

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

**Petition No. 525/MP/2020
Along with IA No. 38/2020**

Subject : Petition under Section 79 read with Regulations 20 and 21 of the Central Electricity Regulatory Commission (Sharing of Inter State Transmission Charges and Losses) Regulations, 2010 read with Regulation 33A and 33B 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 and Regulations 111 and 112 of the Central Electricity Regulatory Commission (Conduct of Business) Regulations, 1999 invoking the jurisdiction of the Commission for inter-alia resolving discrepancies arising on account of conflict between the SCOD under the PPA and the date of operationalisation of connectivity and long term access, for seeking recognition of Change in Law and Force Majeure events impacting the implementation of the Project by the Petitioner and seeking appropriate reliefs with regard to exemption from payment of transmission charges, opening a Letter of Credit for PoC charges and quashing of Default Notice issued by CTU.

Date of Hearing : 11.8.2020

Coram : Shri P. K. Pujari, Chairperson
Shri I. S. Jha, Member
Shri Arun Goyal, Member

Petitioner : Sprng Renewable Energy Private Limited (SREPL)

Respondents : Power Grid Corporation of India Limited and Anr.

Parties present : Shri Sitesh Mukherjee, Advocate, SREPL
Ms. Harneet Kaur, Advocate, SREPL
Shri Gaurav Saini, SREPL
Shri Avinash Mirajkar, SREPL

Record of Proceedings

The matter was heard through video conferencing.

2. Learned counsel for the Petitioner submitted that the instant Petition has been filed, *inter-alia*, for resolving discrepancies arising on account of conflict between the Scheduled Commercial Operation Date (SCOD) under the Power Purchase Agreement



(PPA) dated 4.9.2018 entered into between the Petitioner and Solar Energy Corporation of India Limited (SECI) and the date of operationalisation of connectivity and Long Term Access (LTA) granted by Central Transmission Utility (CTU) to the Petitioner, for seeking recognition of Change in Law and Force Majeure Events impacting the implementation of the Project by the Petitioner and seeking appropriate reliefs with regard to exemption from payment of transmission charges, opening a Letter of Credit (LC) for PoC charges and quashing of the Default Notice issued by the CTU. Learned counsel for the Petitioner further submitted as under:

(a) The Petitioner is developing a 300 MW wind power project (in short, 'the Project'). The Petitioner has executed PPA dated 4.9.2018 with SECI. As per the PPA, SCOD of the Project was 29.2.2020.

(b) In order to evacuate the power generated from the Project, the Petitioner has obtained connectivity and LTA from CTU on the existing transmission system. LTA was granted commencing from 30.11.2019.

(c) However, owing to certain Change in Law and Force Majeure events, namely, Tamil Nadu Combined Development and Building Rules, 2019, Tamil Nadu Town and Country Planning Act, 1971(NA conversion) and land ceiling approval under Tamil Nadu Land Reforms (Fixation of Ceiling on Land) Act, 1961, acquisition of land for the Project and consequently, the completion of the Project was delayed.

(d) The above events were brought to the notice of SECI and SECI extended and revised the SCOD of the Project to 28.8.2020. Thereafter, due to Covid-19 pandemic, SCOD of the Project stands further revised in terms of MNRE's Office Memorandum. The revised SCOD of the Project is 4.12.2020.

(e) CTU vide its letter dated 11.7.2019 requested the Petitioner to open a LC towards payment security mechanism for Rs. 16.98 crore (later revised to Rs. 6.28 crore) for PoC Charges calculated based on the rates pertaining to the period from April, 2019 to June, 2019. The Petitioner had intimated the CTU about the extension granted by SECI and requested to link the operationalization of connectivity and LTA with revised SCOD. Regardless, on 19.12.2019, CTU issued Default Notice to the Petitioner for non-opening of LC.

(f) As the Petitioner's inability to execute the Project as on the date of operationalization of LTA was attributable to Change in Law and Force Majeure events, the Petitioner has, *inter-alia*, prayed that the Petitioner is not obliged to pay transmission charges or open LC and is entitled for alignment of connectivity and LTA with revised SCOD.

(g) As per the Commission's order dated 5.2.2020 in Petition No. 195/MP/2019, the Petitioner being renewable energy generator is required to open LC corresponding to transmission charges payable for the network on which the connectivity has been granted and not as per the PoC charges.

4. After hearing the learned counsel for the Petitioner, the Commission admitted the Petition and directed to issue notice to the Respondents.



5. The Commission directed the Petitioner to serve copy of the Petition on the Respondents immediately, if not already served. The Respondents were directed to file their reply by 28.8.2020 with advance copy to the Petitioner who may file its rejoinder, if any, by 11.9.2020. The due date of filing of reply and rejoinder should be strictly complied with.

6. Learned counsel submitted that the Petitioner has filed IA No. 38/2020 praying to restrain CTU from taking any coercive action during the pendency of the present Petition. He further submitted that the Petitioner is willing to furnish the LC commensurate with transmission charges or alternatively as per Regulation 13.7 of the Central Electricity Regulatory Commission (Sharing of Transmission Charges and Losses) Regulations, 2020. Considering the submissions of the learned counsel for the Petitioner, the Commission directed CTU not to take any coercive action against the Petitioner till the next date of hearing. Accordingly, the Commission disposed of IA No.38/2020.

7. The Petition shall be listed for hearing in due course for which separate notice will be issued.

By order of the Commission

**Sd/-
(T.D. Pant)
Deputy Chief (Law)**

