

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Coram:

Shri M. Deena Dayalan, Member

Shri A.K. Singhal, Member

Shri A.S.Bakshi, Member

Petition No. SM/011/2014

Date of Order: 12.8.2014

In the matter of

Non- Compliance of Sections 38 and 39 of the Electricity Act, 2003.

And

In the matter of

1. Chief Operating Officer
Central Transmission Utility (CTU)
Saudamini, Plot no. 2, Sector-29,
Gurgaon – 122001, Haryana

2. Director (Technical)
Rajasthan Rajya Vidyut Prasaran Nigam Limited
Vidyut Bhawan, Janpath, Jyoti Nagar,
Jaipur – 302005, Rajasthan.

3. Director (Works and Project)
U P Power, Transmission Corporation Limited
Shakti Bhawan, Ashok Marg,
Lucknow – 226001, UP

4. Director (Projects)
H.P. Power Transmission Corporation Limited
Barowalias House,
Khalini, Shimla-171002, HP

....Respondents



ORDER

Section 38 (2) of Electricity Act 2003 (hereinafter "Act") provides that Central Transmission Utility (hereinafter "CTU") shall discharge all functions of planning and coordination with various agencies and shall ensure development of an efficient, co-ordinated and economical system of inter-State transmission lines.

Relevant portion of Section 38 (2) of the Act is extracted as under:

" (2) The functions of the Central Transmission Utility shall be -

(a) To undertake transmission of electricity through inter-State transmission system;

(b) To discharge all functions of planning and co-ordination relating to inter-State transmission system with -

(i) State Transmission Utilities;

(ii) Central Government;

(iii) State Governments;

(iv) Generating companies;

(v) Regional Power Committees;

(vi) Authority;

(vii) Licensees;

(viii) Any other person notified by the Central Government in this behalf;

(c) to ensure development of an efficient, co-ordinated and economical system of inter-State transmission lines for smooth flow of electricity from generating stations to the load centres;....."

2. Similarly, Section 39 (2) of Act provides that State Transmission Utility (hereinafter "STU") shall discharge all functions of planning and coordination with various agencies and shall ensure development of an efficient, co-ordinated and economical system of intra-State transmission lines. Section 39 (2) of the Act is extracted as under:

" (2) The functions of the State Transmission Utility shall be -



(a) To undertake transmission of electricity through intra-State transmission system;

(b) To discharge all functions of planning and co-ordination relating to intra-State transmission system with –

- (i) Central Transmission Utility;
- (ii) State Governments;
- (iii) Generating companies;
- (iv) Regional Power Committees;
- (v) Authority;
- (vi) Licensees;
- (vii) Any other person notified by the State Government in this behalf;

(c) To ensure development of an efficient, co-ordinated and economical system of intra-State transmission lines for smooth flow of electricity from a generating station to the load centres;....."

3. The above provisions stipulate that CTU and STUs shall coordinate with each other and with other agencies so that implementation of Inter-State Transmission System (hereinafter "ISTS") and associated downstream/upstream Intra-State Transmission System is done in a matching time frame so that no asset remains stranded or underutilized and the intended purpose/use of the transmission scheme is realized.

4. We direct CTU to submit a report on affidavit by 5.9.2014, enumerating the details of the ISTS Projects wherein associated downstream/upstream systems are not ready/incomplete/not matching with implementation of ISTS. CTU shall also submit the complete associated schemes of the project.



5. It has come to our notice in Petition No. 89/TT/2012 that Power Grid Corporation of India Ltd. has completed the work of six 220 kV bays each at Sohawal sub-station and Jaipur (South) sub-station for which downstream systems are incomplete. Further, during the course of hearing of the Petition Nos. 28/TT/2014, 99/TT/2014, 100/TT/2014 and 107/TT/2014 on 12.6.2014 for grant of transmission tariff for inclusion in the POC mechanism, issue of stranded assets due to non completion of downstream assets associated at Hamirpur sub-station, Kotputli sub-station, 765 kV S/C Bareilly- Lucknow transmission line at 400 kV level and one circuit of 400 kV D/C Bareilly (New)-Bareilly (Existing) transmission line was raised. Therefore, we direct CTU, STUs of Rajasthan, Himachal Pradesh and Uttar Pradesh to clarify, on affidavit by 5.9.2014, their position in this regard and submit the proof of coordination efforts made by each party and the action taken on the basis of such coordination.

6. The petition shall be listed for hearing on 23.9.2014.

Sd/-
(A.S.Bakshi)
Member

sd/-
(A.K. Singhal)
Member

sd/-
(M. Deena Dayalan)
Member

