

**CENTRAL ELECTRICITY REGULATORY COMMISSION  
NEW DELHI**

**Coram:**

**Shri Gireesh B. Pradhan, Chairperson**

**Shri A.K. Singhal, Member**

**Shri A.S. Bakshi, Member**

**Petition No. 92/MP/2015**

**Date of Hearing: 12.3.2015**

**Date of Order : 20.3.2015**

**In the matter of**

Petition seeking directions with regard to difficulties in implementing some of the directions given in the order dated 16.2.2015 in Petition Nos. 92/MP/2014 along with IA Nos. 43/2014, 41/2014, 52/2014, 54/2014, 56/20114 and 59/2014, Petition Nos. 376/MP/2014, 382/MP/2014 393/MP/2014 and Review Petition No. 25/RP/2014

**And**

**In the matter of**

Power Grid Corporation of India Ltd.  
Saudamini, Plot No. 2, Sector 29,  
Gurgaon, Haryana-122 001

**...Petitioner**

**Vs**

1. Kerala State Electricity Board,  
VaidyuthiBhavanam,  
Pattom,  
Trivandrum – 695 004, Kerala
2. PTC India Limited,  
2<sup>nd</sup> Floor, NBCC Tower,  
15 BhikajiCama Place,  
New Delhi-110066
3. NTPC VidyutVyapar Nigam Ltd.,  
NTPC Bhawan, Core-7, Scope Complex,  
7 Institutional Area, Lodhi Road,  
New Delhi-110003
4. DB Power Limited,  
Office Block IA, 5<sup>th</sup> Floor,  
Corporate Block, DB City Park,  
DB City, AreraHilss, Opp MP Nagar,  
Zone-I, Bhopal-462 016



5. EMCO Energy Limited  
IBC Knowledge Park,  
4/1, Bannerghatta Road,  
Bangalore-560 029
6. KSK Mahandi Power Co. Limited  
8-2/293/82/A/431A, Road No. 22,  
Jubilee Hills, Hyderabad-500 033
7. Jindal Power Limited  
Plot No. 2, Tower-B  
Sector-32, Gurgaon,  
Haryana-122 001
8. Karnataka Power Transmission Company Limited  
Cauvery Bhawan, K.G. Road,  
Bangalore-560009, Karnataka
9. Tamil Nadu Generation and Distribution Corporation Ltd.,  
NPKRR Maaligai,  
144, Anna Salai,  
Chennai-600 002
10. Essar Power Limited,  
Equinox Business Park,  
Off BandraKurla Complex,  
LBS Marg, Kurla (West),  
Mumbai-400 070
11. National Load Dispatch Centre  
B-9, Qutab Institutional Area, KatwariaSarai,  
New Delhi-110 016
12. Western Regional Load Despatch Centre  
F-3, M.I.D.C. Area, Marole,  
Opp SEEPZ, Central Road,  
Andheri (East), Mumbai-400 093
13. Central Electricity Authority,  
SewaBhawan, R.K.Puram,  
New Delhi-110 066
14. Bharat Aluminum Company Ltd  
1200 MW O&M Office, PO-BALCO Nagar,  
District-Korba, Chhattisgarh-495684

**..Respondents**

**Following were present:**

Ms. Seema Gupta, CTU  
Shri Dilip Rozerkar, CTU  
Shri Swapnil Verma, CTU  
Ms. Jyoti Prasad, CTU  
Ms. Gonjan Thakre, Advocate, JPL  
Shri Prateek Kumar, JPL  
Ms. Divya Chaturvedi, JPL  
Ms. Swapna Seshari, Advocate, KSK Mahanadi

**ORDER**

Power Grid Corporation of India Limited, which is discharging the functions of Central Transmission Utility (hereinafter "CTU) has filed this petition to bring to the notice of the Commission the difficulties encountered by CTU to give effect to some of the directions of the Commission issued vide order dated 16.2.2015 in Petition No.92/MP/2014 and related petitions and seeking directions/clarifications in that regard.

