CENTRAL ELECTRICITY REGULATORY COMMISSION NEW DELHI

Petition No. 1/MP/2016 With IA. No 2/2016

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

Date of Hearing: 08.3.2016 Date of Order : 31.3.2016

In the matter of

Petition under Section 38(2) of the of the Electricity Act, 2003 read with Section 79 (1)(c) and Section 79(1) (k) of the Act, along with (i) Central Electricity Regulatory Commission (Grant of Regulatory Approval for execution of Inter-State Transmission Scheme to Central Transmission Utility) Regulations, 2010; (ii) Regulations 111 and 114 of the Central Electricity Regulatory Commission (Conduct of Business) Regulations, 1999 and (iii) Central Electricity Regulatory Commission (Sharing of Inter-State Transmission Charges and Losses) Regulations, 2010 for Grant of Regulatory Approval for execution of the Transmission System associated with Solar Power Parks in Bhadla and Jaisalmer districts, Rajasthan.

And In the matter of

Power Grid Corporation of India Limited "Saudamini", Plot No.2, Sector-29, Gurgaon (Haryana)- 122001.

....Petitioner

Vs

 Chairman, Saurya Urja Company of Rajasthan Ltd.
 1st Floor, LIC Jeevan Nidhi Building, Ambedkar Circle, Bhawani Singh Road, Jaipur – 302005

 Chairman, Adani Renewable Energy Park Rajasthan Ltd.
 (a), 6th Floor, Plot No. 5 Swej Farm, Mahima Triniti, New Sanganer Road Jaipur – 302019 The Chairman, Essel Saurya Urja Company of Rajasthan Ltd.
 4th Floor, Flat No. 404, Prabhu Raj Apartment, Parivahan Marg, C – Scheme, Jaipur – 302001

4. The Chairman, Delhi Transco Ltd. Shakti Sadan, Kotla Road, New Delhi – 110002

5. CEO, BSES Yamuna Power Ltd. BSES Bhawan, Nehru Place, New Delhi

6. CEO, BSES Rajdhani Power Ltd. BSES Bhawan, Nehru Place, New Delhi

7. CEO, North Delhi Power Ltd.
Power Trading & Load Despatch Group
Cennet Building, Adjacent To 66/11 kV Pitampura-3
Grid Building, Near PP Jewellers
Pitampura, New Delhi – 110034

8. The Chairman Rajasthan Rajya Vidyut Prasaran Nigam Ltd. Vidyut Bhawan, Vidyut Marg, Jaipur – 302005

 The Managing Director
 Ajmer Vidyut Vitran Nigam Ltd.
 400kV GSS Building (Ground Floor), Ajmer Road, Heerapura, Jaipur.

 The Managing Director
 Jaipur Vidyut Vitran Nigam Ltd.
 400 kV GSS Building (Ground Floor) Ajmer Road, Heerapura, Jaipur.

 The Managing Director
 Jodhpur Vidyut Vitran Nigam Ltd.
 400 kV GSS Building (Ground Floor) Ajmer Road, Heerapura, Jaipur.

12. The Chairman Himachal Pradesh State Electricity Board Vidyut Bhawan Kumar House Complex Building II Shimla – 171004 13. The Chief Engineer Punjab State Electricity Board Thermal Shed Tia, Near 22 Phatak, Patiala- 147001

14. S.E. /C & R-1 Haryana Power Purchase Centre Shakti Bhawan, Sector-6 Panchkula (Haryana) 134109

15. The Commissioner Power Development Deptt. Govt. of Jammu & Kashmir Mini Secretariat, Jammu

The Chairman
 Uttar Pradesh Power Corporation Ltd.
 (Formarly Uttar Pradesh State Electricity Board)
 Shakti Bhawan, 14, Ashok Marg
 Lucknow – 226001

17. The Chief Engineer Chandigarh Electricity Department, Div-11, opposite Transport Nagar, Industrial Area Ph-I, Chandigarh

The Managing Director,
 Uttarakhand Power Corporation Ltd.
 Urja Bhawan
 Kanwali Road, Dehradun,

