

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 29/MP/2018

Subject : Petition seeking facilitation and long term open access to the SPV incorporated by the Petitioner to implement the wind power projects awarded to it under the scheme of Government of India (Ministry of New and Renewable Energy) dated 28.10.2016 for setting up of 1000 MW ISTS Connected Wind Power Projects.

Date of Hearing : 5.4.2018

Coram : Shri P. K. Pujari, Chairperson
Shri A. K. Singhal, Member
Shri A. S. Bakshi, Member
Dr. M. K. Iyer, Member

Petitioner : Inox Wind Infrastructure Services Limited

Respondents : Power Grid Corporation of India Limited and Others

Parties present : Shri Naveen Chawla, Advocate, IWISL

Record of Proceedings

Learned counsel for the petitioner submitted that the present petition has been filed for seeking direction to Power Grid Corporation of India Limited to allow the petitioner to utilize the connectivity granted to the petitioner by its fully owned Special Purpose Vehicles (SPVs) for execution of the projects awarded through the competitive bidding carried out by Solar Energy Corporation of India Limited. Learned counsel further submitted as under:

- a) The petitioner was declared as successful bidder in the competitive bidding carried out by Solar Energy Corporation of India Limited for the development of 250 MW wind power project.
- b) As per the provisions of the RFS, the petitioner formed the SPVs as its 100% owned subsidiaries for execution of each of the projects awarded to the petitioner. The petitioner vide its letter dated 13.6.2017 requested PGCIL that the petitioner is desirous to use 250 MW out of LTA granted in the name of the petitioner for the projects to be developed by SPVs.
- c) PGCIL vide its letter dated 1.8.2017 informed the petitioner that the petitioner's request for executing the awarded wind projects through SPVs and by acting as the 'developer' of the said project cannot be accepted as unlike solar power projects, there is no provision of developer for the wind generation project and advised the petitioner to comply with the existing regulatory provisions including signing of the PPAs with the beneficiaries of the projects.

d) The Commission vide order dated 31.10.2017 in the Petition No. 173/MP/2017 permitted the petitioner to utilize the connectivity granted to the petitioner by its fully owned SPVs for execution of the project awarded through the competitive bidding carried out by SECI, subject to the terms and conditions in Para 122 of the order dated 29.9.2017 in Petition No. 145/MP/2017.

e) The Commission vide its order dated 29.9.2017 in Petition No. 145/MP/2017 has observed that 100% subsidiary companies should be allowed to utilize the connectivity granted to the parent company. However, in order to obviate the possibility of trading in connectivity, any sale of shares in the subsidiary companies shall be allowed only after one year of the commencement of supply of power from the SPV. In case of more than one SPV, the lock-in period shall apply from commencement of supply of power from the last SPV.

f) The restraint on the sale of shares till one year from the commencement of supply of power from SPV and in case of more than one SPVs as observed by the Commission in Petition No. 145/MP/2017 is inconsistent with the peculiar facts and circumstances of the petitioner's case. Such a condition was neither contemplated nor provided in the RFS issued by SECI.

g) SECI has also issued another similar RFS for setting up of 1000 MW project. The petitioner has been declared as successful bidder for another 250 MW project. Consequently, the petitioner is a successful bidder for 500 MW wind energy projects which is proposed to be executed through 10 SPVs. Since, the parent company for all the 10 SPVs continues to remain the same, i.e. the petitioner, the lock in period as envisaged in the order dated 29.09.2017 shall apply from commencement of supply of power from the tenth SPV. Such a restriction was never envisaged in the RFS issued by SECI.

2. After hearing the learned counsel for the petitioner, the Commission admitted the petition and directed to issue notices to the respondents.

3. The Commission directed the petitioner to serve copy of the petition on the respondents immediately. The Commission directed the respondents to file their replies, by 4.5.2018 with an advance copy to the petitioner, who may file its rejoinder, if any, by 4.6.2018. The Commission directed that due date of filing the reply and rejoinder should be strictly complied with. No extension shall be granted on that account.

4. The petition shall be listed for hearing on 12.6.2018.

By order of the Commission

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