

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No.272/MP/2024

Subject : Petition under Section 79 of the Electricity Act, 2003 read with applicable provisions of the Central Electricity Regulatory Commission (Connectivity and General Network Access to the inter-State Transmission System) Regulations, 2022 along with Regulation 65 of the Central Electricity Regulatory Commission (Conduct of Business) Regulations, 2023 seeking relief(s) against Central Transmission Utility of India Limited in connection with the in-principle grant of connectivity for 160 MW to the Petitioner herein at Davangere District in the State of Karnataka.

Petitioner : Layer Hybren Private Limited (LHPL)

Respondent : Central Transmission Utility of India Limited (CTUIL)

Petition No.273/MP/2024

Subject : Petition under Section 79 of the Electricity Act, 2003 read with applicable provisions of the Central Electricity Regulatory Commission (Connectivity and General Network Access to the inter-State Transmission System) Regulations, 2022 along with Regulation 65 of the Central Electricity Regulatory Commission (Conduct of Business) Regulations, 2023 seeking relief(s) against Central Transmission Utility of India Limited in connection with the in-principle grant of connectivity for 140 MW to the Petitioner herein at Davangere District in the State of Karnataka.

Petitioner : Layer Hybren Private Limited (LHPL)

Respondent : Central Transmission Utility of India Limited (CTUIL)

Date of Hearing : **20.8.2024**

Coram : Shri Jishnu Barua, Chairperson
Shri Ramesh Babu V., Member
Shri Harish Dudani, Member

Parties Present : Shri Basava Prabhu Patil, Sr. Advocate, LHPL
Shri Nitish Gupta, Advocate, LHPL
Shri Nipun Sharma, Advocate, LHPL
Shri Deepak Thakur, Advocate, LHPL
Shri Hemant Sahai, Advocate, LHPL
Shri Ankur, LHPL
Shri Shubham Arya, Advocate, CTUIL
Ms. Reeha Singh, Advocate, CTUIL
Ms. Tanya Singh, Advocate, CTUIL
Shri Ranjeet Rajput, CTUIL
Shri Siddharth Sharma, CTUIL
Ms. Priyansi Jadiya, CTUIL

Record of Proceedings

The learned senior counsel for the Petitioner submitted that the present Petitions had been filed *inter alia* seeking relief(s) against the Central Transmission Utility of India Limited (CTUIL) in connection with the disputes arising in relation to the in-principle grant of connectivity of 160 MW and 140 MW respectively at Davangere District in the State of Karnataka. Learned senior counsel submitted that vide Record of Proceedings for the hearing dated 13.8.2024, the Commission had asked certain information/ clarification from the Petitioner as well as the Respondent, CTUIL, and the Petitioner has furnished the said information/clarification vide affidavit dated 20.8.2024. The learned senior counsel further submitted as under:

(a) As to the Commission's query regarding any difficulty in implementing the 110 MW solar component out of its 160 MW hybrid Project in Petition No. 272/MP/2024, the Petitioner has planned the said Project as a hybrid considering the demand for continuous round-the-clock power from the various entities as compared to the solar power project. The Petitioner has also participated in the various tenders considering the hybrid Project configuration. The Petitioner had also made the application to KREDL for the development of the 160 MW hybrid Project.

(b) Similarly, submission of Conn BGs for the solar components only could jeopardise the Project's overall viability if suitable land for the wind turbines could not be secured. As such, the Petitioner is not inclined to implement only the solar configuration as it will not be financially and economically viable.

(c) Owing to the re-classification of the Davangere region as "No WTG Zone", the Petitioner will be required to identify the suitable land for its wind turbines afresh. Moreover, there is also a possibility that the Petitioner may be required to change the Project location/sub-station altogether if the Petitioner is unable to find suitable land for its wind turbines outside the "No WTG Zone" in the vicinity of the Davangere region.

(d) In these circumstances, the Petitioner is seeking the indulgence of this Commission to extend the timeline for submission of the Conn BGs in respect of the in-principle grant of connectivity to its 160 MW hybrid Project in Petition No. 272/MP/2024, which is expiring on 21.8.2024, at least for the period of three months. This will enable the Petitioner to ascertain the availability of suitable land for its wind turbines and, consequently, the feasibility of the Project in the Davangere region.

(e) If the Petitioner proceeds to furnish the Conn BGs and, subsequently, fails to identify the suitable land, owing to this re-classification of the Davangere region, the Petitioner will face severe financial implications in terms of forfeiture of its Conn BGs as well as the land BGs submitted along with its connectivity application. Also, the Commission, in its recent order, has held that there cannot be any change in the start date of connectivity and hence, once the Petitioner proceeds to furnish the Conn BGs at this stage, the timelines for the subsequent compliances will also kick in.

