

**CENTRAL ELECTRICITY REGULATORY COMMISSION  
NEW DELHI**

**Petition No. 23/TT/2023  
with I.A. 13/IA/2023**

**Subject** : Petition for approval of transmission charges, transmission losses and other conditions for use of the 24.23 km long 132 kV Double Circuit Dedicated Transmission Line of Malana Power Company Limited from its 86 MW Malana-I HEP Generating station at Village-Chowki Post Jari Distt. Kullu Himachal Pradesh upto 33/132 kV Bajaura Sub-station of HPSEBL situated at Sarabhai Distt. Kullu Himachal Pradesh

**Petitioner:** : Malana Power Company Limited (MPCL)

**Respondents** : Himachal Pradesh State Electricity Board Limited (HPSEB) and Anr.

**Date of Hearing** : 20.6.2023

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

**Parties Present** : Dr. Seema Jain, Advocate, MPCL  
Shri Vimlesh Kumar, Advocate, MPCL  
Shri Sumit Garg, MPCL  
Shri Sanjay Jana, MPCL

**Record of Proceedings**

The Petitioner, a hydro generating company, constructed a 24.23 km long 132 kV double circuit dedicated transmission line from its project up to interconnection point i.e. 132 kV Bajaura Sub-station of HPSEB, for transmission of its power outside the State of Himachal Pradesh. The Petitioner and HPSEB had entered into an agreement dated 3.3.1999. In terms of the Agreement, HPSEB could use the Petitioner's dedicated transmission line for evacuation of its power up to Bajaura at mutually decided rates at the appropriate time.

2. Learned counsel for the Petitioner submitted as follows:



- a. Initially the Petitioner filed Miscellaneous Petition vide Diary No. 723 of 2020 in respect of Petitioner's dedicated transmission line. However, as per direction of the Commission vide letter dated 19.11.2020 and 16.12.2020, the Petitioner has filed the instant tariff petition.
- b. The Petitioner commissioned its generation on 5.7.2001 and started generating and injecting the energy at interconnection point using its dedicated transmission line for inter-state sale of power. The Petitioner used its dedicated transmission system exclusively for evacuation of power generated by it at its generating station to 132 kV Bajaura Sub-station from 2001 to July 2009.
- c. In April 2009, the Petitioner agreed to the Government of HP's proposal for using the Petitioner's dedicated transmission line for transmitting the power to be generated by other small generating companies of the area by HPSEB as an interim arrangement during which an independent permanent EHV evacuation system will come into existence for the purpose.
- d. During 2009-2012, HPSEB, started injecting power generated by various HEPs such as Toss (10MW), Jirah (4MW) and Chakshi (2MW). However, no payment from HPSEB was received towards the use of the transmission line of the Petitioner till 2015 in the absence of any methodology for payment in such cases where the transmission line is used by others.
- e. In terms of the directions of Government of Himachal Pradesh, HPSEB released 30% of the outstanding amount payable to Petitioner for power wheeled up to October 2014. Thereafter, no payment was made by HPSEB.
- f. Besides, Sandhya Hydro Power Projects Balarga Pvt. Limited (Sandhya Power), Respondent No. 2, started using the Petitioner's dedicated transmission line w.e.f. 7.1.2018. The Petitioner has been raising the invoices for conveyance of the power of Respondent No. 2 on provisional basis.
- g. Aggrieved with the non-payment by HPSEB and Sandhya Power, the Petitioner filed a writ petition before the Hon'ble High Court of Himachal Pradesh seeking directions to HPSEB to pay the entire outstanding wheeling charges to the Petitioner for the period w.e.f. August 2009 to March 2016 with interest.
- h. The High Court directed HPSEB to pay the outstanding payment and also directed the parties to approach this Commission for further adjudication. Thereafter, HPSEB paid certain amount and ₹3 crore is still outstanding from HPSEB as on August 2020.
- i. The case is similar to Petition No. 209/MP/2017 (A. D. Hydro Power Ltd. Vs. Everest Power Private Ltd.), where the Commission determined the tariff.



- j. Prayed for issuing an interim order as prayed in Interlocutory Application No.13/IA/2023 for payment of the outstanding dues by HPSEB.
- k. None of the Respondents have filed any reply in terms of Commission's directions vide RoP dated 6.4.2023.

3. The Commission observed that in spite of clear directions vide RoP dated 6.4.2023 to HPSEB and Sandhya Power to file reply in the matter and also to appear in person, neither reply has been filed by them nor they are represented in the hearing. The Commission directed to issue notice to Managing Director, HPSEB, asking to file reply in the matter and also to depute a senior officer of HPSEB to be present in person on the next date of hearing without fail. The Commission further directed to issue notice to Sandhya Hydro Power Projects Balarga Pvt. Limited to file its reply and also to be present on the next date of hearing.

4. The Commission made the following observations and directed the Petitioner to clarify the following:

- a. Whether the instant petition has been filed for adjudicating disputes between the Petitioner and Respondents- HPSEB and Sandhya Power regarding the outstanding payments or for determination of tariff for the transmission line.
- b. What is the capital cost of the transmission line? Why the Petitioner has not filed tariff forms as required under the Tariff Regulations for determination of tariff?
- c. Did the parties explore the possibility of arbitration, as provided in the Agreement between the Petitioner and HPSEB, dated 3.3.1999?
- d. Selling the power outside the State of Himachal Pradesh does not entitle the Petitioner's transmission line to be an inter-State transmission line. Whether the Commission can determine the tariff for the dedicated transmission line which is an intra-state transmission line?
- e. Whether the Petitioner ever approached the HPERC for determination of tariff for its dedicated transmission line? If not, reasons for not doing so.
- f. Whether HPSEB has given any reason for non-payment of Petitioner's dues? If so, what are they?
- g. Whether the nature of the transmission line covered in Petition No. 209/MP/2017 (A. D. Hydro Power Ltd. Vs. Everest Power Private Ltd.) is similar to the transmission line covered in the instant matter?



5. The Commission further directed the Respondents to file their reply by 31.7.2023 and the Petitioner to file rejoinder, if any, by 10.8.2023.
6. Subject to above, the matter shall be listed on 18.8.2023.

**By order of the Commission**

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