19. Chief Electrical Distribution Engineer North Central Railway DRM Office, Nawab Yusuf Road, Allahabad (UP)

20. The Chairman New Delhi Municipal Council Palika Kendra, Sansad Marg, New Delhi -110002.

Following were present:

Ms. Manju Gupta, PGCIL Shri Amit Bhargava, PGCIL Shri Sandeep Kumawat, PGCIL

...Respondents

Shri Gaurav Gupta, PGCIL Shri Aryaman Saxena, PGCIL Shri A.K.Agarwal, Advocate, Rajasthan Discoms Shri S.P.Das, Advocate, Rajasthan Discoms

<u>ORDER</u>

This petition has been filed by the petitioner, Power Grid Corporation of India Limited (PGCIL) for seeking regulatory approval for undertaking the development of the transmission system for evacuation of power from the Solar Energy generators associated with the Solar Power Parks to be developed at Bhadla district of Rajasthan.

2. The matter was heard on 4.2.2016 after notice to the respondents. During the course of hearing, the representative of the petitioner submitted that Saurya Urja Company of Rajasthan Ltd. and Adani Renewable Energy Park Rajasthan Ltd. have made an applications for grant of connectivity/LTA for 1000 MW and 500 MW respectively. The petitioner has received another application seeking Long Term Access for 750 MW from Essel Saurya Urja Company of Rajasthan Ltd., a joint venture group of Government of Rajasthan and Essel group.

3. The petitioner, vide ROP dated 4.2.2016, was directed to file revised petition and implead M/s Essel group as party to the petition. Notice was issued to the respondents to file their replies to the petition.

4. Gist of the submissions of the petitioner is as under:

(a) Government of India, Ministry of New and Renewable Energy (MNRE)
 vide its letters dated 7.10.2015 notified Saurya Urja Company of Rajasthan Ltd.
 (SUCRL), Joint Venture Company of Govt. of Rajasthan and IL&FS Energy

Development Company Ltd. and Adani Renewable Energy Park Rajasthan Ltd. (AREPRL), a Joint Venture company of Govt. of Rajasthan and Adani Renewable Energy Park Ltd., as the Solar Power Park Developers (SPPD) for 1000 MW and 500 MW solar power park respectively at Bhadla, Jodhpur district in Rajasthan. Subsequently, MNRE vide its letter dated 18.10.2015 notified Essel Saurya Urja Company of Rajasthan Limited (ESURCL), a joint venture company of Government of Rajasthan and Essel Infraprojects Limited as the Solar Power Park Developer (SPPD) for 750 MW, 450 MW at Pokran Solar Park at Phalodi, Jodhpur district and 300 MW at Prokaran, Jaisalmer district in the State of Rajasthan.

(b) Solar Power Park Developers, SUCRL, AREPRL and ESURCL, vide their letters 23.11.2015, 17.11.2015 and 22.12.2015 respectively have undertaken that they will bear all liabilities on behalf of the Solar Project Developers to be set up in the Solar Power Parks in compliance with the Commission's notification dated 15.5.2015.

(c) The projects of SUCRL, AREPRL and ESURCL are scheduled to be commissioned by January, 2017, March 2017 and July 2017 respectively. Accordingly, the evacuation systems are required to be in place matching with the commissioning of the projects. However, considering the scope of the transmissions projects involved, timeline for completion of transmission scheme shall be progressively from December 2017.

(d) Ministry of Power, Govt. of India vide its letter No. 11/64/2014-PG dated

4.8.2015 informed PGCIL to take up execution of the transmission lines for evacuation of power from nine solar parks (7020 MW capacity) being set up in seven States including the present solar power park with the following two aspects:

(i) Transmission lines connecting solar parks to ISTS to be declared as part of ISTS; and

(ii) PGCIL is assigned to take up the construction of transmission line including pooling station from solar generation parks on compressed time schedule basis.

