

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

**Petition No. 419/MP/2014
with IA. No. 58/2014**

Subject : Petition on behalf of Raichur Sholapur Transmission Company Limited under Transmission Service Agreement dated 4.8.2010 read with Section 79 (1) (f) of the Electricity Act, 2003.

Date of hearing : 27.10.2014

Coram : Shri Gireesh B.Pradhan, Chairperson
Shri M. Deena Dayalan, Member
Shri A.K. Singhal, Member
Shri A.S. Bakshi, Member

Petitioner : Raichur Sholapur Transmission Company Limited (RSTCL).

Respondents : Power Grid Corporation of India Ltd and others

Parties present : Shri G. Sai Kumar, Advocate, RSTCL

Record of Proceedings

Learned counsel for the petitioner mentioned the matter and submitted that the present petition has been filed seeking direction to the beneficiaries of the 765 kV S/C Raichur-Sholapur transmission line (project) to release the performance bank guarantees issued on behalf of the consortium members by Patel Engineering Limited. Learned counsel further submitted as under:

(a) Scheduled date of commercial operation of the project was 7.1.2014. However, the COD of the project, as per the certificate issued by POSOCO, is 4.7.2014. Under the Transmission Service Agreement, the transmission charges become payable from the financial year 2013-14, namely for the period from 7.1.2014 to 31.3.2014.

(b) Since the COD of the project, in accordance with Article 6.2 of the TSA, is 4.7.2014, the transmission charges become payable from 1.1.2014 in accordance with Article 10 read with Schedule 5 and 6 of the TSA.

(c) During execution of the project, the petitioner encountered various difficulties and therefore, the petitioner is not liable for the delay caused in achieving COD and as such, the bank guarantee issued to the long-term beneficiaries should be returned to the petitioner.

(d) Learned counsel requested the Commission to direct the beneficiaries, not to encash performance bank guarantees dated 29.12.2010 till pending disposal of the petition.

(e) The copy of the petition has already been served on the respondents.

2. After hearing the learned counsel for the petitioner, the Commission directed to issue notice to the respondents.

3. The Commission directed the respondents not to take any coercive action till next date of hearing.

4. The Commission directed to list the petition on 31.10.2014.

By order of the Commission

**Sd/-
(T. Rout)
Chief (Law)**