

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 280/MP/2022

Coram:

**Shri Jishnu Barua, Chairperson
Shri I. S. Jha, Member
Shri Arun Goyal, Member
Shri P. K. Singh, Member**

Date of Order: 20.01.2024

In the matter of:

Petition under Section 79(1)(f) and Section 79(1)(k) of the Electricity Act, 2003 read with Regulation 13 (11) of the Central Electricity Regulatory Commission (Sharing of Inter-State Transmission Charges and Losses) Regulations, 2020, Procedure No. 5.12 of NLDC's Procedure for Computation and sharing of Inter-State Transmission System Charges and Regulations 111 to 113 and 115 of the Central Electricity Regulatory Commission (Conduct of Business) Regulations, 1999 directing NLDC to implement the provisions of Sharing Regulations, 2020 and detailed procedure to exclude the quantum drawn through State Transmission Network from the total LTA considered for computation of ISTS charges and losses.

And in the matter of:

Power Company of Karnataka Limited,
Room No 503, 5th Floor,
KPTCL Building, Kavary Bhavan,
Bangaluru-560009.

.....Petitioner

Versus

1. Power System Operation Corporation Limited,
B-9 (1st Floor), Qutab Institutional Area,
Katwaria Sarai, New Delhi-110016.
2. Central Transmission Utility of India Limited,
Saudamini, Plot No.2, Sector 29, Near IFFCO Chowk,
Gurgaon, Haryana-122001
3. Southern Regional Power Committee,
29, Racecourse Cross Road, Bengaluru-560009.
4. Power Grid Corporation of India,
Saudamini, Plot No.2, Sector 29, Near IFFCO Chowk,



For Petitioner : Shri S. Vallinayagam, Advocate, PCKL

For Respondents : Ms. Superna Srivastava, Advocate, CTUIL
Shri Tushar, Advocate, CTUIL
Shri Swapnil Verma, CTUIL
Shri Ranjit Singh Rajput, CTUIL
Shri Ajay Dahiya, CTUIL
Shri Nishayvat Kislay, CTUIL
Shri Bhanu Prakash Pandey, CTUIL
Shri Alok Mishra, NLDC
Shri Sanny Macha, NLDC

ORDER

The instant petition has been filed by Power Company of Karnataka Limited (PCKL) for computation and sharing of Inter-State Transmission System Charges under Sections 79(1)(f) and 79(1)(k) of the Electricity Act, 2003 (hereinafter referred to as 'the Act') read with Regulation 13(11) of the Central Electricity Regulatory Commission (Sharing of Inter-State Transmission Charges and Losses) Regulations, 2020 ("2020 Sharing Regulations"), Procedure No. 5.12 of NLDC's procedure for computation and sharing of Inter-State Transmission System Charges and Regulations 111 to 113 and 115 of the Central Electricity Regulatory Commission (Conduct of Business) Regulations, 1999 directing NLDC to implement the provisions of the 2020 Sharing Regulations and detailed procedure and to exclude the quantum of power drawn through State Transmission Network from the total LTA considered for computation of ISTS charges and losses.

2. The Petitioner has made the following prayers in the instant petition:

- i) *Admit the present petition and direct the Respondent No.1 NLDC to exclude the quantum of power drawn by PCKL/ ESCOMs from NTPC Kudgi, drawn through KPTCL lines from the LTA of NTPC Kudgi considered for calculation of ISTS transmission charges and losses;*



- ii) *Direct the respondent No. 1 to revise the computation of transmission charges and losses and with effect from 1.11.2020 and notify the revised charges payable by the DICs;*
- iii) *Direct SRPC to notify the revised RTA/RTDA based on revised LTA notified by respondent no.1;*
- iv) *Direct the respondents to restrain from including the quantum of power drawn using STU in the calculation of transmission charge and losses for ISTS till the disposal of this petition;*
- v) *Direct the defaulting respondents (1) & (2) to bear the petition filing fee;*
and,
- vi) *pass such other relief as Hon'ble Commission deems fit and appropriate under the circumstances of the case and in the interest of justice.”*

