

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 229/RC/2015

Sub: Application preferred under Section 79 (1)(c) and 79 (1) (k) read along with 79(1) (f) of the Electricity Act, 2003 read with Regulation 21 of the Central Electricity Regulatory Commission (Sharing of Transmission Charges & Losses in Inter State Transmission) Regulations, 2010 along with Regulation 111 (Inherent Powers) and Regulation 115 (Power To Remove Difficulties) of the Central Electricity Regulatory Commission (Conduct of Business) Regulations, 1999 read with Regulation 2(1) (j) and Regulation 6(1) (d) of the Central Electricity Regulatory Commission (Payment of Fees) Regulations, 2012.

Petitioner : Power Grid Corporation of India Limited

Respondents : Lanco Babandh Power Private Limited and others

I.A. 31/2015 in Petition No. 55/MP/2015

Sub: Petition for the relinquishment of the Long Term Open Access under the Bulk Power Transmission Agreement dated 13.05.2010 under Regulation 18 read with Regulation 32 of the Central Electricity Regulatory Commission (Grant of Connectivity, Long Term Access and Medium Term Open Access in Inter-State Transmission and related matters) Regulations, 2009.

Petitioner : Jindal India Thermal Power Limited.

Respondents : Power Grid Corporation of India Limited and others

Date of hearing : 15.10.2015

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

Parties present : Shri Gopal Jain, Senior Advocate for petitioner
Ms. Prerna Priyadarshini, Advocate, PGCIL
Ms. Swapna Seshadari, Advocate, PGCIL
Ms. Jyoti Prasad, PGCIL
Shri Swapnil Verma, PGCIL
Shri Sanjey Sen, Senior Advocate, JIPTL and LANCO
Shri Tushar Nagar, Advocate, JITPL
Ms. Shikha Ohri, JITPL

Shri Deepak Khurana, Advocate, Lanco
Shri M.R. Jhal, LANCO
Shri Buddy Rangnathan, Advocate
Shri Vinod Yadav, Advocate for petitioner
Shri Sakya Singh, Advocate, Essar
Shri Molshree Bhatnagar, Advocate, Essar
Shri G. Umamathy, Advocate, MPPMCL
Shri Rahul Singh, Advocate, MPCL
Shri G. Umamathy, Advocate, MPPMCL
Shri Manoj Dubey, Advocate, MPPMCL
Shri Sarya Singha Chaudhari, Advocate for respondent
Shri Alok Shankar, Advocate, GKEL
Shri Ravi Kishore, PTC

Record of Proceedings

Learned counsels for the respondents requested for time to file replies to the petition.

2. Learned senior counsel for the petitioner submitted as under:

(a) The petitioner is in the process of commissioning of some of the critical transmission lines in the High Capacity Power Transmission Corridor (HCPTC) I and IV. However, the LTTCs have not opened the requisite payment security mechanisms required for operationalization of the LTA.

(b) The present application has been filed for issue of appropriate directions to the LTTCs to open the Letter of Credit or in the alternative for cancellation of their LTA.

(c) Out of 15 respondents only 2 have opened the Letter of Credit.

(d) If LC is not opened, it leads to payment risk and recovery of charges remains uncertain.

(e) Learned senior counsel requested the Commission to pass interim order for cancellation of LTA and encashment of Bank Guarantee in cases of default in opening of LC by the LTCs.

3. Learned senior counsel for Maruti Clean Coal and Power Ltd, JIPTL and LANCO objected to the interim relief sought by the petitioner and submitted as under:

(a) Each case deals with separate issues and cannot be clubbed in one petition.

(b) Maruti Clean Coal and Power Ltd has opened the Letter of Credit. Therefore, notice needs to be withdrawn against it.

(c) Jindal India Thermal Power Limited has already relinquished LTA of 1044 MW of power, therefore the question of opening of LC does not arise. The petition filed by JITPL was finally heard on 10.9.2015 and order has been reserved in the petition. During the hearing on 27.8.2015, the petitioner was seeking to relinquish 1044 MW, in response PGCIL had requested to be allowed to utilize the said capacity to other eligible LTA customers. The above submissions have been recorded in the Record of Proceedings. Despite the categorical submission regarding relinquishment of LTA, PGCIL vide its letter dated 9.10.2015 has issued notice to the petitioner to open LC for operationalization of LTA failing which PGCIL has threatened to encash Bank Guarantee.

(c) The learned senior counsel referred to the prayers of the petition and submitted that the petitioner is not entitled for any interim relief.

4. Learned counsel for Lanco Babandh Power Private Limited submitted that due to force majeure events, it is unable to open LC. However, the same has been rejected by the petitioner and the Commission needs to consider the matter.

5. Learned counsel for Lanco Amarkantak Power Limited submitted that Lanco Amarkantak has opened the Letter of Credit pursuant to direction of the Hon'ble Supreme Court.

6. Learned counsel for PGCIL submitted that JITPL cannot relinquish its LTA right without obtaining prior approval of the CTU and the Commission. As per Clause 5 of BPTA, the act of relinquishment can be done only after making payment of relinquishment charges.

7. After hearing the learned senior counsel and learned counsels for the parties, the Commission observed that the petitioner has clubbed all the generators though there are separate issues for each case. The Commission further observed that since PGCIL in its prayer has not prayed for interim relief, therefore, no direction is required in this regard.

8. The Commission observed that CTU should part operationalize the LTA in full or part as the case may be in terms of Regulation 8 (5) of the Central Electricity Regulatory Commission (Sharing of Inter State Transmission Charges and Losses) Regulations, 2010. The Commission directed PGCIL to provide on affidavit by 26.10.2015, details of LTA quantum where the generators have been commissioned up to October 2015.

9. The Commission directed the respondents to file their replies by 23.10.2015 with an advance copy to the petitioner who may file its rejoinder, if any, by 29.10.2015. The Commission directed that due date of filing the information, replies and rejoinders shall be strictly complied with and no further extension on that account shall be granted.

10. The Commission directed to list the both petition for hearing on 2.11.2015.

By order of the Commission

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