CENTRAL ELECTRICITY REGULATORY COMMISSION **NEW DELHI**

Petition No. 627/MP/2020

Subject Petition under Section 79(1)(c) and (d) of the Electricity Act,

> 2003 read with Regulations 11(4) and other regulations of the Central Electricity Regulatory Commission (Sharing of Inter-State Transmission Charges and Losses) Regulations, 2010 as amended by the third amendment effective from 1.4.2016 and orders, for direction in regard to the levy and collection of charges and losses from the Petitioners for the 500 kV Bipole Mundra - Mohindergarh HVDC Transmission Line along with its

associated facilities.

Date of Hearing: 20.4.2021

Coram Shri P. K. Pujari, Chairperson

> Shri I. S. Jha, Member Shri Arun Goyal, Member Shri P. K. Singh, Member

Haryana Power Purchase Centre (HPPC) and 3 Ors. Petitioners

Respondents National Load Despatch Centre (NLDC) and 5 Ors.

Parties Present: Shri M. G. Ramachandran, Sr. Advocate for the Petitioners

Shri Shubham Arya, Advocate for the Petitioners

Record of Proceedings

Case was called out for virtual hearing.

- 2. Learned senior counsel for the Petitioners submitted that the present Petition has been filed, inter alia, seeking declaration that the Petitioners are not liable to pay POC charges or to make any adjustment for losses in regard to transmission of power from Mundra generating station located in Kutch district in the State of Gujarat to Mohindergarh in the State of Haryana through 500 kV HDVC transmission line of Adani Power Ltd. (APL) including for injection of 1 MW for the purpose of intervening AC network as claimed by the Respondents 1 to 5 or on account of socialization of cost accounted with 500 kV DC transmission line otherwise. Learned senior counsel mainly submitted the following:
 - (a) + 500 KV Bipole Mundra Mohindergarh HVDC transmission line (in short, 'the HVDC line') was developed by APL as dedicated transmission line for evacuation and supply of 1424/1495 MW power to Haryana Utilities under Power Purchase Agreements (PPAs) dated 7.8.2008. The tariff quoted under the said PPAs was after factoring into the cost of the said HVDC line.
 - (b) Subsequently, APL filed a Petition bearing No.44/TL/2012 for grant of inter-State transmission licence for the aforesaid HVDC line, which was objected to by the Haryana Utilities. However, the Commission, while granting in-principle approval for grant of transmission licence, in its order dated 8.6.2013, inter-alia. observed that APL shall have the obligation to supply power to Haryana Utilities

in accordance with the terms and conditions of the PPAs, without any extra burden on them and that the question of any additional liability, direct or indirect, on Haryana Utilities cannot arise.

- (c) However, pursuant to the third amendment to the Central Electricity Regulatory Commission (Sharing of Inter-State Transmission Charges and Losses) Regulations, 2010 (in short 'the 2010 Sharing Regulations'), NLDC proceeded to compute the PoC charges and losses as the liability to /account for by Haryana Utilities involving the said HVDC line as approved by the validation committee by increasing the demand in each node by 1 MW and thereby assuming the usage of the said HVDC line by the Haryana Utilities.
- (d) On account of the aforesaid action of NLDC, Harvana Utilities are being subjected to payment of transmission charges and adjustment for transmission losses under the hybrid methodology adopted for computation by NLDC despite the fact that the obligation to deliver the power contracted at the tariff specified in the PPAs within the State of Haryana is of APL. Thus, the Haryana Utilities are being subjected to double liability which is contrary to the provisions of third amendment to the 2010 Sharing Regulations and the Commission's order dated 8.6.2013.
- (e) In addition, Harvana Utilities are also required to share the cost of 1005 MW indirectly as the cost of this part is included in the PoC calculation by scaling up YTC of AC lines on all India basis. Considering the fact that the total cost of the said HVDC line constructed for supplying power to the State of Harvana against the PPAs has already been factored in tariff quoted by APL, any recovery for the remaining capacity of 1005 MW is adversely impacting the Haryana Utilities.
- (f) The Petitioners had been pursuing their grievances with NLDC and the validation committee appointed by the Commission. However, the Petitioners' grievances have not been redressed.
- In response to the Commission's specific query regarding nature of the reliefs sought, learned senior counsel submitted that the Petitioners have, inter-alia, sought a declaratory relief under Sub-sections (1) (c) and (d) of Section 79 of the Electricity Act, 2003 on account of being aggrieved by the Respondent, NLDC's wrong interpretation of the provisions of the 2010 Sharing Regulations and the Commission's order dated 8.6.2013. It was further submitted that the Petitioners are neither contesting the provisions of the 2010 Sharing Regulations nor the present Petition contains any dispute under the PPAs dated 7.8.2008.
- 4. After hearing the learned senior counsel for the Petitioners, the Commission reserved the order on the admissibility of the matter.

By order of the Commission Sd/-

> (T.D. Pant) Joint Chief (Law)