Submissions of the Petitioner

3. The Petitioner has mainly made the following submissions:
- a) Under the Point of Connection (PoC) mechanism, all the Designated ISTS Customers (DICs) are default signatories to the Transmission Service Agreement (TSA), which also requires the DICs to pay the PoC charges, and the same covers the revenue of transmission licensees. The PoC of connection is the point at which power is injected into the system of Inter-State Transmission Utility and the point at which power is drawn from the Inter-State Transmission Utility network.
 - b) The difficulties arose in the calculation of transmission charges and losses where a generator was connected to both the intra-State network and inter-State network for evacuation of power. Petitions were filed seeking exemption from paying ISTS transmission charges and losses in respect of the quantum of power drawn using intra-State Networks by distribution companies of the respective State. The Commission, through its orders in Petition Nos. 291/MP/2015, 20/MP/2017 and 126/MP/2017 settled the issue relating to the payment of transmission charges and losses by Distribution



Companies where a generator was connected to both intra-State and inter-State Networks.

- c) The Commission notified the 2020 Sharing Regulations vide Notification dated 4.5.2020, and the said Regulations brought in LTA based computation of transmission charges and losses. This was a clear departure from the PoC mechanism wherein transactions were charged on the basis of average losses arrived at after appropriately considering the distance and directional sensitivity as applicable to the relevant voltage level on the transmission system.
- d) NLDC, being the Implementing Agency (IA) notified the 'Procedure for Computation and sharing of Inter-State Transmission System Charges' vide notification dated 28.12.2020. In terms of Clause 5.12 of the said procedure, where a generating station is connected to both ISTS and intra-State transmission system, only ISTS charges and losses shall be applicable on the quantum of Long-Term Access (LTA) and Medium-Term Open Access corresponding to capacity connected to ISTS. The CTUIL has to furnish the details of all such generating stations along with details of LTA.
- e) Transmission charges and losses in respect of ISTS lines are required to be calculated on the basis of LTA/ MTOA quantum relating to the ISTS network used by a DIC for drawl of power from the CGSs using ISTS lines. The quantum of LTA/ MTOA is required to be furnished by CTUIL to NLDC.
- f) The Regional Transmission Account (RTA) is prepared and published by the Southern Regional Power Committee (SRPC) for the Southern



Regional beneficiaries. NTPC declared the Commercial Date of Operation (COD) in respect of 1st phase TPS with 3X800 MW during 2017 and 2018. The ESCOMs of Karnataka have a share of 1227.3 MW. The evacuation of power is being done through 220 kV STU of KPTCL and 400 kV line from the switchyard of NTPC, Kudgi generating station. The maximum capacity that could be evacuated from Kudgi generating stations is 450 MW, and the same cannot be taken into account for calculating the transmission charges and losses of ISTS lines.

- g) As per the minutes of the 33rd Standing Committee meeting on Power System Planning of Southern Region held on 20.10.2011, the Transmission System for the Kudgi Phase-I Generation Project of NTPC (3x800 MW) is as follows:

To be provided by NTPC:

- (i) Stepping up of power at the generation project to 400 kV.
- (ii) Provision of Bus reactor of 2x125 MVAR at generation switchyard.
- (iii) Provision of 2x500 MVA, 400/220 kV transformers at generation switchyard and 6 nos. 220 kV bays.

To be implemented as ISTS (as an evacuation system for Kudgi TPS Phase-I):

- (i) Kudgi TPS-Narendra (New) 400 kV 2xD/C quad lines
- (ii) Narendra (New)-Madhugiri 765 kV D/C line (initially charged at 400 kV)
- (iii) Madhugiri-Bangalore 400 kV D/C (Quad) line. (The terminal point at Bangalore is yet to be decided, for which POWERGRID would take action and inform CEA/SCPSPSR).



