

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 52/TL/2024

Subject : Application under Sections 14 & 15 of the Electricity Act, 2003 read with Central Electricity Regulatory Commission (Procedure, Terms and Conditions for Grant of Transmission License and other related matters) Regulations, 2009 with respect to Transmission License to Koppal II Gadag II Transmission Limited.

Petitioner : Koppal II Gadag II Transmission Limited.

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

Petition No. 64/AT/2024

Subject : Application under Section 63 of the Electricity Act, 2003 for Adoption of Transmission Charges with respect to the Transmission System being established by the Koppal II Gadag II Transmission Limited (a 100% wholly owned subsidiary of Power Chid Corporation of India Limited).

Petitioner : Koppal II Gadag II Transmission Limited (KGTL)

Respondents : Central Transmission Utility of India Ltd. & Ors.

Date of Hearing : **20.3.2024**

Coram : Shri Jishnu Barua, Chairperson
Shri Arun Goyal, Member
Shri P. K. Singh, Member

Parties Present : Shri Mani Kumar, KGTL
Shri Rohit Jain, KGTL
Shri S. Vallinayagam, Advocate, TANGEDCO
Shri Ranjeet Singh Rajput, CTUIL

Record of Proceedings

The representative of the Petitioner submitted that the present Petitions had been filed seeking the adoption of the transmission charges to establish the Inter-State Transmission System for the “Transmission Scheme for integration of Renewable Energy Zone (Phase-II) in Koppal-II (Phase-A & B) and Gadag-II (Phase-A) in Karnataka” discovered through the competitive bidding process and for the grant of a transmission licence for the implementation of the Project. The representative of the Petitioner further submitted that pursuant to being declared as a successful bidder in a tariff based competitive bidding process, Power Grid Corporation of India Limited (PGCIL) acquired the Petitioner company.

2. The learned counsel for Respondent TANGEDCO submitted that the Petitioner has not complied with the provisions of the Central Electricity Regulatory Commission (Grant of Regulatory Approval for the execution of Inter-State Transmission Scheme to Central Transmission Utility) Regulations, 2010. The said Regulations mandate obtaining Regulatory approval for the transmission schemes that are not recommended by RPCs and where the generators have applied for open access (the connectivity grantee is deemed a GNA grantee as per the GNA Regulations), and the Power Purchase agreements have not been signed by all the beneficiaries. However, no regulatory approval has been taken by the CTUIL for the subject transmission scheme. As per the Hon'ble Supreme Court's judgment in [(2004) 10 SCC 603], once there are Regulations framed by CERC, the CTUIL and any other concerned entity are bound to follow the Regulations in letter and spirit. Therefore, the present Petition is not maintainable and liable to be dismissed.

3. In response, the representative of the Petitioner submitted that pursuant to Tariff Based Competitive Bidding conducted by Power Finance Corporation Consulting Limited (PFCCL), Power Grid Corporation of India Limited (ATL) was selected as the successful bidder, and Letter of Intent was issued on 5.12.2023. Post-award of the Project, PGCIL acquired the SPV (the Petitioner) on 26.12.2023, which became its fully owned subsidiary. Therefore, the Petitioner was not required to take regulatory approval for the instant project.

4. The representative of the CTUIL sought time to file a reply on the issues raised by TANGEDCO.

5. After hearing the representative of the Petitioner & CTUIL and learned counsel for the TANGEDCO, the Commission directed as under:

(a) CTUIL and BPC to clarify the reasons for not obtaining regulatory approval in this case;

(b) The Petitioner to file a rejoinder to the reply of TANGEDCO within a week; and

(c) Respondent CTUIL to provide the status of the quantum of connectivity granted at both of the sub-stations, namely, Koppal-II and Gadag-II and the Status of the associated generators at both of the sub-stations, namely, Koppal-II and Gadag-II.

6. The Petitions shall be listed for further hearing on **19.4.2024**.

By order of the Commission

Sd/-

(T.D. Pant)

Joint Chief (Law)