CENTRAL ELECTRICITY REGULATORY COMMISSION NEW DELHI

Petition No.145/MP/2017

Subject :Petition under Section 79(1)(f) of the Electricity Act, 2003 and Regulation 33B

(Power to Remove Difficulty) 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 along with Regulation 111 (Inherent Powers) of the Central Electricity Regulatory Commission (Conduct of Business) Regulations, 1999 read with Regulation 2(3) of the Central Electricity Regulatory Commission (Payment of Fees) Regulations, seeking directions for preventing underutilization of bays for Connectivity granted

to Wind/Solar generation projects.

Date of hearing : **18.8.2017**

Coram : Shri Gireesh B. Pradhan, Chairperson

Shri A.K. Singhal, Member Shri A.S. Bakshi, Member Dr. M.K. Iyer, Member

Petitioner : Power Grid Corporation of India Limited (PGCIL)

Respondents : Green Infra Renewable Energy Ltd. and Others

Parties present :Ms. Suparna Srivasatava, Advocate, PGCIL

Shri Tushar Mathur, Advocate, PGCIL

Ms. Jyoti Prasad, PGCIL

Shri Ramii Sriniyasan, Sr. Advocate, GRPL & Ors.

Shri Sohil Yadav, Advocate, GRPL & Ors. Shri Tushar Bhardwaj, Advocate, GRPL & Ors.

Shri Rakesh Chandra, GRPL & Ors.

Shri Mayank, GRPL & Ors.

Shri Sanjay Sen, Senior Advocate, SPIL & GPPL

Ms. Ankita Bafna, Advocate, SPIL Ms. Shikha Ohri, Advocate, SPIL

Shri Rajiv Srivastava, Advocate, UPPCL Ms. Garima Srivastava, Advocate, UPPCL Ms. Gargi Srivastava, Advocate, UPPCL

Shri Amit Kapur, Advocate, APL Ms. Abiha Zaidi, Advocate, APL

Shri Rakesh S., APL

Shri Hemant Sahai, Advocate, OSWPPL, OAWPL, CWP(T)PL,

CWP(B)PL,ORWPL,OKWPL, & ReNew Power

Shri Sahil Kaul, Advocate, OSWPPL, OAWPL, CWP(T)PL,

CWP(B)PL,ORWPL,OKWPL, & ReNew Power Shri Sakya Singha Chaudhari, Advocate, SESPL Ms. Molshree Bhatnagar, Advocate, SESPL Shri Soumya Prakash, Advocate, SESPL

Shri Ujiwal Surana, SESPL

Shri Pavan Gupta, Orange Renewable

Shri A. Pandev. Inox

Shri Vishal Gupta, Advocate, GIREL Shri Alok Shankar, Advocate, GRPL

Ms. Swapna Seshadri, Advocate, BLP Energy

Shri Malav Deliwala, Adani Green

Shri Vikas, Adani Green

Shri Kapil, Green Infra

Shri Jaskaran Singh, Advocate, Sitac

Ms. Aanchal Basur, Advocate, Sitac

Shri Dheeraj Jain, Regen

Ms. Kiran V, MEIPL

Shri J.K. Jethani, MNRE

Ms. Sabhada, GIWEL

Shri Sandeep Rai, OSTRO Energy

Shri Sanjay Nagarare, SGIL

Shri Rakesh Garg, RPVPL

Shri Prateek Prasun, SECI

Shri Shibasish Das, SECI

Shri Vikalp Vats, Suzlon

Shri NSM Rao, SPIL

Shri Naren Panchal, SPIL

Shri Prateep Kamal

Shri Kovid Bhatt, Kintech Synergy

Record of Proceedings

At the outset, the learned counsel for the Respondent, Adani Green Energy Ltd. submitted as under:

- (i) The submission of Petitioner regarding challenges of network infrastructure development and dynamic realities of aligning completion of capacities with evacuation facilities are acceptable and Adani Green Energy (MP) Ltd. has an alternative approach to keep the vested contracts and equities.
- (ii) The Commission may consider devising a mechanism to allow successful bidders to resort to pooling arrangement from the already granted connectivity by PGCIL to other generators/ group companies. In this regard, the following alternatives may be considered to facilitate effective utilization of connectivity and evacuation of power:
 - a. A wind power developer may be treated as authorized legal entity to apply for connectivity and the connectivity so allotted may be allowed to accommodate several individuals, owners or generators in the vicinity of the park before commissioning;
 - b. Definition of Lead Generator under Regulation 2 (1) (b) (i) (c) of the Central Electricity Regulatory Commission (Grant of Connectivity, Long-term Access and Medium-term Open Access in inter-State Transmission) Regulations, 2009 (Connectivity Regulations) may be harmoniously interpreted in line with the objectives of the Connectivity Regulations and the Electricity Act, 2003 in order to cover generating stations having installed capacity of equal to or more than 50 MW as well, and may be covered under the ambit of the connectivity granted to the Lead Generator as long as they are being connected at a single connection point at the pooling sub-station.
- (iii) The intention behind the Connectivity Regulations and the procedure made thereunder is to facilitate pooling of energy for wind power generating stations located in the same vicinity.
- (iv) The pooling of wind power projects using common dedicated transmission line would be an efficient utilization of the evacuation infrastructure and would save the space for corridor, ROW issues as well as cost of line bays to be developed for connectivity in the sub-station.