PGCIL has identified the Transmission System for evacuation/transfer of (e) power from Solar Power Parks in Jodhpur and Jaisalmer districts of Rajasthan including solar parks of (i) SUCRL of 500 MW, (ii) AREPRL of 250 MW and (iii) ESUCRL of 750 MW, comprising of the following:

Establishment of 765/400/220 kV (765/400 kV: 3x1500 MVA, (a) 400/220 kV, 3X350 MVA) Pooling Station at Bhadla (PG);

(b) 765 kV Bhadla (PG)-Bikaner (PG) D/C

400 kV Bhadla (PG)-Bhadla (RVPN) D/C (Quad) (C)

2 nos.400 kV and 4 nos 220 kV line bays at Bhadla (PG) for (d) interconnection of solar parks

1x240 MVAr switchable line reactor at each end (each ckt) of the (e) 765 kV Bhadla (PG)-Bikaner (PG) D/C line

1x240MVAr (765 kV) and 1x125 MVAr (400 k) Bus reactor at (f) Bhadla Pooling Station.

The issue of implementation of the transmission system associated with the (f) Order in Petition No. 1/MP/2016 Page 6 Solar Power Park was discussed in the 37th meeting of the Standing Committee on Power System Planning of Northern Region held on 20.1.2016.

(g) On 26.11.2014, Ministry of Power, Govt. of India convened a meeting with the representatives of the Central Electricity Authority (CEA), PGCIL, MNRE, SECI and the Commission in which Ministry of Power clarified the scope of work to PGCIL. In the said meeting, Ministry of Power directed PGCIL to seek regulatory approval from the Commission to construct the transmission lines as ISTS lines.

5. The petitioner has placed on record the complete Project Inception Report in terms of Regulation 4(2) of the Central Electricity Regulatory Commission (Grant of Regulatory Approval for execution of Inter-State Transmission Scheme to Central Transmission Utility) Regulations, 2010 (Regulatory Approval Regulations). The petitioner has submitted that as per the provisions of the Central Electricity Regulatory Commission (Sharing of inter-State Transmission Charges and Losses) Regulations, 2010 ("Sharing Regulations") as amended from time to time, solar based generations are exempted from transmission charges and losses for the use of ISTS network for the useful life of the projects commissioned during the period from 1.7.2014 to 30.6.2017. The petitioner has further submitted that with regard to development of the Solar Power Parks, SURCL, AREPRL and ESUCRL are obligated to coordinate with PGCIL for transmission of electricity generated by it under Section 10 (3) (b) of the Electricity Act, 2003 and other respondents are the beneficiaries of the generation and transmission projects.

6. Against the above background, the petitioner has made the following prayers:

"(a) Grant Regulatory approval for taking up implementation of identified transmission systems at Enclosure -1;

(b) Grant of approval for recovery of transmission charges of the assets through CERC (Sharing of Transmission charges and losses for ISTS) Regulations, 2010 or any other sharing mechanism notified by CERC from time to time;

(c) Grant of approval for inclusion of the above system under the TSA to be notified by CERC; and

(d) Pass such other relief as the Hon'ble Commission deems fit and appropriate under the circumstances of the case."

7. The petitioner has filed IA No. 2/2016 for early listing and expeditious disposal of the petition.

8. Reply to the petition has been filed by Rajasthan Discoms and Rajasthan Raja Vidyut Prasaran Nigam Limited. Rajasthan Discoms in their reply dated 24.2.2016 have submitted as under:

(a) The petitioner has not provided broad estimated cost **represented b**y cost benefit analysis in terms of Regulation 2 (g) of the Regulatory Approval Regulations.

(b) The petition does not disclose the scope of work and feasibility report with cost benefit analysis including availability of land, its acquisition and cost.

(c) MNRE provides 70% subsidy on the installation cost of a solar power in certain States and 30% subsidy for other States. However, the petitioner has failed to analyze these aspects and impact of subsidy in clear terms.

(d) As per minutes of meeting held on 26.11.2014 in Ministry of Power, a part of the subsidy available with MNRE under solar park scheme can be used for developing the external transmission network. However, no details have been given by the petitioner in this regard. Further, as per the minutes of meeting, PGCIL would be given 10% penalty imposed on solar power developers for delay beyond the commissioning date as per the PPA. However, no specific details and its impact on the costing of the project have been given by the petitioner.