The petitioner has made the following prayers:

"(a) It is humbly prayed that the Hon`ble Commission may issues necessary directions for priority of MOP allocation with respect to LTA/MTOA applications already submitted/under process with CTU;

(b) It is thus humbly prayed that the deadline of 15.3.2015 to publish month-wise ATC for the year 2015-16 may be extended by a time period of four weeks from receipt of data/inputs from CEA;

(c) It is humbly prayed that till such time that CEA is able to suggest a methodology to workout stranded capacity and the formulation for calculating corresponding relinquishment charges of LTA, directions may be issued for determination of relinquishment charges as detailed in 'Annexure 4'to this petition;

(d) The deadline of 15.3.2015 for processing the LTA/MTOA applications received from the month of November, 2013 onwards may be extended till such time the impact of order of the Hon`ble Madras High Court can be examined;

(e) It is humbly prayed that extension of one month may be granted for effectiveness of online mechanism for LTA/MTOA APPLICATIONS FROM 1.4.2015 in terms of para 74 of the order dated 16.2.2015 to 1.5.2015; and

(f) Any other relief that the Hon`ble Commission deems fit in the facts and circumstances of the case. “

2. The representative of CTU submitted during the hearing that the Commission in the order dated 16.2.2015 in Petition No. 92/MP/2014 and related matters had issued certain directions and deadlines with regard to grant of LTA/MTOA. The representative of CTU submitted that in terms of para 46 and 136(c) of the said order, CTU has conveyed MTOA intimations by 25.2.2015 for the applications received during June 2013 to October 2013 and has completed all pre-operationalisation formalities for making the MTOAs effective from 1.3.2015. Further, in terms of para 138 of the order, CTU has published the ATC for the year 2014-15 by 23.2.2015. The representative of CTU submitted that despite making best efforts to comply with the various directions and deadlines, CTU is facing the following difficulties in giving effect to some of the directions within the stipulated timelines:

(a) CTU has submitted that the Commission has clarified that there would be no curtailment of existing LTA or MTOA for accommodating allocation by Ministry of Power out of the unallocated power at its disposal or temporarily surrendered firm share which means that the MoP allocations cannot displace the existing/granted LTA/MTOA. However, the priority of such allocation with regard to LTA/MTOA applications already submitted/under process with CTU requires more clarity.

(b) The Commission has directed CTU to publish month-wise ATC by 23.2.2015 for the year 2014-15 and by 15.3.2015 for the year 2015-16. The calculation of TTC/ATC as per para 16.1 of the Detailed Procedure requires the

planning data of CEA comprising the State/Central/IPP generation, transmission and load related information. CTU vide letter dated 25.2.2015 has requested CEA to provide the required data. Since the data from CEA is yet to be received, the timeline for publication of ATC for year 2015-16 be extended by four weeks from the date of receipt of data from CEA.

(c) The Commission directed the CTU to make appropriate arrangements by 1.4.2015 for receiving MTOA/LTA applications online. Since online processing of applications would require putting in necessary infrastructure in terms of software development and creation of platform etc., the effective date of operationalization of the system for receiving online applications may be extended upto 1.5.2015.

(d) The Commission has directed in para 135 of the order that till a decision is taken with regard to the relinquishment of LTA rights by making payment of compensation for stranded capacity on the basis of recommendations of CEA, CTU would continue to take relinquishment charges in accordance with Regulation 18 of the Connectivity Regulations. CTU has submitted that the processing of LTA applications as per the directions of the Commission will inter alia involve determination of relinquishment charges as almost all of these applicants are seeking change in the target region from NR/WR to firm beneficiaries in SR. CTU has submitted that the present mechanism of determination of quantum of compensation on account of relinquishment is quite subjective and open to disputes and requires objectivity in the determination of relinquishment charges in a transparent manner. Accordingly, CTU has

suggested a mechanism for determination of relinquishment charges at Annexure 4 to the petition. CTU has submitted that till a methodology is worked out based on the suggestions of CEA, directions be issued for determination of relinquishment charges as detailed in Annexure 4 of the petition.

(e) Concurrent to the proceedings before the Commission in Petition No. 92/MP/2014, one of the LTA applicants namely, Ind-Bharat (Utkal) Power Limited had filed Writ Petition Nos. 16008 of 2014 and 28024 of 2014 before the High Court of Madras challenging the CTU letter dated 22.9.2014 and seeking LTA priority from August 2013. Both writ petitions have been allowed by the Hon'ble High Court as per the information provided by Ind-Bharat to CTU. The copy of the order is not yet available. Since the claim of Ind-Bharat, if affirmed by the Hon'ble High Court, would potentially affect the directions of the Commission, the representative of CTU requested that the deadline of 15.3.2015 for processing the LTA/MTOA applications received from the month of November 2013 onwards be extended till such time the impact of order of the Hon'ble High Court is examined.

