

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No.352/TL/2023 along with IA No.89/2023

- Subject : Application under Sections 14, 15 and 79 (1)(e) of the Electricity Act, 2003 read with the applicable provisions of the Central Electricity Regulatory Commission (Procedure, Terms and Conditions for Grant of Transmission License and other related matters) Regulations, 2009 and the Central Electricity Regulatory Commission (Connectivity and General Network Access to the inter-State Transmission System) Regulations, 2022 seeking grant of a Transmission License to Kishtwar Transmission Limited.
- Petitioner : Kishtwar Transmission Limited (KTL)
- Respondents : Central Transmission Utility of India Limited and 4 Ors.
- Date of Hearing : **28.11.2023**
- Coram : Shri Jishnu Barua, Chairperson
Shri Arun Goyal, Member
Shri P. K. Singh, Member
- Parties Present : Shri Sitesh Mukherjee, Advocate, KTL
Shri Ashwin Ramanathan, Advocate, KTL
Shri Avijeet Lala, Advocate,
Shri Aryaman Singh, Advocate,
Shri Aditya Sing, Advocate, HZL
Ms. Anukriti Jain, Advocate, HZL
Shri Yatin Sharma, CTUIL
Shri Siddharth Sharma, CTUIL
Shri Akshayvat Kislay, CTUIL
Shri Lashit Sharma, CTUIL

Record of Proceedings

Learned counsel for the Petitioner submitted that the present Petition has been filed for the grant of a transmission licence to the Petitioner for the establishment of (i) HZL- Kankroli (PG) 220 kV D/C Line and 2 Nos. 220 kV bays in Kankroli (PG) S/S' ('the Project'). Learned counsel mainly submitted as under:

- (a) The need to implement the Project is in view of the connectivity granted by Respondent No.1, CTUIL, to Respondent No.2, Hindustan Zinc Limited (HZL) in its capacity as a Bulk Consumer, wherein the Project has been identified as the transmission system required for such connectivity.
- (b) In terms of Regulation 12.5 of the Central Electricity Regulatory Commission (Connectivity and General Network Access to the inter-State Transmission System) Regulations, 2022, a line to connect a Bulk Consumer to ISTS and necessary augmentation for providing connection to the ISTS is required to be constructed and maintained by a licensee - which in this case means a transmission licensee.

(c) HZL has nominated the Petitioner, who is an existing transmission licensee to implement the Project, and accordingly, the Petitioner has filed the present Petition for the grant of a separate transmission licence to the Petitioner for the establishment of the Project. Alternatively, the Petitioner has also suggested that the Commission may consider allowing the Petitioner to implement the Project by amending its existing transmission licence.

(d) CTUIL, in its letter dated 24.11.2023, has also given its recommendations under Section 15(4) of the Electricity Act, 2003, for the grant of a transmission licence to the Petitioner for the implementation of the Project.

(e) The cost of the Project is estimated to be approximately Rs. 50 crore and the transmission charges for the said Project will be paid in full to the Petitioner by HZL/SRI4PL as mutually agreed between them and will not form part of Yearly Transmission Charges under the Sharing Regulations, 2020. The Transmission Charges payable to the Petitioner for the Project will be completely outside the purview of PoC Pool.

(f) The Petitioner, being an existing transmission licensee, already meets all the technical and financial strength/requirements to implement the Project and, as such, may not require to be tested again for the eligibility criteria for the grant of a transmission licence for subsequent projects/lines.

(g) The Commission in its order dated 21.10.2021 in Petition No. 604/MP/2020 titled NRSS XXXI(A) Transmission Limited v. UPPCL & Ors. has observed that while there was no direct requirement for a transmission licence to contain only one set of elements/assets i.e. the set of elements/assets based on either TBCB or RTM route. However, such a situation may lead to numerous procedural, legal and commercial issues. Accordingly, the Commission, in the said matter, was of the view that the applicant therein ought to seek a separate transmission licence for its RTM based assets/elements.

(h) While the Petitioner has no objections towards the Commission granting a separate transmission licence for the Project, an amendment to its existing transmission licence would also have no impact on the Petitioner's existing TBCB Project and existing TSA as entered into. Various concerns, as indicated by the Commission in its order dated 21.10.2021, can be addressed by suitably ring fencing both sets of assets.

2. Learned counsel for the Respondent, HZL, submitted that the Respondent supports the present Petition filed by the Petitioner, and the Commission may expedite the process of granting the transmission licence to the Petitioner. Learned counsel further submitted that the Respondent is facing severe power cuts from the distribution licensee and urgency for implementing the Project is also indicated in the Petition.

3. The representative of CTUIL submitted that CTUIL has already recommended the grant of a separate transmission licence to the Petitioner company.

4. After hearing the learned counsel for the parties, the Commission directed as under:

(a) Admit. Issue notice to the Respondents.

(b) The Petitioner to implead the beneficiaries of the Northern Region as parties to the Petition and to file a revised memo of parties within a week.

(c) The Petitioner to serve a copy of the Petition on the Respondents including impleading parties immediately. The Respondents may file their respective replies within two weeks with an advance copy to the Petitioner who may file its rejoinder within a week thereafter.

(d) The Petitioner to submit a copy of Form II posted on its website along with the date of posting in terms of Regulation 7 of the Central Electricity Regulatory Commission (Procedure, Terms and Conditions for Grant of Transmission License and other related matters) Regulations, 2009, read with the order dated 22.1.2022 in Petition No. 1/SM/2022 along with posting date.

5. Subject to the above, the Commission reserved the matter for order.

By order of the Commission

**SD/-
(T.D. Pant)
Joint Chief (Law)**