- h) After coming into effect of the 2020 Sharing Regulations, the aspects that are to be taken into consideration are as follows:
- i. The Respondents are required to compute the transmission charges payable by DICs for the quantum of power drawn using ISTS lines connected to the bus bar of the generating station.
 - ii. The quantum of power drawn by the Petitioner using the State Transmission Network is required to be deducted from the calculation of LTA and MTOA quantum used for the calculation of transmission charges and losses by the Respondents.
 - iii. The earlier method prescribed under the 2010 Sharing Regulations is repealed.
- i) In the present case, three evacuation lines are connected to the bus bar of the generating station of KPTCL. PGCIL cannot have any claim of transmission charges and losses against the Petitioner in respect of the quantum of power evacuated using KPTCL lines for the drawl of power from the generator, NTPC Kudgi.
- j) The Respondent Nos. 1 and 2 are in complete violation of the 2020 Sharing Regulations and the Detailed Procedure as notified by POSOCO, as they have refused to exclude the quantum of the Petitioner's drawl of power from NTPC Kudgi using the KPTCL network, for the purpose of computation of transmission charges and losses. Due to the said non-compliance by the Respondent No. 1, Power System Operation Corporation Ltd. (POSOCO) and Respondent No. 2, Central Transmission Utility of India Limited (CTUIL), Respondent No. 3, Southern Regional Power Committee (SRPC),



is calculating the transmission charges corresponding to the total LTOA and MTOA quantum. The said acts of the POSOCO and CTUIL have resulted in unwarranted financial claims against the PCKL and ESCOMs.

k) In the second meeting of the LTA sub-group held on 22.11.2021, the methodology for ascertaining the adequacy of the intra-STU Network to evacuate the share from a CGS connected to both the STU system and ISTS was decided is reproduced as follows:

i) ISTS Network connected to CGS may be taken out of service, and CGS may be left connected with the intra-state system of the home State. If the home State STU system meets all the requirements as per the transmission planning criteria to evacuate their share, then that quantum may be considered for exemption in the computation of sharing of transmission charges.

ii) Ex-bus firm + unallocated quantum of the beneficiaries (i.e. 100% CGS capacity) to be considered to evaluate whether the home state STU system is capable of evacuating their share.

l) The PCKL/ESCOMs of Karnataka have suffered a loss of ₹227.83 crore due to the non-compliance with the 2020 Sharing Regulations by Respondent Nos. 1 and 2. The Statement of Reasons to the 2020 Sharing Regulations provides as follows:

“37.3 Analysis and Decision –

37.3.1 Detailed rationale has been provided for introduction of this Clause in the Explanatory Memorandum to the Draft 2019 Sharing Regulations under the section “ISTS charges for generators connected to both ISTS and STU”. Before the liability towards ISTS charges and losses is determined, CTU shall ensure that adequate State system is available for drawl of power by the State.



37.3.2 The draft Regulation has been modified as Regulation 13(11) of 2020 Sharing Regulations as follows:

“(11) Where a generating station is connected to both ISTS and intra-State transmission system, only ISTS charges and losses shall be applicable on the quantum of Long-Term Access and Medium-Term Open Access corresponding to capacity connected to ISTS.”

37.3.3 *A generating station, if connected to STU and CTU system or both, shall be scheduled by either RLDC or SLDC. The actual injection for such generating station shall be the sum of injection at ISTS and intra-State points. However, transmission deviation charges shall be calculated on actual injection in CTU system in excess of LTA+MTOA+STOA on CTU system.”*

- m) The CTUIL has information about the installed capacity of the generating station and capacity (MW)/LTA/ MTOA relating to the ISTS network for NTPC Kudgi Station. However, the same was not being provided to the POSOCO by CTUIL. As a result, POSOCO calculated inter-State transmission charges and losses without deducting the quantum of LTA+MTOA in the STU network used for the drawl of power from NTPC Kudgi, while calculating the ISTS charges and losses. POSOCO has already excluded the deemed LTA in respect of MAPS and NLC TPS-II Stage-1, accepting the claim of TANGEDCO. Accordingly, the capacity connected through the intra-state network with the NTPC Kudgi should also be excluded. Therefore, the Petitioner suffers financial loss due to non-compliance with the Statutory Regulations. Further, the charges claimed by the Respondents being a pass-through in the tariff to the consumers are required to be strictly scrutinized as per the 2020 Sharing Regulations. The Hon'ble Supreme Court has held in the case of 'PTC India Limited vs CERC' that entities in the electricity sector are bound to follow the Regulations notified by the regulator under the Electricity Act, 2003.