(f) In accordance with direction in para 46 of the order, CTU obtained an affidavit from PTC to the effect that it was ready and willing to operationalize MTOA immediately, if MTOA is granted based on its priority. PTC was granted MTOA which was to be operationalized with effect from 1.3.2015 and for which PTC has completed all pre-operationalization formalities including signing of MTOA Agreement and opening of LC were completed by 27.2.2015. However,

WRLDC vide letter dated 28.2.2015 has informed CTU that since the generating station has not achieved COD, the MTOA has not been operationalized. CTU has requested the Commission to take cognizance of the non-compliance of the affidavit by PTC.

3. Learned counsel for the Jindal Power Limited requested for two weeks' time to file reply on issue of relinquishment charges and treatment of the allocation by MoP. Learned counsel for Karnataka Power Transmission Company Limited (KPTCL) submitted that CTU be directed to comply with the Commission's directions immediately. The representative of NLDC submitted that power from Balco was scheduled under MTOA on 10.3.2015. However, in the evening of 11.3.2015, the unit of Balco went on outage. The representative of NLDC further submitted that NLDC has taken up with the Commission through letter dated 10.3.2015 for appropriate provisions in the regulations to address the issue related to purchase of power by the generators from the short term market in case of partial/complete outage of their units.

4. We have heard the representatives of the petitioner and NLDC and the learned counsel for the respondents. CTU has filed this petition for clarification on six issues. Our clarification/ directions on these issues are as under:-

(a) As regards the difficulty regarding handling MoP allocation, CTU during the hearing explained the difficulties faced by it for the treatment to be given to the allocation by MoP with the help of three examples. The submission of CTU requires detailed examination and deliberation. At this stage, it is clarified that where the decision for grant of LTA/MTOA has been taken by CTU but the formal

intimation has not been issued, the capacity covered under such decision for MTOA/LTA cannot be utilized for accommodating the allocation by MoP.

- (b) As regards the request for extension of timeline for publication of ATC for the year 2014-16, till CEA's data regarding LGBR is available, LGBR data for the year 2015-16 available on the website of RPCs, may be taken into consideration by CTU for monthly publication of TTC/ATC. In our view, one week time is sufficient to publish the results of TTC/ATC and accordingly, CTU is directed to publish the TTC/ATC for 2015-16 by 22.3.2015
- (c) As regards the extension of time for making effective the online mechanism for handling the applications, time is allowed till 30.4.2015. It is clarified that the online mechanism should be made effective from 1.5.2015.
- (d) As regards the procedure for determination of relinquishment charges, CTU has suggested a mechanism as per Annexure-4 regarding determination of the relinquishment charges till a decision is taken by the Commission in the light of their recommendations of CEA which are awaited. It is noted that all applicants who are seeking LTA to a new region by surrendering their LTA in the existing regions shall be affected. Accordingly, we direct issue of notice to all such LTA applicants who are likely to be affected if the suggested mechanism is accepted. CTU is directed to make all the affected LTA applicants parties to this petition. Since, CTU is in the process of granting the LTA based on the applications received in the month of November, 2013 and afterwards, we direct that the LTA intimations to the LTA applicant shall contain a provision that the grant of LTA



shall be subject to the payment of relinquishment charges as may be decided by the Commission in this petition.

(e) As regards the request of CTU for extending the deadline of 15.3.2015 for processing the LTA/MTOA applications on account of the judgment of the Hon'ble High Court of Madras in the Writ Petitions filed by Ind-Bharat (Utkal) Limited, it is observed that the copy of the judgment of the Hon'ble High Court is still awaited. CTU may go ahead with the grant of LTA as per the directions of the Commission, subject to the modification as may be required as per the directions of the Hon'ble High Court.

(f) As regards the non-operationalization of MTOA by PTC on account of the delay in the commercial operation of the generating unit of Balco, we direct issue of notice to PTC, Balco and KSEB on this issue.

5. Subject to the above directions, notice is issued to the respondents who may file their replies by 30.3.2015 and the petitioner to file its rejoinder by 6.4.2015. The petition shall be listed for hearing on 9.4.2015.

sd/-  
**(A.S. Bakshi)**  
Member

sd/-  
**(A. K. Singhal)**  
Member

sd/-  
**(Gireesh B. Pradhan)**  
Chairperson