

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 92/MP/2015

- Subject : Petition seeking directions with regard to difficulties in implementing some of the directions given in the Order dated 16.2.2015 in Petition No. 92/MP/2014 along with IA Nos. 43/2014, 51/2014, 52/2014, 54/2014, 56/2014 and 59/2014, Petition No. 376/MP/2014, Petition No. 382/MP/2014, Petition No. 393/MP/2014 and Review Petition No. 25/RP/2014.
- Petitioner : Power Grid Corporation of India Limited.
- Respondents : Kerala State Electricity Board and Others.

Petition No. 303/MP/2015

- Subject : Petition for the relinquishment of the long term open access under the bulk power transmission agreement dated 5.1.2011 under Regulation 18 read with Regulation 32 of the CERC (Grant of Connectivity, Long Term Access and Medium Term Access in inter-State transmission and related matters), Regulations, 2009.
- Petitioner : Vedanta Limited
- Respondents : Power Grid Corporation of India Limited and Others

Petition No. 3/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 2010 read with Regulation 32 of the CERC (Grant of Connectivity, Long Term Access and Medium Term Open Access in inter-State Transmission and related matters) Regulations, 2009.
- Petitioner : Vedanta Limited
- Respondents : Power Grid Corporation of India Limited and Others

Petition No. 137/MP/2016

- Subject : Petition for the relinquishment of the Long Term Open Access under the Bulk Power Transmission Agreement dated 5.1.2011 under Regulation 18 read with Regulation 32 of the CERC (Grant of

Connectivity, Long Term Access and Medium Term Open Access in inter-State Transmission and related matters) Regulations, 2009.

Petitioner : GMR Kamalanga Energy Limited (GKEL)

Respondents : Power Grid Corporation of India Limited

Petition No. 167/MP/2016

Subject : Petition for the relinquishment of the Long Term Open Access under the Bulk Power Transmission Agreement dated 24.2.2010 under Regulation 18 read with Regulation 32 of the CERC (Grant of Connectivity, Long Term Access and Medium Term Open Access in inter-State Transmission and related matters) Regulations, 2009.

Petitioner : Adhunik Power and Natural Resources Limited (APNRL)

Respondents : Power Grid Corporation of India Limited and Others

Petition No. 246/MP/2016

Subject : Petition seeking deferment of Long Term Open Access and relinquishment of part allocation of Long Term Open Access under the Bulk Power Transmission Agreement dated 24.02.2010 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 : Coastal Energen Private Limited (CEPL)

Respondents : Powergrid Corporation of India Limited

Date of hearing : 2.5.2017

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

Parties present : Shri Ramjee Srinivasan, Senior advocate, TRN Energy
Shri Sanjay Sen, Senior Advocate, JITPL
Ms. Suparna Srivastava, Advocate, PGCIL
Shri Swapnil Verma, PGCIL
Shri Dilip N. Rozekar, PGCIL
Shri Satish Mukherjee, Advocate, PGCIL

Ms. Akanksha Tyagi, Advocate, PGCIL
Shri Gautam Chawla, Advocate, PGCIL
Ms. Jyoti Prasad, PGCIL
Shri Matrugupta Mishra, Advocate, JITPL
Shri Hemant Singh, Advocate, JITPL
Shri Manish Tyagi, JITPL
Shri Abhishek Gupta, MB Power (MP) Ltd.
Shri Rajeev Lochan, MB Power (MP) Ltd.
Shri V. Mittal, MB Power (MP) Ltd.
Ms. Swapna Seshadri, Advocate, KSK Mahanadi
Shri Hemant Sahai, Advocate, EPJL
Shri Aniket Pason, Advocate, EPJL
Ms. Shruti Verma, EPJL
Shri Sakya Singha Chauhuri, Advocate, JPVL
Ms. Molshree Bhatnagar, Advocate, JPVL
Ms. Divya Chaturvedi, Advocate, JPL
Shri Siddharth Barik Shivarajan, JPL
Shri Ajaya Kumar Nathini, GMR Group
Shri S.S. Barpanda, NLDC
Shri Ashok Rajan, NLDC
Shri Deepak Khurana, Advocate, DB Power
Shri Aditya Pyasi, BALCO
Ms. Arunima Kedia, Dhariwal Infrastructure Ltd.
Shri Piyush Singh, Advocate, Vedanta
Ms. Shikha Ohri, Advocate, Vedanta
Ms. Jasmeet Wadhera, Vedanta
Shri Parinay Deep Singh, APNRL

