

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 200/MP/2019

- Subject : Petition under Section 38(2) of the Electricity Act, 2003 read with Section 79(1)(c) and Section 79(1)(k) of the Act, along with (i) Central Electricity Regulatory Commission (Grant of Regulatory Approval for execution of inter-State Transmission Scheme to central Transmission Utility) Regulations, 2010; (ii) Regulation 111 and 114 of Central Electricity Regulatory Commission (Conduct of Business) Regulations, 1999, and (iii) Central Electricity Regulatory Commission (Sharing of inter-State Transmission Charges and Losses) Regulations, 2020 for execution of Transmission System for 18.5 GW of Solar and Wind Energy Zones in Southern Region.
- Date of Hearing : 25.6.2021
- Coram : Shri P. K. Pujari, Chairperson
Shri I. S. Jha, Member
Shri P. K. Singh, Member
- Petitioner : Power Grid Corporation of India Limited (PGCIL)
- Respondents : Tamil Nadu Generation and Distribution Corporation Limited (TANGEDCO) and 17 Ors.
- Parties Present : Shri M. G. Ramachandran, Sr. Advocate, PGCIL and SECI
Shri Shubham Arya, Advocate, PGCIL
Ms. Ranjitha Ramachandran, Advocate, PGCIL
Ms. Tanya Sareen, Advocate, SECI
Shri Ravi Nair, Advocate, SECI
Shri B. Vinodh Kanna, Advocate, TANGEDCO
Ms. Stephania Pinto, Advocate, BESCO, HESCO, KPTCL
Shri Swapnil Verma, PGCIL
Ms. Jyoti Prasad, PGCIL
Shri Shreedhar Singh, SECI
Ms. Neha Singh, SECI
Shri Shubham Mishra, SECI
Shri R. K. Aggarwal, SECI
Ms. R. Ramalakshmi, TANGEDCO
Shri R. Srinivasan, TANGEDCO
Dr. R. Kathiravan, TANGEDCO

Record of Proceedings

Case was called out for virtual hearing.

2. Learned senior counsel for the Petitioner, PGCIL submitted that SECI vide its affidavit dated 22.6.2021 has placed on record the updated details on the transmission system to be implemented in the Southern Region. Learned senior counsel referring to the said details mainly submitted as under:

(a) For Koppal and Gadag Renewable Energy Zones ('REZ'), Karnataka Solar Power Development Corporation Ltd. ('KSPDCL') vide its letters dated 28.1.2020 and 17.6.2020 has confirmed the land availability of 13000 acres and 8310 acres respectively. Also, for Koppal REZ, Stage-II connectivity for 900 MW and LTA for 300 MW has already been granted and further applications for Stage-II connectivity and LTA for 300 MW each are under process. For Gadag REZ, Stage-II connectivity for 460 MW has already been granted and LTA applications for 460 MW are under process. Accordingly, the implementation of transmission systems for Koppal REZ and Phase-I of Gadag REZ are required to be taken on priority.

(b) For Karur/ Tiruppur Wind Energy Zone ('WEZ'), no land is identified for RE park and the RE developers are to arrange the land on their own. Stage-II connectivity for 460 MW and LTA for 100 MW have already been granted to JSW Renew Energy Ltd. and JSW Future Energy Ltd. It has been observed that JSW has already acquired considerable land for the projects. Accordingly, implementation of Phase-I transmission system for Karur/ Tiruppur PS is also required to be taken-up on priority basis.

(c) For Tirunelveli and Tuticorin WEZ, no land is identified either by any RE park developer or by the State Government for development of RE park and RE developers are to arrange the land on their own. Stage-II connectivity for 2259.3 MW and LTA for 1100.1 MW has been granted at Tuticorin. However, since existing Tuticorin PS has transformation capacity of 1500 MW (3x500 MVA ICTs), implementation of 4th ICT would be taken up after receipt of LTA applications beyond 1500 MW.

(d) For Bidar REZ and Kurnool REZ, since no application for connectivity/ LTA has been received, implementation of transmission systems is proposed to be taken up after the receipt of Stage-II connectivity/ LTA.

3. Learned counsel for the Respondent No.1, TANGEDCO mainly submitted as under:

(a) Despite the Commission's direction vide Record of Proceeding ('RoP') for the hearing dated 15.4.2021 to conduct the RPC meeting for discussing the developments and implementation of transmission scheme in phase-wise manner with constituents of Southern Region and to place on record the minutes of the meeting, no such meeting has been conducted.

(b) State of Tamil Nadu has already indicated non-availability of land for RE projects. As per the affidavit of SECI, for REZs in Tamil Nadu, the land acquisition has been left to the developers. However, there is no confirmation from the developers regarding land being firmed up.