4. The matter was heard and admitted on 21.2.2023, and notice was issued to the Respondents. However, none of the Respondents have filed any reply in the matter. Thereafter, the matter was heard on 13.4.2023, and the order was reserved.

5. In compliance with the directions of the Commission in Record of Proceedings (RoP) dated 13.4.2023, the CTUIL vide affidavit dated 12.6.2023 has made the following submissions:

- a) NTPC made an application to CTUIL on 15.4.2011 for a grant of LTA for 2392.49 MW for transmitting power to the project beneficiaries (being the Distribution Companies in the States of Karnataka, Tamil Nadu, Kerala and Andhra Pradesh) from its 3x800 MW Kudgi Thermal Power Station (TPS).
- b) The said application was discussed in the 13th Meeting of Southern Region constituents regarding LTA and connectivity in the Southern Region held on 20.10.2011 wherein the transmission system for power evacuation from Kudgi TPS together with the implementation of the system as the inter-regional link was approved. Accordingly, LTA was granted to NTPC for 2392.49 MW through intimation dated 23.12.2011 [Karnataka Discoms: 1196.24 MW, Kerala State Electricity Board: 119.18 MW, Tamil Nadu Discoms: 300.10 MW and Andhra Pradesh Discoms: 418.170 MW].
- c) Later, on the request of NTPC, the LTA grant was revised through intimation dated 23.1.2015 on account of the re-allocation of power from Kudgi TPS to the States of Andhra Pradesh and Telangana after the bifurcation of the State of Andhra Pradesh. Thereafter, the LTA quantum was reduced to 2250 MW through intimation dated 16.5.2019 at the request of NTPC for a reduction in the LTA quantum on account of auxiliary consumption.



- d) The transmission scheme for evacuation of power from Kudgi TPS (3x800 MW in Phase-1) was discussed and agreed upon in the 33rd Standing Committee on Power System Planning in SR (SCPSP-SR) held on 16.4.2012.
- e) The LTA was granted for the entire quantum as applied by NTPC, and the Inter-State transmission system (ISTS) was planned and implemented by Respondent No.2/PGCIL for the same. There was no Intra-State system which was intimated/ identified for the Karnataka Discoms at the time of the LTA grant, and, as such, the entire identified system was ISTS.

Analysis and Decision

6. We have considered the submissions of the Petitioner and CTUIL and have perused the facts on record. The Petitioner has submitted that as per Regulation 13(11) of the 2020 Sharing Regulations, when a generating station is connected to both ISTS and intra-State transmission system, ISTS charges and losses shall be applicable on the LTA and MTOA capacity connected to the ISTS. The basic contention of the Petitioner is that the ESCOMs of Karnataka are evacuating 450 MW of the power allocated to them from NTPC Kudgi using KPTCL lines, and therefore, this 450 MW should be reduced from the LTA of NTPC Kudgi considered for calculation of ISTS transmission charges and losses as provided in Regulation 13(11) of the 2020 Sharing Regulations from the date of notification of the 2020 sharing Regulations, i.e. 1.11.2020.

7. The Regulation 13(11) of the 2020 Sharing Regulations provides as follows:

“(11) Where a generating station is connected to both ISTS and intra-State transmission system, only ISTS charges and losses shall be applicable on the quantum of Long-Term Access and Medium-Term Open Access corresponding to capacity connected to ISTS.”