9. Rajasthan Rajya Vidyut Prasaran Nigam Limited (RRVPL), vide its reply dated 18.3.2016, has submitted as under:

(a) Solar Power Parks of SUCRL and AREPRL are scheduled to be commissioned by January, 2017 and March 2017 respectively. However, the transmission system of PGCIL is likely to be completed by September 2018. In that case, PGCIL and/or Solar Parks Developers may utilize RVPN's 400 kV D/C Bhadla (RVPN)-Bikaner line which is presently under construction and is scheduled to be commissioned by December 2016/March 2017, and 400 kV D/C Bikaner-Sikar (PGCIL) line to evacuate the inter-State solar power. Therefore, regulatory approval is also required from the Commission to declare RVPN's 400 kV D/C Bhadla (RVPN)-Bikaner-Sikar (PGCIL) line as ISTS.

(b) Approximately 1700 MW Solar Power Projects have sought grid connectivity on RVPN's 400/200 kV Bhadla GSS. When PGCIL's 765/400 kV GSS at Bhadla along with 765 kV D/C Bhadla (PGCIL)-Bikaner line and 400 kV D/C Bhadla (PGCIL)-Bhadla (RVPN)line are commissioned, RVPN (STU) may inject and draw solar power at PGCIL's 765/400 kV Bhadla GSS. Therefore, injection/drawal of infirm power from ISTS should be exempted from transmission charges and losses as per Sharing Regulations.

10. The petitioner, vide its affidavit dated 2.3.2016, has submitted that the LTA applications made by SUCRL, AREPRL, ESUCRL and proposed transmission scheme were discussed in the LTA meeting of Northern Region held on 20.1.2016. In the said meeting, it was agreed to take up implementation of transmission scheme and grant LTA and connectivity to the above three applicants. The petitioner has submitted that the LTA Agreements would be placed on record as soon as they are signed. The petitioner has submitted the details of connectivity and LTA applications of SPPDs as under:

SPPD	Connectivity			LTA			
	Quantum (MW)	Application date	Date from which connectivity is required	Application date	Quantum (MW)	Period for which LTA is required	Beneficiary
SUCRL	500	31.11.2015	1.1.2017	24.9.2015	250	1.1.2017 to 31.12.2041	NR
				16.10.2015	250	1.1.2017 to 31.12.2041	NR
AREPRL	250	31.10.2015	15.12.2016	31.10.2015	250	31.3.2017 to 30.3.2042	NR
ESUCRL	750	31.12.2015	1.7.2017	30.12.2015	750	1.7.2017 to 30.6.2041	NR-400 WR-350

11. The petitioner has submitted the status of generation development in the SolarPark and list of generation developers as under:

SPPD	Solar Generator tied up	Capacity allotted	Land requirement	Land in possession	Plot allotment to solar generator	Current status
SUCRL	SJVNL	300*	2469.48 Ha	2469.48 Ha	Plot allotment	subject to
	NEEPCO	500*			confirmation of	evacuation
	NTPC	500*			facility	
AREPRL	NTPC	Yet to be	1320 Ha	1320 Ha	Yet to be	Expression
	(250\$ MW)	allotted			allotted	of interest

						from NTPC
ESUCRL	Nil	Nil	4070 Ha	Nil	Nil	Nil

*MOU singed, # Discussion going on, \$ Expression of interest from NTPC

Analysis and Decision:

12. We have considered the submissions of the petitioner and Rajasthan Discoms. RRVPNL has submitted that since Solar Power Parks of SUCRL and AREPRL are scheduled to be commissioned by January 2015 and March 2017 respectively, PGCIL and solar park developers may use RVPN's 400 kV D/C Bhadla (RVNPL)-Bikaner line which is scheduled to be commissioned by December 2016/March 2017 and has requested to grant regulatory approval to declare the same as ISTS. It is clarified that Regulatory Approval Regulations is only applicable to CTU which can seek regulatory approval in case solar power park developers sought LTA from CTU. If such line of RVPN is actually used for ISTS, RVPN may approach concerned RPC for inclusion of its line being used as ISTS in terms of the Sharing Regulations. With regard to RVNP's contention that injection/drawal of solar generation from ISTS should be exempted from transmission charges and losses as per Sharing Regulations, it is clarified that as per Regulation 7 (1) (u) of the Sharing Regulations, no transmission charges are applicable to solar based generation for the use of ISTS network.

