

**CENTRAL ELECTRICITY REGULATORY COMMISSION  
NEW DELHI**

**Petition No. 333/MP/2024 along with IA No. 82/2024**

- Subject : Petition under Sections 79(1)(c) & (f) of Electricity Act, 2003 seeking quashing/setting aside of the letters dated 15.07.2024 issued by the Respondent whereby Petitioner's in-principle connectivity with respect to 50 MW & 150 MW capacity has been cancelled on the purported ground that the Petitioner has not furnished the requisite CONN-BG2 within the prescribed timelines.
- Petitioner : Avaada Energy Private Limited (AEPL)
- Respondent : Central Transmission Utility of India Limited (CTUIL)
- Date of Hearing : **18.11.2024**
- Coram : Shri Jishnu Barua, Chairperson  
Shri Ramesh Babu V., Member  
Shri Harish Dudani, Member
- Parties Present : Shri Gopal Jain, Sr. Advocate, AEPL  
Shri Abhishek Kumar, Advocate, AEPL  
Shri Nived Veerapaneni, Advocate, AEPL  
Shri Karan Arora, Advocate, AEPL  
Shri Atulesh Parasar, AEPL  
Shri Abhinav Kapoor, AEPL  
Shri Alok Shankar, Advocate, CTUIL  
Shri Akshayvat Kislay, CTUIL

**Record of Proceedings**

Learned senior counsel for the Petitioner primarily submitted that in terms of the Hon'ble Madhya Pradesh High Court's directions, CTUIL should be restrained from acting on the two impugned letters dated 15.7.2024 till the disposal of the IA.

2. Keeping in view the issue involved in the matter being brief and the pleadings are already completed, the Commission deemed it appropriate to hear the matter on merits. Accordingly, the parties argued on the merits of the case. During the course of the hearing, the learned senior counsel for the Petitioner and the learned counsel for the Respondent, CTUIL, made detailed submissions and concluded their respective arguments.

3. In response to the specific query of the Commission regarding why the Petitioner did not pay the entire amount of Conn BG-II as sought by CTUIL vide letter dated 30.5.2024 and how the Petitioner chose to decide the amount of Conn-BG to be furnished on its own, the learned senior counsel for the Petitioner submitted that there are multiple injecting entities for the transmission system stated under ATS and the Petitioner's entire case is based on Regulation 7.2, read with Regulation 8.2 of the GNA Regulations, along with Minutes of the CEA Meeting held on 12.7.2023. Further, Regulation 8.3 of the GNA Regulations cannot be triggered and the Petitioner had furnished the bank guarantee of



Rs. 3 crores as per the relevant laws. Learned senior counsel further submitted that in the CEA Meeting, it was agreed that the said RE Potential zone can be considered as augmentation without ATS, and CTUIL can take up the applications for the connectivity for multiple injecting entities accordingly. The area was declared RE potential zone on 19.7.2024.

4. In response to further query of the Commission regarding how many entities applied for connectivity at Rajgarh and whether other entities paid Conn-BG II as sought by CTUIL, the learned counsel for CTUIL submitted that there were various applications and all such entities have paid Conn BG-II under ATS. CTUIL displayed details of six applicants and submitted that if any other applicants were there, CTUIL shall confirm the same. He further submitted that after the area was declared REZ Potential zone, all those entities that have submitted Conn BG-II based on ATS have now been moved to a common transmission system with reduced Conn BG-II. Learned counsel further added that every other generating entity had paid Conn BG-II, which was later revised downward after the declaration of the RE Potential zone. He submitted that the Petitioner vide letter dated 11.3.2024 requested the MoP, MNRE, and CEA for declaration of Rajgarh PS as RE Potential zone. After the subject transmission system was declared REZ potential zone as CTS by the MNRE, Conn BG-II for all surviving applications was revised downward. The application of the Petitioner was closed on account of non-payment of BG as per the GNA Regulations.

5. In response to further query of the Commission regarding the timeline for furnishing the Conn-BG II by the Petitioner, learned counsel for the CTUIL submitted that the Petitioner was required to furnish Conn-BG II by 7.4.2024 after which there were communications between CTUIL and the Petitioner and finally CTUIL revoked connectivity of the Petitioner on 15.7.2024.

6. The Commission enquired regarding action not taken by CTUIL as on 7.4.2024 when the Petitioner did not furnish the required Conn BGs; learned counsel for the CTUIL submitted that CTUIL could not have exercised discretion in the matter. Learned counsel further submitted that all other utilities have paid the full amount of Conn BG-II.

7. The learned counsel for the Petitioner, referring to its note of argument, submitted that even prior to 19.7.2024, other similarly placed entities were treated differently by CTUIL, having no intelligible differentia. He specifically referred to the case of 'Veh Jayin Renewables' who furnished Conn-BG II for Rs 3 crores on 23.2.2024, much before 19.7.2024, when Conn BG II sought from 'Veh Jayin Renewables' was Rs. 30.2503 crores. Learned senior counsel further referred the 'Veh Wind Energy', whose Conn BG II submission date was not appearing in the details furnished by CTUIL, submitted that the same yardstick must be applied by CTUIL in assessing all the connectivity applications. CTUIL's own conduct in cancelling the connectivity of the Petitioner after the lapse of almost four months indicates that CTUIL did not comply with Regulation 8.3(e) of the GNA Regulations. Therefore, the Petitioner now seeks CTUIL to accommodate the Petitioner and give connectivity at Rajgarh PS from the available quantum.

8. Considering the request of the learned senior counsel for the Petitioner, the Commission permitted the Petitioner to upload its note of arguments within three days. The Commission further directed the Respondent, CTUIL to furnish the following information / clarification, on an affidavit within a week with a copy to the other side:

(a) The following information for all applications considered at Rajgarh substation :

S. No	Name of the Generator	Date of Submission of the connectivity application	Quantum of connectivity sought (in MW)	Date of intimation vide which CTUIL sought Conn-BG II and amount of Conn BG-II sought by CTUIL	Amount of Conn BG-II submitted by the entity and date of submission of such Conn BG-II	Whether connectivity was cancelled if amount of Conn BG II as intimated was not furnished within specified timeline as per the GNA Regulations	Amount of revised CONN BG-II	Date of submission of revised CONN BG-II

(b) Reasons as to why CTUIL did not close the Petitioner's connectivity applications upon its failure to provide the Conn-BG 2 within the prescribed period of one month from the date of intimation?

9. The Commission also permitted the Petitioner to file its response to the CTUIL's above affidavit, if any, within four days thereafter. In the interregnum, the interim protection granted by the Hon'ble High Court of Madhya Pradesh, i.e., stay on the operation of CTUIL's letters dated 15.7.2024 will continue till the outcome of the matter.

10. Subject to the above, the Commission reserved the matter for order.

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