## CENTRAL ELECTRICITY REGULATORY COMMISSION NEW DELHI

Petition No. : 79/MP/2021

**Subject**: Petition under section 79(1)(f) of the Electricity Act, 2003

read with Regulation 8A of the Central Electricity Regulatory Commission (Grant of Connectivity, Long-term access and Medium-term Open Access in inter-State transmission and related matters) (Seventh Amendment) Regulations, 2019 and Regulation 111 of the Central Electricity Regulatory Commission (Conduct of Business) Regulations, 1999 seeking directions to respondent to allow transfer of LTA and Connectivity from the Petitioner to its four 100% subsidiary SPVs in accordance with

Regulation 8A of the aforesaid Regulations.

**Date of Hearing** : 25.6.2021

**Coram** : Shri P. K. Pujari, Chairperson

Shri I. S. Jha, Member

Shri Pravas Kumar Singh, Member

Petitioner : Inox Wind Infrastructure Services Limited (IWISL)

Respondents : Power Grid Corporation of India Limited (PGCIL) & Ors.

Parties present : Shri Naveen Chawla, Advocate, IWISL

Shri Mayank Bughani, Advocate, IWISL Ms. Suparna Srivastava, Advocate, PGCIL Shri Tushar Mathur, Advocate, PGCIL Shri Soumya Singh, Advocate, PGCIL

Shri Bhupesh Juneja, IWISL

Shri Mohd. Shahzeb, Petitioner, PGCIL

## **Record of Proceedings**

The matter was called out for virtual hearing.

2. Learned counsel for the Petitioner submitted that the instant petition is filed, inter alia, seeking direction to PGCIL to allow the Petitioner to transfer the Long Term Access (LTA) and Connectivity granted to the four SPVs, which have been commissioned with total of 200 MW power (50 MW each) more than one year back. The request is in accordance with Regulation 8A 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 (2009)



Connectivity Regulations). He submitted that the Petitioner had formed five SPVs as its 100% owned subsidiaries for execution of the five projects awarded to it by SECI on 5.4.2017. However, the Petitioner's fifth SPV, i.e. Wind Four Renergy Private Limited could not be commissioned and the PPA of the said 50 MW project was terminated by SECI on 12.7.2019.

- 3. The learned counsel for the Petitioner submitted that for the purposes of transfer of connectivity and LTA by the Petitioner to its SPVs, only 200 MW out of the 250 MW awarded to the Petitioner under Tranche-I have to be considered, as SECI is treating the 50 MW power project executed by Wind Four Renergy Private Limited as cancelled. In respect of SPVs under 200 MW, the period of "one year after the commercial operation of the generating station of the last subsidiary" in accordance with Regulation 8A of the 2019 Regulations has expired on 7.8.2020. Therefore, the Petitioner had requested PGCIL, vide letter dated 25.9.2020, to allow transfer of respective LTA and Connectivity from the parent company, i.e. Petitioner to the said four SPVs. However, Respondent declined the request of the Petitioner and advised it to approach the Commission.
- 4. The learned counsel for PGCIL submitted that the Petitioner is taking contrary stands: on one hand, it is claiming that its project is only of 200 MW as SECI cancelled the PPA for 50 MW and seeking transfer of LTA and connectivity to its subsidiaries and on the other hand, the Petitioner has availed multiple extensions for commissioning its last SPV and has consistently stated in various Joint Coordination Committee Meetings of the Western Region that the project will be commissioned subject to outcome of the Appeal filed against the order of the Commission dated 8.3.2021 in Petition No.226/MP/2020. The Petitioner has not disclosed the complete facts and no clarification has been provided on the status of commissioning of the remaining 50 MW project through Wind Four Renergy Private Limited. Learned counsel for the Respondent PGCIL submitted that it does not have any objection for transfer of 200 MW of LTA and connectivity to the Petitioner's four SPVs. However, the rights and liabilities w.r.t. the remaining 50 MW should be settled and discharged by the Petitioner before the transfer. She further submitted that the Petitioner in the Appeal before APTEL (against the order dated 8.3.2021 in Petition No. 226/MP/2020) has submitted that after the removal of legal hurdles (termination of the PPA of Wind Four Renergy Pvt Ltd. as well as the cancellation of the said project by SECI is set aside), the Petitioner will transfer connectivity in respect of the 50 MW project awarded to Wind Four Renergy Pvt. Ltd. after expiry of one year from the date of its commissioning. Accordingly, she submitted that the Petitioner may be directed to place on record its position regarding the execution of 5<sup>th</sup> project of 50 MW and requested the Commission to take into consideration the legalities involved in the segregation of 50 MW from the total quantum of 250 MW.
- 5. In response, the learned counsel for the Petitioner submitted that the grant of transfer of connectivity cannot be withheld on account of speculation in relation to proceedings before APTEL. He submitted that despite the fact that the Petitioner has filed the Appeal before the APTEL, as on date the legal and factual position qua the status of 50 MW project awarded to Wind Four Renergy Pvt. Ltd. remains



unchanged and unaffected. He further submitted upon confirmation from SECI that the 50 MW project has been cancelled and effectively, the capacity of Tranche-I projects awarded to Petitioner with valid PPAs is 200 MW and, therefore, the last subsidiary out of the four SPVs of Tranche-I would be read as the last subsidiary to have commissioned and commenced commercial operation. He requested the Commission to segregate the uncommissioned project of 50 MW from total capacity of 250 MW and adopt a liberal approach with respect to four SPVs by allowing the Petitioner to transfer the LTA and the Connectivity to the four SPVs.

- 6. In response to the query of the Commission regarding the liability with respect to the 50 MW Connectivity/ LTA, learned counsel for the Petitioner submitted that the LTA of 250 MW is in name of the Petitioner and as such the liability of the remaining 50 MW rests with the Petitioner.
- 7. The Commission after hearing the parties reserved the order in the matter.

By order of the Commission

sd/-(V. Sreenivas) Deputy Chief (Law)

