

sd/-

(V.S. Verma) Member