(c) These transmission schemes are evolved based on the assessed potential of RE by NIWE/SECI instead of evolving a proposal based on realistic developable potential duly considering the land availability, already exploited potential and other issues including the adequacy of existing intra-State and ISTS networks.

(d) No all India study compiling the proposals of all three regions (WR, NR and SR) has been done and the studies which have been undertaken are in fragmented manner for each of these three regions. Also, the studies undertaken were on the basis of year 2020-21 scenario on the basis of 19th Electric Power Survey ('EPS') projections. However, considering the

pandemic scenario, there is delay in coming up of RE projects and, therefore, fresh studies ought to be conducted as per revised projections and time horizons beyond 2023.

(e) As is indicative from the minutes of the 4th NCT meeting, based on the insistence of PFCCL and SECI citing the grounds of RoW and RE generations respectively, NCT has agreed for inclusion of two 500 MVA ICTs and LILO of both 400 KV ckt. of Pugalur-Pugalur (HVDC) line at Karur pooling station instead of CTU's original proposal of single 500 MVA capacity under Phase-I along with LILO of one 400 kV line at Karur. This is not as per the provisions of the Central Electricity Regulatory Commission (Planning, Coordination and Development of Economic and Efficient Inter-State Transmission System by Central Transmission Utility and other related matters) Regulations, 2018.

(f) Due to changes in the management, TANGEDCO could not file its reply to the PGCIL's affidavit dated 29.4.2021. TANGEDCO may be permitted two weeks' time to file its response.

4. Learned counsel for Respondent No.4, Karnataka Power Transmission Corporation Ltd. ('KPTCL') and Power Company of Karnataka Limited ('PCKL') submitted that in terms of the liberty granted by the Commission vide RoP for the hearing dated 15.4.2021, PCKL has already filed its objections. Learned counsel further submitted that the proposed transmission schemes may only be proceeded with on grant of LTAs and not otherwise.

5. In response, learned senior counsel for the Petitioner submitted that TANGEDCO is agitating the same issues time and again despite the Petitioner in its various affidavits having already submitted that the existing capacity of intra-State/ inter-State network is not sufficient for the upcoming RE generation and having provided TANGEDCO with all the requisite system study results. It was further submitted that the Petitioner has already clarified that in Tamil Nadu, there is no land identified by RE park developer or by the Government for development of RE park and that the RE developers are acquiring the land themselves. The contention of TANGEDCO that the RE developers such as JSW has not acquired land, is incorrect. In fact, JSW has already acquired approximately 256 acres of land out of the requirement of 550 acres. However, the Petitioner cannot ask the RE developers to confirm the acquiring of land while applying for connectivity since it is not a pre-condition for applying for connectivity. It was also submitted that the Petitioner has already sent all the relevant details to the secretariat of RPC and is waiting for it to hold a meeting and that the Petitioner will discuss the subsequent developments and implementation of schemes in phase-wise manner with Southern Region constitutes once the meeting is convened and will also place on record the minutes of meeting thereafter.

6. Considering the submissions made by the parties, the Commission observed that in cases where the RE developers are to acquire the land for the projects on their own, it is likely that due to the hurdles faced in acquisition, the developers may fail to acquire the requisite land and set-up the RE projects, which may lead to stranding of the transmission scheme developed on anticipation of such projects, leaving the distribution companies to bear such charges. In response, learned senior counsel for the Petitioner submitted that it can be demonstrated that developers such as JSW has already acquired 50% of the required land in the State of Tamil Nadu. The Petitioner/ SECI will file the available details in this regard if the Commission so directs.

7. The Commission observed that vide RoP for the hearing dated 15.4.2021, the Petitioner had been directed to endeavour to discuss the developments and implementation of the transmission schemes in phase-wise manner with the constitutes of the Southern Region in RPC meeting and to place on record the minutes of such RPC meeting. However, the RPC meeting in this regard is yet to be conducted. In response, the learned senior counsel for the Petitioner requested that the Commission may observe that the RPC meeting may be held before the next date of hearing of the matter so as to enable the Petitioner co-ordinate the meeting in time bound manner.

8. Accordingly, the Commission directed that the Petitioner to co-ordinate with the secretariat of RPC and directed SRPC to hold the RPC meeting within 15 days from the date of issuance of this RoP in order to discuss the developments and implementation of the transmission schemes in phase-wise manner with the constitutes of the Southern Region and the Petitioner is directed to file the minutes of meeting in this regard within a week thereafter. The Commission also directed the Petitioner and SECI to furnish the available details regarding acquisition of land by the RE developers in the States of Tamil Nadu and Karnataka. The Commission further directed the Petitioner to ensure that any investment be made only after the existing system is utilized.

9. Considering the request of learned counsel for the Respondent, TANGEDCO, the Commission directed TANGEDCO to file its response within two weeks to which the Petitioner may file its rejoinder, if any, by within a week thereafter.

10. 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)
Joint Chief (Law)**