13. Regulation 3 of the Regulatory Approval Regulations provides as under:

"......3. Scope and applicability

(1) These regulations shall apply to :

(a) an ISTS Scheme proposed by Central Transmission Utility, for which generators have sought long-term access as per the Central Electricity Regulatory Commission (Grant of Connectivity, Long-Term Access and Medium-Term Open Access to the Inter-State Transmission and Related Matters) Regulations, 2009, and for which consultation with Central Electricity Authority and beneficiaries if already identified has been held for setting up the ISTS

Scheme, but for which Power Purchase Agreements with all the beneficiaries have not been signed on the date of application.

(ii) an ISTS Scheme for system strengthening/up-gradation, identified by Central Transmission Utility to enable reliable, efficient, co-ordinated and economical flow of electricity within and across the region for which consultation with Central Electricity Authority and beneficiaries if identified has been held.

(iii) ISTS Scheme proposed by CTU, for which the Central Government authorised Solar Power Park Developer has sought long term access, and for which consultation with CEA and beneficiaries wherever identified has been held for setting up the ISTS scheme and the Solar Power Park Developer undertakes to bear all liabilities on behalf of the solar power generators to be set up in the Solar Park.

(2) These regulations shall not apply to ISTS Scheme, for which all the beneficiaries/respective STUs have signed Bulk Power Transmission Agreement to share the transmission charges."

14. Government of India has taken the initiative for development of Solar Power

Parks in various parts of the Country. As part of the initiative, Solar Power Parks being

developed by various developers near Bhadla and Jaisalmer in the State of Rajasthan.

15. As per the provisions of the Central Electricity Regulatory Commission (Grant of Connectivity, Long-Term Access and Medium-Term Open Access to the Inter-State Transmission and Related Matters) Regulations, 2009, any company authorized by the Central Government as Solar Power Park Developer is eligible to apply to connectivity and LTA subject to the following conditions to be fulfilled in respect of connectivity:

"Provided also that the application by the applicant defined under Regulation 2(1) (b) (i) (f) shall be considered by CTU only if the Solar Power Park Developer is authorised by the Central Government to undertake infrastructural activities including arrangement for connectivity on behalf of the solar power generators."

16. Ministry of New and Renewable Energy vide its letters dated 7.10.2015 and 18.12.2015 authorized Saurya Urja Company of Rajasthan Limited, Adani Renewable Energy Park Rajasthan Limited and Essel Saurya Urja Company of Rajasthan Limited Order in Petition No. 1/MP/2016 Page 12

to apply to CTU for grant of connectivity and Long Term Access in ISTS. Relevant portion of the letter dated 18.12.2015 is extracted as under:

"With reference to the notifications of Central Electricity Regulatory Commission (CERC) dated 15.5.2015 for including Solar Power Park Developer as an Applicant of Connectivity and Long Term Access in Inter-State Transmission System, the Ministry of New and Renewable Energy hereby declares Essal Saurya Urja Company of Rajasthan Limited, a Joint Ventre Company of Government of Rajasthan and Essel Infraprojects Limited as the Solar Power Park Developer (SPPD) Phaldi Pokran Solar Park of capacity of 750 MW at village Ygraas, Nagnechinagar & Dandhu, tehsil Phalodi, dist. Jodhpur (450 MW) and villages Lavan & Purohtisar, tehsil Pokaran, dist Jaisalmer (300 MW). The SPPD shall undertake infrastructural activities including arrangement of connectivity on behalf of solar power generator in the started Parks."

17. The petitioner has submitted that Saurya Urja Company of Rajasthan Limited,

Adani Renewable Energy Park Rajasthan Limited and Essel Saurya Urja Company of

Rajasthan Limited have made applications to CTU for grant of connectivity and Long

Term Access in ISTS.

18. The transmission scheme was discussed in the 36th Standing Committee on

Power System Planning of Northern Region meeting held on 13.7.2015, relevant

portion of which is extracted as under:

17.8. POWERGRID stated that M/s Surya Urja Company of Rajasthan Ltd (JVC of Govt. of Rajasthan & IL&FS) has applied for connectivity of 1000MW Solar parks each at Jaisalmer (Parewar) and Jodhpur (Bhadla) with commissioning schedule of Dec`16 to CTU. Regarding Long Term Access application, POWERGRID also requested MNRE to impress upon the solar park developer to apply for long term access to CTU for above solar parks at the earliest.

