

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 193/TL/2013

Sub: Petition under Section 14 of the Electricity Act, 2003 read with Central Electricity Regulatory Commission (Procedure, terms and conditions for Grant of Transmission License and other related matters) Regulation, 2009 in respect of Grant of Transmission License to Vizag Transmission Limited.

Date of Hearing : 19.12.2013

Coram : Shri Gireesh B.Pradhan, Chairperson
Shri V.S.Verma, Member
Shri M. Deena Dayalan, Member
Shri A. K. Singhal, Member

Petitioner : Vizag Transmission Limited

Respondents : Tamil Nadu Generation and Distribution Corporation Limited
& Others

Parties present : Shri M.G.Ramchandran, Advocate, VTL
Shri U.K.Tyagi, VTL
Shri B. Vamsi, VTL
Shri S. Ravi, VTL
Shri Ankit Kumar, RECPTL
Shri Abhineet Sinha, Advocate, RECPTL
Shri A.M. Pavgi, PGCIL
Shri Sumod Thomas, PGCIL

Record of Proceedings

Learned counsel for the petitioner submitted that as per the Commission's direction dated 21.11.2013, the petitioner has filed affidavit to the effect that the terms of the TSA are binding on the parties and any claim for escalation in transmission charges or for extension of time that may be raised by the applicant in pursuance of such competitive bidding process shall be dealt with in accordance with the terms and conditions contained in the TSA. Learned counsel submitted that parties can approach this Commission under Articles 11 and 12 for force majeure and change in law, respectively and for dispute resolution under Article 16 of the TSA.

2. The Commission observed that the affidavit was required to the effect that the execution of the transmission project shall not be delayed due to time taken in obtaining statutory clearances required under the RfP and the TSA or adjudication of any claim of the petitioner arising under the TSA and the explanation given by the petitioner does not meet the said requirement.

3. Learned counsel for the petitioner referred to para 16.4 of the TSA and submitted that the said provision requires the licensee to execute the works even while pursuing the remedies under the TSA. Para 16.4 of the TSA is extracted as under:

"16.4. Parties to Perform Obligations: Notwithstanding the existence of any Dispute and difference referred to the Appropriate Commission or the Arbitration Tribunal as provided in Article 16.3 and save as the Appropriate Commission or the Arbitration Tribunal may otherwise direct by a final or interim order, the Parties hereto shall continue to perform their respective obligations (which are not in dispute) under this Agreement."

4. The Commission directed the petitioner to file an affidavit in the light of Article 16.4 of the TSA, by 27.12.2013.

5. Subject to the above, the Commission reserved order in the petition.

By order of the Commission

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