

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 97/MP/2022 along with IA No.15/2022

Subject : Petition filed under Section 79(1)(c), 79(1) (f) and 79(1)(k) of the Electricity Act, 2003 *inter alia* challenging firstly, the computation of relinquishment charges determined by Central Transmission Utility; and secondly, the methodology published by CTU for determining relinquishment charges pursuant to order dated 8.2.2019 in 92/MP/2015.

Date of Hearing : 5.8.2022

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

Petitioner : AD Hydro Power Limited (ADHPL)

Respondents : Central Transmission Utility of India Limited (CTUIL) and 2 Ors.

Parties Present : Shri Geet Rajan Ahuja, Advocate, ADHPL
Ms. Suparna Srivastava, Advocate, CTUIL
Ms. Somya Singh, Advocate, CTUIL
Shri Tushar Mathur, Advocate, CTUIL
Shri Kashish Bhambhani, CTUIL
Shri Yatin Sharma, CTUIL
Shri Siddharth Sharma, CTUIL
Ms. Kavya Bhardwaj, CTUIL

Record of Proceedings

Case was called out for virtual hearing.

2. Learned counsel for the Petitioner submitted that the present Petition has been filed, *inter alia*, challenging the computation of relinquishment charges determined by the Respondent No.1, CTUIL and the methodology published by CTUIL for determining the relinquishment charges pursuant to the order dated 8.2.2019 in Petition No. 92/MP/2015. Learned counsel mainly submitted the following:

(a) The hydro generating station of the Petitioner is connected to CTUIL's Nalagarh through 220 kV D/c dedicated transmission line constructed by the Petitioner along with 2 Nos. of 220 kV sub-station bays at the switchyard of Nalagarh. The LongTerm Access was granted to the Petitioner on existing system with 'Northern Region' as the target region.

(b) On 23.8.2021, the Petitioner sent a notice to CTUIL relinquishing the entire LTA of 168.96 MW with immediate effect which was accepted by CTUIL vide letter dated 27.8.2021 w.e.f. 24.8.2021 and also stated that the relinquishment charges are subject to the payment of transmission charges in terms of order dated 8.3.2019 in Petition No. 92/MP/2015.



(c) However, contrary to the Commission's order dated 8.3.2019, CTUIL determined the relinquishment charges by imposing its own methodology by applying "All India Minimum transmission charge" instead of "All India Minimum POC rate" as mandated in the said order. The methodology of applying "All India minimum transmission charges" is alien to the extant regulatory framework governing the determination of relinquishment charges viz. the order dated 8.3.2019 in Petition No. 92/MP/2019 and Regulation 18 of the Central Electricity Regulatory Commission (Grant of Connectivity, Long-term Access and Medium-Term Open Access to Inter-State Transmission and related matters) Regulations, 2009 ('Connectivity Regulations').

3. Learned counsel for the Respondent, CTUIL accepted the notice and sought time to file reply to the Petition. Learned counsel further referred to the CTUIL's communication dated 22.12.2021 and submitted that as per the Commission's order dated 8.3.2019, in case of LTA on existing system, calculation of relinquishment charges shall be at All India Minimum POC rate. However, after the effectiveness of the Central Electricity Regulatory Commission (Sharing of inter-State Transmission Charges and Losses) Regulations, 2020 ('Sharing Regulations, 2020') the slab of POC rates are not available. Learned counsel submitted that as per the Sharing Regulations, 2020, YTC of all components of transmission charges except transformer component and bilateral charges is to be paid by the Petitioner and accordingly, the relinquishment charges of the Petitioner have been calculated for August, 2021 time frame considering the All India minimum transmission charges as published by NLDC, which worked out to Rs. 58.33 crore. Learned counsel added that there is no infirmity in the aforesaid demand of relinquishment charges raised by CTUIL.

4. In rebuttal, learned counsel for the Petitioner while contesting the application of Sharing Regulations, 2020 by CTUIL in computing the relinquishment charges submitted that neither the Commission's order dated 8.3.2019 nor the Regulation 18 of the Connectivity Regulations have been amended or superseded by the Sharing Regulations, 2020. Learned counsel pointed out that the Commission at paragraph 52.3.2 of the Statement of Reasons to Sharing Regulations, 2020 has expressly made it clear that the relinquishment charges is not the subject matter of the said regulations. Learned counsel also submitted that in specifying the computation of relinquishment charges by considering the "All India Minimum POC rate", the Commission specifically did not include the "cost of HVDC assets" and "reliability support charges" therein. However, under the framework of Sharing Regulations, 2020, the 'national' and 'regional' components specified therein includes the HVDC and reliability support charges as provided under the Sharing Regulations, 2010.

5. In response to the specific query of the Commission regarding beneficiaries of the Petitioner's Project, learned counsel for the Petitioner submitted that the power of the Petitioner's generating station has not been tied up with any beneficiaries and the Petitioner is selling the power on power exchanges. Learned counsel for CTUIL clarified that the LTA was granted to the Petitioner to the Northern Region as the target region.

6. After hearing the learned counsel for the parties, the Commission ordered as under:

(a) The Petitioner to implead all the distribution licensees of the Northern Region and filed a revised memo of parties within a week.

(b) Admit. Issue notice to the Respondents including distribution licensees of the Northern Region.

(c) The Petitioner to serve copy of the Petition on the Respondents including the impleaded Respondents and the Respondents to file their reply of the Petition, if any, within four weeks after serving copy of the same to the Petitioner, who may file its rejoinder within three weeks thereafter.

(d) Parties to comply with the above directions within specified timeline and no extension of time shall be granted.

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)
Joint Chief (Law)**