2. In response to the specific query of the Commission regarding the capacity of the Davangere PS and the details of connectivity granted, the learned counsel for CTUIL submitted that the total capacity of the Davangere PS is approximately 4 GW and the total connectivity already granted/ agreed for the grant at the Davangere PS is 2340 MW and further, an additional capacity of the 775 MW is under consideration.

3. In response to the query as to the connectivity granted particularly to wind projects after the re-classification of the Davangere region as indicated by the Petitioner, if any, the learned counsel for CTUIL referred to the Minutes of 32nd CMETS Meeting held on 28.6.2024 and pointed out the grant of connectivity to the two applicants viz. Chandragiri Wind Power Pvt. Ltd. (290 MW) and Amplus Cenedus Solar Pvt. Ltd. (350 MW) for their wind projects at Davangere PS. He added that intimation for an in-principle grant of connectivity to these developers has been issued by CTUIL vide letter dated 9.8.2024 and accordingly, they are required to furnish the Conn BGs by 9.9.2024. He further submitted that in the 33rd CMETS Meeting held on 31.7.2024 it was decided to grant the connectivity to three wind developers, viz. Serentica Renewables India 11 Pvt. Ltd. (250 MW), JSW Neo Energy Limited (325 MW) and Hexa Climate Solutions Private Limited (200 MW Wind + 50 MW BESS) at the Davangere PS. However, the minutes of the said meetings are awaited and as such, CTUIL has not intimated the in-principle grant to them. He also submitted that none of these developers have so far approached the CTUIL raising the issue of re-classification of the Davangere region as raised by the Petitioner herein. He further reiterated the submissions made during the course of the hearing on 13.8.2024 and submitted that in order to ascertain whether this issue of re-classification has wider implications, the Commission may consider inviting the views of the CEA and NIWE as the RE potential zone(s) in the Davangere region have been identified by them. Also, the various Bid Process Coordinators, viz. SECI and RECPDCL, inviting the tenders in this region, may be in a better position to address the limitations on the RE/wind capacity due to this re-classification, if any, and hence, if deemed fit, their views may also be considered.

4. In response, the learned senior counsel for the Petitioner submitted that the grant of the connectivity to the wind developers in the subsequent CMETS meeting as such does not disclose whether these developers have factored into /considered the impact of the re-classification of the Davangere region as "No WTG Zone". The learned senior counsel further emphasized that this re-classification, which is akin to a force majeure, has wider ramifications and is likely to impact all the wind developers coming to this region.

5. Considering the submissions made by the learned senior counsel for the Petitioner and the learned counsel for CTUIL, the Commission observed as under:

(a) Insofar as the interim prayers in Petition No.272/MP/2024 are concerned, the Commission declined to grant any such reliefs. The Commission noted that the furnishing of the Conn BGs will neither prejudice the Petitioner at this stage nor cause any irreparable injury. As per the GNA Regulations, the Petitioner will have a period of 18 months from the issuance of the in-principle grant of connectivity or 12 months from the issuance of the final grant of connectivity, whichever is earlier, to provide the identified land documents for the Project. Accordingly, if the

Petitioner intends to retain its in-principle grant of connectivity under the CTUIL's intimation dated 22.7.2024, the Petitioner shall furnish the Conn BGs as required thereunder within a week, failing which CTUIL will be at liberty to take the necessary steps as per the provisions of the GNA Regulations.

(b) In the meantime, the Respondent, CTUIL to file its reply in these matters, along with the details as called for vide Record of Proceedings for hearing dated 13.8.2024, within two weeks with a copy to the Petitioner, who may file its rejoinder, within two weeks thereafter.

6. The Commission further directed the Respondent CTUIL to provide the following information on an affidavit within two weeks with a copy to another side:

(i) Total capacity of the Davangere polling station, quantum of connectivity already granted, and quantum of connectivity for which applications are in process. Provide the following information in respect of the connectivity granted at Davangere polling station in tabular form:

Sl. No.	Name of the Applicant	Type (Solar/Wind/Hybrid) (in MW)	The date on which Connectivity was granted	Application route (Land/ Land BG/LOA or PPA)	Date by which Conn BGs is to be submitted	Conn BGs submitted (Yes/No)	Start date of Connectivity

7. The Petitions will be listed for the hearing on **8.10.2024**.

By order of the Commission
Sd/-
(T.D. Pant)
Joint Chief (Law)