17.9 Members noted that the transmission scheme as mentioned above for evacuation of 3000MW of solar power parks in Jaisalmer (Parewar & Fatehgarh) & Jodhpur (Bhadla) in Rajasthan is technically in order. However, implementation of same shall be taken up only after receipt of application for LTA at least 25% of their installed capacity from Solar park developers."

19. The transmission scheme was further discussed in the 37th Standing Committee

on Power System Planning of Northern Region meeting held on 20.1.2016, relevant

portion of which is extracted as under:

"2.5.1 Director (PSP&PA), CEA stated that in the 36th Meeting of Standing Committee on Power System Planning in Northern Region held on 13/7/2015, inter-state transmission scheme for evacuation of 3000MW of solar power in Jodhpur (Bhadla : 1000MW) and Jaisalmer (Parewar and Fatehgarh : 2000 MW) was in-principally agreed. In the meeting, it was also agreed that implementation of above system shall be taken up by POWERGRID only after receipt of LTA for at least 25% of their installed capacity from respective Solar park developers.

25.2 ED (SG), PGCIL stated that subsequently following three Solar Power park Developers (SPPDs) have applied for Connectivity/LTA at Bhadla (Jodhpur) in Rajasthan

(a) **M/s Surya Urja Company of Rajasthan Ltd.:** 500MW out of Bhadla Phase-III Solar park with commissioning schedule of January, 2017; Target region-NR

(b) **M/s Adani Renewable Energy Park Rajasthan Ltd.:** 250 MW out of Bhadla Ph-IV Solar park with commissioning schedule of March, 2017; Target region-NR

c) **M/s Essel Saurya Urja Company of Rajasthan Ltd.:** From Phalodi-Pokaran Solar Park (750MW) with commissioning schedule of July, 2017; Target region as NR-400 MW and WR-350 MW."

20. On 26.11.2014, a meeting was held in Ministry of Power under the Chairmanship

of Joint Secretary (Transmission), Ministry of Power wherein it was decided that the

petitioner would obtain regulatory approval from the Commission to construct these

lines as ISTS. Accordingly, on 5.1.2016, the petitioner filed the present application for

grant of regulatory approval in terms of the provisions of Regulatory Approval

Regulations. Subsequently, the petitioner filed revised petition on 3.3.2016.

21. As per Regulation 4 (1) of the Regulatory Approval Regulations, the petitioner is required to submit Project Inception Report along with the application for grant of

regulatory approval. Rajasthan Discoms have submitted that the petitioner has not submitted the Project Inception Report along with cost benefit analysis. The petitioner has placed on record the Project Inception report indicating consent of the beneficiaries and cost benefit analysis including long term economic advantage.

22. Saurya Urja Company of Rajasthan Limited, Adani Renewable Energy Park Rajasthan Limited and Essel Saurya Urja Company of Rajasthan Limited vide their letters dated 23.11.2015, 17.11.2015 and 22.12.2015 respectively have undertaken to bear all liabilities related to LTA and connectivity in accordance with the Regulations/orders framed/issued by the Commission on behalf of the Solar Power Generators to be set up in the Solar Power Project. Ministry of Power, Govt. of India vide letter dated 8.1.2015 conveyed the approval regarding implementation of work related to transmission system for evacuation of power from nine Solar Parks including Solar Power Parks in Bhadla and Jaisalmer districts of Rajasthan State.

23. We are of the view that there is a necessity to implement the transmission system with matching time schedule so that the generation from Solar Power Projects in Jodhpur and Jaisalmer district in the State of Rajasthan do not get stranded. Accordingly, we accord regulatory approval under Regulation 3 of the Regulatory Approval Regulations for execution of the following transmission scheme.

