

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 003/MP/2016

- Subject : Petition for the relinquishment of the Long Term Open Access under the Bulk Power Transmission Agreement dated 5.7.2010 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.
- Date of hearing : 23.2.2016
- Coram : Shri Gireesh B. Pradhan, Chairperson
Shri A.K. Singhal, Member
Shri A.S. Bakshi, Member
Dr. M.K. Iyer, Member
- Petitioner : M/s. Vedanta Limited
- Respondents : Power Grid Corporation of India Limited
Central Electricity Authority
- Parties present : Shri Matruguota Mishra, Advocate for the petitioner
Shri Tushar Nagar, Advocate for the petitioner
Shri Tanmay Sinha, Advocate for the petitioner
Ms. Divya Joshi, Vedanta Limited
Shri Sitish Mukherjee, Advocate, PGCIL
Ms. Akansha Tyagi, Advocate, PGCIL

Record of Proceedings

Learned counsel for the petitioner submitted that the present petition has been filed for relinquishment of the Long Term Open Access 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 (Connectivity Regulations). Learned counsel for the petitioner further submitted as under:

- (a) The petitioner has set up a 2400 MW (4x600 MW) coal based thermal power plant (generating station) at Brundamal, Jharsuguda, Odisha.

(b) On 28.9.2006, the petitioner entered into MOU with Govt. of Odisha which was amended on 20.8.2009. On 19.12.2012, the petitioner entered into PPA with GRIDCO for supply of 25% power from the generating station.

(c) The petitioner made an application to CTU for grant of LTA for evacuation of power from its project. Accordingly, on 14.5.2009, CTU granted LTA of 400 MW to the petitioner.

(d) On 5.7.2010, the petitioner entered into the Bulk Power Transmission Agreement with CTU for evacuation of 400 MW power from Phase I of the generating station on long term basis.

(e) Subsequently, the petitioner made another application to CTU for grant LTA for 1000 MW. On 3.1.2011, CTU granted LTA of 1000 MW. Accordingly, on 5.1.2011, the petitioner entered into BTPA with CTU.

(f) In the Standing Committee meeting on Power System Planning in Eastern Region held on 28.12.2010, the status of the projects under implementation by PGCIL was discussed. The transmission system for Odisha Phase-I was to be commissioned by PGCIL in March 2013. However, PGCIL has failed to stick to the commissioning schedule and the transmission system for Odisha Phase-I IPPs is yet to be commissioned by PGCIL.

(g) As per data available on the website of PGCIL, the transmission system for Phase-I IPPs is yet to be fully commissioned by PGCIL.

(h) The petitioner vide its letter dated 31.12.2015 has relinquished the 400 MW LTA dated 5.7.2010. Accordingly, the present petition has been filed seeking a declaration to the effect that the LTA of 400 MW under the BPTA dated 5.7.2010 stands relinquished with effect from 31.12.2015.

(i) Learned counsel requested the Commission to direct PGCIL to return the bank guarantee of Rs. 20 crore.

2. After hearing the parties, the Commission admitted the petition and directed to issue notice to the respondents.

3. The Commission directed the petitioner to serve copy of the petition on the respondent immediately. The respondent was directed to file its reply, on affidavit, by 18.3.2016 with an advance copy to the petitioner, who may file its rejoinder, if any, on or before 31.3.2016.

4. The Commission observed that in the present case, since the petitioner has relinquished 400 MW, the said capacity should be utilized for granting the LTA to the pending applications so that capacity does not remain unutilized. The liability for relinquishment charges of the petitioner will be decided in terms of the order in the

petition, and if the petitioner is held liable to pay the relinquishment charges, the quantum of relinquishment charges will be decided in the light of the decision taken on the basis of the recommendations of the Committee constituted in Petition No. 92/MP/2015 for assessment/determination of stranded transmission capacity with regard to relinquishment of LTA right by a long term customer and relinquishment charges in terms of the provisions of the Connectivity Regulations. The Commission directed the petitioner to keep the Bank Guarantee alive till the issue of relinquishment charges is decided in the light of the recommendations of the Committee.

5. The petition shall be listed for hearing on 21.4.2016.

By order of the Commission

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