

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No.311/MP/2013

- Subject : Petition under section 79 (1) (f) & (c) read with section 38 (2) (c) & (d) of the Electricity Act, 2003 and proviso to Regulation 8.8 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 seeking a direction against the respondent to construct the associated transmission system for evacuation of power from 2640MW, Bhavanapadu Thermal Power Project in Srikakulam district of Andhra Pradesh.
- Date of hearing : 6.3.2014
- Coram : Shri Gireesh B. Pradhan, Chairperson
Shri M. Deena Dayalan, Member
Shri A.K. Singhal, Member
Smt. Neerja Mathur, Member (Ex-officio)
- Petitioner : East Coast Energy Private Limited, Hyderabad
- Respondents : Power Grid Corporation of India Limited, Gurgaon
- Parties present : Shri, Rajiv Bhardwaj, Advocate, ECEPL
Shri, R. Srinivasan, ECEPL
Shri, B. Narsimha Rao, ECEPL

Record of Proceedings

Learned counsel for the petitioner submitted that the present petition has been filed under section 79 (1) (f) and (c) read with section 38 (2) (c) and (d) of the Electricity Act, 2003 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 (hereinafter referred to as "Connectivity Regulations 2009") on account of refusal to grant of connectivity for its 2640 MW, Bhavanapadu Thermal Power Project located in district Srikakulam, Andhra Pradesh.

2. Learned counsel for the petitioner further submitted as under:

(a) On 11.10.2007, the petitioner applied for grant of LTOA to PGCIL for its 2640 MW Bhavanapadu TPS with target beneficiaries in NR, WR and SR;

(b) On 3.7.2009, the petitioner requested PGCIL to phase out the development of the pooling station and associated transmission lines for evacuation of power from Phase-I only. In response, PGCIL by its letter dated 21.7.2009 advised the petitioner to modify its application dated 11.10.2007 and specify the beneficiaries and the quantum to be supplied from Phase-I to each of them;

(c) In the meeting of Southern Region constituents held on 13.4.2010, it was informed that the petitioner had revised its application and intended to supply 1000 MW to target beneficiaries in the Southern Region.

(d) On 6.5.2010, PGCIL granted LTOA to the petitioner. On 5.7.2010, the petitioner entered into the BPTA with PGCIL. Accordingly, on 17.7.2010, the petitioner furnished the Bank Guarantee of Rs. 62.04 crore for 1240.80 MW power. As per the LTOA approval, installation of pooling station was the responsibility of the respondent.

(e) The petitioner offered 90 acres of land for construction of the 765/400 kV pooling station in Srikakulam area within the switchyard of either East Coast Energy or NCC Vamshadhra. The respondent has not yet established the pooling station for the evacuation of power from the generating station.

(f) After finalization of High Capacity Power Transmission Corridor in Srikakulam area, CTU shifted the location of the pooling station and was still not been able to finalize the location and acquire the land for sub-station.

(g) Due to relocation of the sub-station, the line length from petitioner's generating station to the pooling station is likely to increase from 22 kms to 40 kms. The cost of the transmission line, its associated bays and reactors would substantially add to the capital cost of the project. The petitioner has very little possibility of recovery of this additional cost of transmission line in the current environment of competitive bids.

(h) The petitioner requested the Commission to direct PGCIL to construct the pooling station at the generation switchyard of its generating station or in the alternative to construct the transmission line between the petitioner's generation switchyard and Srikakulam pooling station and to make arrangement for providing start-up power for commissioning of the generating station.

3. The Commission observed that since the transmission system for the petitioner's generating station is being constructed under HCPTC approved by CERC, the petitioner is directed to submit progress of its generating station under various milestones achieved so far. The Commission further observed that in accordance with Connectivity Regulations, 2009, the petitioner need to firm up its beneficiaries and inform the same to nodal agency at least 3 years prior to the intended date of availing long-term access. Accordingly, the petitioner is directed to submit details of its long-term beneficiaries by 14.3.2014.

4. After hearing the learned counsel, the Commission directed to admit the petition and issue notice to the respondent.

5. The Commission directed the petitioner to serve copy of the petition on the respondent by 14.3.2014. The respondent was directed to file its reply by 28.3.2014, with an advance copy to the petitioner, who may file its rejoinder, if any, on or before 11.4.2014.

6. The petition shall be listed for hearing on 24.4.2014.

By order of the Commission
Sd/-
(T. Rout)
Chief (Law)