

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. SM/010/2014

Subject : Non-compliance of the Regulation 8 (6) Central Electricity Regulatory Commission (Sharing of Inter-State Transmission Charges) Regulations, 2010.

Date of hearing : 8.7.2014

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

Respondents : Southern Regional Load Despatch Center and others.

Parties present : Shri V. Suresh, SRLDC
Shri R. Parthasarathy, UPCL
Ms. Jayantika Singh, POSOCO

Record of Proceedings

The representative of SRLDC submitted that the Commission vide order dated 20.6.2014 had directed as under:

- (a) SRLDC was directed as to how the injection of Udupi Power Corporation Ltd. (UPCL) is reflected in the schedule of Karnataka and Punjab.
- (b) NLDC was directed to explain as to whether non- inclusion of UPCL in the PoC charges was brought to the notice of CTU and its response if any.
- (c) RPC to submit the deliberation held for UPCL scheduling procedure.

2. The representative of SRLDC submitted that originally Udupi generating station of UPCL was envisaged to be directly connected to ISTS by a dedicated transmission line from UPCL to Hassan. However, the dedicated line connecting the Udupi generating station to ISTS is now owned by KPTCL. Accordingly, UPCL has become an embedded customer of STU as one side is connected to 220 kV and other side to Hassan. Therefore, scheduling procedure of UPCL comes under the jurisdiction of KPTCL.

3. The representative of SRLDC further submitted that UPCL was having PPA with Punjab and Karnataka for 10% and 90% respectively. At the time when the generating station was envisaged, its capacity was around 1000 MW but now its capacity is 1200 MW. He submitted that in the present case, no external transaction has been indicated

by KPTCL and hence, SRLDC could not schedule its power. The representative of SRLDC submitted that the matter was also deliberated in the SRPC forum. Since there are some commercial issues involved between Punjab and KPTCL, and no LTA has taken place. He submitted that CTU is the nodal agency for LTA and in the absence of LTA details, SRLDC has been treating the entire generation of UPCL as the embedded customer of KPTCL.

4. The representative of SRLDC submitted that as per the Central Electricity Regulatory Commission (Sharing of inter-State Transmission Charges and Losses) Regulations, 2010, (Sharing Regulations) the beneficiaries of UPCL i.e. Karnataka and Punjab were to pay for injection as well as drawal PoC charges corresponding to the quantum for which LTA had been granted.

5. The representative of CTU submitted that LTOA had been granted to UPCL in June, 2007. LTA quantum granted by CTU was 939 MW (Karnataka- 845 MW and Punjab- 94 MW). The dedicated transmission line was to be developed by Karnataka from UPCL to Hassan. Prior to 2009 Connectivity Regulations, LTA was given only when the beneficiaries were tied up and whatever the grid strengthening was required, same was considered as part of the regional scheme and was agreed in Standing Committee and RPC. In the present case, KPTCL was given additional 845 MW LTA in addition to other Central Sector allocation. He submitted that the dedicated line was to be made by LTA applicant (UPCL). However, dedicated transmission line was constructed by Karnataka from UPCL to Hassan. Karnataka was of the view that the transmission line comes under the jurisdiction of the State and therefore, LTA granted to UPCL was no longer applicable. The representative of CTU submitted that as per 2004 Open Access Regulations, if there is any such dispute, SRPC should be approached for adjudication. He submitted that in 2010, CTU had informed UPCL as well as Karnataka that since generation was shortly coming, both should sign BPTA and TSA with Power Grid, otherwise it would lead to dispute regarding the transmission charges. The representative of CTU submitted that SRPC was also approached on several occasions. Lastly SPRC was approached on 17.3.2014 so that SRPC could approach the Commission to resolve the issue.

6. After hearing the representatives of the parties, the Commission directed to issue notice to Punjab State Power Corporation Ltd. and Power Company of Karnataka Ltd. The Commission also directed NLDC to suggest remedial measures, on affidavit by 5.9.2014, to mitigate leaning of such generators like UPCL on ISTS when they are not sharing transmission charges and losses of ISTS and as this particular generator is connected to ISTS network whether it can be disconnected in such a situation.

7. The Commission observed that distribution companies of Punjab and Karnataka had not filed their response despite the Commission's direction dated 20.6.2014 which shall be taken seriously and shall be construed as non-compliance of Commission's directions.

8. The Commission directed the Punjab State Power Corporation Ltd., Power Company of Karnataka Ltd. and distribution companies of Punjab and Karnataka to file their replies, on affidavit, by 29.8.2014.

9. The Commission directed that due dates of filing the replies/information should be strictly complied with.

10. The Commission directed SRPC to depute an officer well acquainted with the facts of the case on the next date of hearing to assist the Commission.

11. The petition shall be listed for hearing on 23.9.2014.

By order of the Commission

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