(a) Establishment of 765/400/220 kV (765/400 kV: 3x1500 MVA, 400/220 kV, 3X350 MVA) Pooling Station at Bhadla (PG);

- (b) 765 kV Bhadla (PG)-Bikaner (PG) D/C
- (c) 400 kV Bhadla (PG)-Bhadla (RVPN) D/C (Quad)

(d) 2 nos.400 kV and 4 nos 220 kV line bays at Bhadla (PG) for interconnection of solar parks interconnection

(e) 1x240 MVAr switchable line reactor at each end (each ckt) of the 765 kV Bhadla (PG)-Bikaner (PG) D/C line

(f) 1x124 MVAr (765 kV) and 1x125 MVAr (400 kV) Bus reactor at Bhadla Pooling Station.

24. The regulatory approval granted to CTU for the above transmission system is subject to signing of Long Term Agreement (LTA) with Solar Power Park Developer (SPPD) and taking construction Bank Guarantee (BG) from SPPD as per the provisions of Connectivity Regulations as amended from time to time.

25. In regard to development of transmission system matching with generation projects in the Solar Power Parks at Jodhpur and Jaisalmer, CTU is directed to coordinate with the SPPDs who are responsible for development of internal transmission system. CTU shall pace the development of transmission system matching with the progress of different phases of the Solar Park. We further direct the CTU to submit quarterly progress report as per Annexure to this order which shall also contain the status of execution of the transmission system for which regulatory approval has been accorded, the progress of solar based generation projects in the Solar Power Park and the internal transmission system within the solar park. We have perused quarterly report dated 15.1.2016 submitted by CTU in Petition No. 29/MP/2015. As per report, CTU has not yet signed LTA Agreement with SPPDs. PGCIL in Petition No. 26/TT/2016 has submitted that the transmission system is ready. Accordingly, we direct that CTU must ensure signing of LTA Agreement expeditiously, if not already signed.

26. With regard to recovery of transmission charges on account of delay in commissioning of solar generation, in the Statement of Reasons for the Central Electricity Regulatory Commission (Grant of Connectivity, Long-term Access and Medium-term Open Access in inter-state Transmission and related matters) (Fifth Amendment) Regulations, 2015, and Central Electricity Regulatory Commission (Grant of Regulatory Approval for execution of Inter-State Transmission Scheme to Central Transmission Utility) (First Amendment) Regulations, 2015, the following has been clarified:

"8.2.1 With regard to the suggestions of PGCIL, it is clarified that SPPD who shall apply for Connectivity/Long term Access shall be liable to deposit Application Bank Guarantee/Construction Bank Guarantee as required under Connectivity Regulation. Further, SPPD shall also be liable for payment of transmission charges for delay in commissioning of generator and relinquishment charges towards transmission access under Connectivity Regulations and Sharing Regulations. Regulation 7(1)(u) of the Sharing Regulations provides that "No transmission charges for the use of ISTS network shall be charged to solar based generation" is applicable only when the power is evacuated through the transmission system to the beneficiaries after the commercial operation of the generating station. Therefore, transmission charges for delay in commissioning of solar power generators shall be payable by such solar generators/SPPD on the same line as the liability for payment by the thermal and hydro generating station in accordance with the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2014.

8.2.2 With regard to delay of internal system, it is clarified that SPPD shall be executing internal system on behalf of solar power generators. The treatment of delay or other modalities should be covered in Agreement between solar power generators and SPPD. In regard to NTPC's comments on development of transmission matching with generation, it is clarified that CTU shall carry out coordination with the SPPD/solar power generators in accordance with Section 38 of the Act."

Therefore, the transmission charges for delay in commissioning of solar power generators shall be paid by such solar generators/SPPD on the same line as the liability for payment by the thermal and hydro generating stations in accordance with the

Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2014.

27. The petition along with IA is disposed of with the above.

Sd/-sd/-sd/-(Dr. M.K.Iyer)(A.S. Bakshi)(A. K. Singhal)(Gireesh B. Pradhan)MemberMemberMemberChairperson

Annexure

1. Status of Solar Parks (Internal Transmission System)

Scope	Land	MoEF	Current status

2. Status of Solar Power Generators:

List of Generators identified	Capacity	Schedule date of commissioning	Land	MoEF	EPC	Current status

3. Date of Signing of LTA agreement and furnishing of BG by the Applicant.

(To be submitted only once post signing of LTA Agreement and furnishing bank guarantee).