Record of Proceedings

At the outset, the Commission clarified that the Committee appointed for determination of stranded capacity and relinquishment charges submitted its report which was posted on the website of the Commission. The Commission further clarified that the report is not of any assistance to the Commission to decide the issues of stranded capacity and relinquishment charges and accordingly, the Commission has not accepted the report. The Committee observed that the issues of stranded capacity and relinquishment charges would be decided after hearing all concerned parties.

2. Learned Counsel for the Petitioner submitted that BPTAs/LTA Agreements are statutory contracts and the LTA customers have rights as well as corresponding obligations under the Agreements. Accordingly, the issues of stranded capacity and relinquishment charges need to be decided keeping in view the rights and obligations of the LTA customers under the BPTA/LTA Agreement. Learned Counsel submitted that the Commission may take a final view after hearing all the stakeholders.

3. Learned counsel for KSK Mahanadi submitted that since the issues involved are generic in nature and affect a large number of stakeholders, it will be befitting if a public notice is given on the website of the Commission inviting comments from the affected parties and a public hearing is held.

4. Learned senior counsel for TRN Energy submitted that the stranded capacity has to be determined first and then the relinquishment charges are to be computed on the basis thereof. Learned senior counsel further submitted that in the absence of any methodology to work out stranded capacity and the formula for calculating corresponding relinquishment charges, CTU cannot levy relinquishment charges as per PoC mechanism.

5. Learned counsel for DB Power submitted that Regulation 18 contemplates relinquishment charges as a compensatory mechanism. If the PoC mechanism is to be used to calculate the relinquishment charges, it would change the relinquishment charges into a penalty. Learned counsel further submitted that the extent of liability of relinquishment charges by an LTA customer has to be worked out having regard to the stranded capacity which would require clear identification of several factors such as what should be treated as stranded capacity, the duration for which capacity is stranded, whose capacity is stranded and how much of the capacity remains stranded.

6. Learned counsel for BALCO submitted that no documents have been received by BALCO and requested the Commission to direct the Petitioner to supply all the documents.

7. The Commission directed the Petitioner to post all relevant documents pertaining to Petition No. 92/MP/2015 on its website for access by the affected/interested parties.

8. The Commission observed that hearing will be done on the following terms of reference:

(a) On relinquishment of part or full LTA, will there be stranded transmission capacity under the following cases? If yes, how and if no, why not

(i) LTA grant with augmentation of transmission system;

(ii) LTA grant without augmentation

(b) What should be the approach to determine the stranded transmission capacity in the meshed network of the inter-State transmission system?

(c) For the purpose of computation of compensation, what should be effective date of relinquishment for the following cases:

(i) Relinquishment sought prior to schedule date of LTA operationalization;

(ii) Relinquishment sought after the schedule /actual date of LTA operationalization

(d) What should be the approach for the computation of compensation against the stranded transmission capacity?

9. The Commission directed the petitioner, the respondents and all affected parties to file their views/comments on the above terms of reference by 15.6.2017. Due date of filing the comments/views should be strictly complied with and no extension shall be granted on that account.

10. The Commission directed that all individual petitions pertaining to adjudication of claims of force majeure and determination of relinquishment charges shall be heard after issue of order in Petition No. 92/MP/2015. Date of hearing of these petitions shall be intimated subsequently.

11. The Petition No. 92/MP/2015 shall be listed for hearing on **7.7.2017**. The Commission directed all the concerned and affected parties to be present during the hearing.

By order of the Commission

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