- (v) The Hon'ble Appellate Tribunal vide its judgment dated 2.1.2013 in Appeal No. 81 of 2011, has also promoted the use of a common dedicated line for optimal utilization of the transmission corridor with a view to minimize cost of point to point transmission of electricity and minimize the requirement of transmission corridor as long as the dedicated transmission system is used exclusively for evacuation and point to point transmission of power of their generating stations.
- (vi) The Ministry of New and Renewable Energy has also promoted the pooling into a dedicated transmission line connected with CTU under its Guidelines for implementation of scheme for setting up of 2000 MW Grid-connected solar PV Power projects under Batch-III.
- 2. Learned counsel for BLP Energy Pvt. Ltd. submitted that the Commission needs to evolve the principle and procedure to be followed universally and not on case to case basis. This would provide much needed regulatory certainty which would also be beneficial for the system and its development. In support of her contention, learned counsel referred to the judgments of APTEL in Appeal Nos. 87 of 2012, 55 of 2013 and orders of the Commission in Petition Nos. 20 and 21 of 2011, 35/MP/2011, 259/MP/2012 and 27/RP/2012.
- 3. Learned counsel for SESPL referred to the proviso under Clause 3.7.2 of the SECI's RfS document and submitted that the document is amply explicit to the extent that the responsibility of getting the ISTS connectivity and LTA shall entirely be on the Wind Power Developer. Learned counsel further submitted that as per the covering letter of the SECI's RfS document, an undertaking has to be given by the bidder stating that if the project is selected, the bidder shall be responsible for getting the connectivity within the period of 9 months from the date of issue of LOA. In the event of delay in commissioning with the grid of STU/CTU beyond 6 months, the provisions of the RfS/ PPA shall be applied on such projects and the project shall not be considered as commissioned unless the connectivity with STU/CTU is established.
- 4. The representative for Regen Wind Farm (TN) Pvt. Ltd. submitted as under:
 - (a) The effective and optimal utilization of the connectivity may be bought-in in case developers prior to submission of response to RfS and make sure that he is offering the Project for which the connectivity with ISTS system has already been granted, rather than banking on the system for which he does not have the connectivity. However, in order to avoid any interpretational issue arising out of the referred RfS proviso, the Commission may provide an explicit clarification to the fact that the bidder/Wind Power Developer may be put to use the connectivity in case it already exists in the name of the Parent / Subsidiary company.
 - (b) The Commission may take a pragmatic approach as has been adopted in case of Solar Park Developer(s) (SPD), whereby SPD obtains the connectivity, develops the common pooling substation, builds common power evacuation infrastructure and solar developers use this common power evacuation infrastructure developed by SPD. A similar proviso has also been made under clause 2 (1) (b) (c) of the Central Electricity Regulatory Commission (Grant of Connectivity, Long-term Access and Medium-term Open Access in inter-State Transmission and related matter) (Amendment) Regulations, 2010 for allowing generating station(s) using renewable sources of energy having individual capacity of less than 50 MW and collective capacity of 50 MW and above, to be connected to the single connection point at the pooling substation of CTU and use common power evacuation infrastructure.
 - (c) The Commission may extend similar dispensation to Wind Power Developers of higher capacity, namely upto 250 MW, whereby the successful bidder(s) may be allowed to be interconnected with the ISTS system granted to such Wind Power Developer, using common power evacuation transmission line. The Wind Power Developer in such case may act as a Qualified Coordinating Agency on behalf of all wind developers pooling their wind power from the project.

- (d) The list of milestones as stated by the petitioner in the petition should be made more exhaustive, as out of the listed 4 milestones, only 2 milestones can be achieved and other 2 has to be mandatorily achieved within 6 months which would actually tantamount to achievement of all milestones.
- 5. Learned counsel for OSWPPL, OAWPL, CWP (T) PL, CWP (B) PL, ORWPL, OKWPL & ReNew Power argued at length and sought permission to file written submission along with compilation of judgments in support of its contention.
- 6. The representative for MEIPL submitted as under:
 - (a) MEIPL had made an application to PGCIL for grant of connectivity for the Tirunelveli substation in Tamil Nadu in the year 2012 and PGCIL granted connectivity in 2015 as per the Connectivity Regulations. Meanwhile, SECI issued RfS for the setting up of 1000 MW ISTS-connected wind power project through competitive bidding process and under the said RfS, the successful bidder has the option to execute the project by itself or through its Special Purpose Vehicle (SPV).
 - (b) MEIPL initially relied on the specific clause in consonance with its business model of developing wind power project under SPVs and submitted bid of 250 MW in its name and subsequently, become the successful bidder.
 - (c) The representative of MEIPL requested that the long term access granted to MEIPL may be allowed to utilize its 100% SPV/ Project Company to ensure evacuation of power within the given timeline from the 250 MW wind power project bid.
- 7. Learned counsel for GIREL referred to Regulations 8, 10 and 27 of the Connectivity Regulations and submitted that the processing of applications on first come first basis is only a practice which presupposes that all the applicants are really interested in developing the Project.
- 8. In her rebuttal, the learned counsel for the petitioner referred to comments on the draft regulations and explanatory memorandum, Statement of Reasons to the Connectivity Regulations dated 21.3.2012, Summary record of the meeting for transmission infrastructure development for the likely renewable power capacity additions.
- 9. After hearing the parties, the Commission directed the respondents to file their written submissions within one week from issuance of ROP. Accordingly, the Commission reserved order in the petition.

By order of the Commission

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