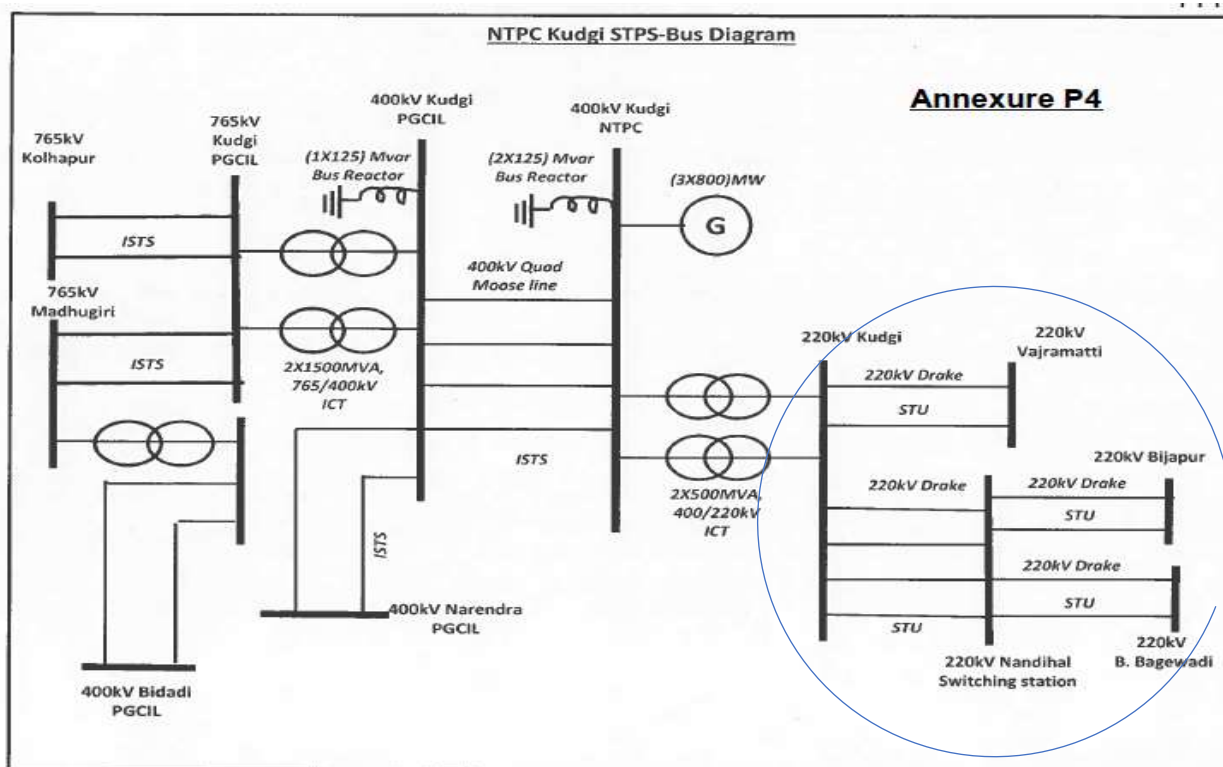


8. The Petitioner has submitted that 450 MW power is drawn through the 220 kV D/C lines emanating from the switchyard of NTPC Kudgi TPS and is connected to the sub-stations of KPTCL and as such, it cannot be considered by the CTUIL for calculating the transmission charges and losses of ISTS lines. However, the Respondents, CTUIL, POSOCO and SRPC are considering the 450 MW of capacity drawn by the ESCOMs of Karnataka through the intra-state network of KPTCL for calculating the transmission charges and losses contrary to Regulation 13(11) of the 2020 Sharing Regulations. The Petitioner has prayed for the computation of ISTS transmission charges and losses as per the 2020 sharing Regulations read with Procedure No. 5.12 of NLDC's procedure for computation and sharing of Inter-State Transmission System Charges. The Petitioner has submitted that it has suffered losses to the tune of ₹227.83 crore from January 2021 to April 2022, due to non-compliance with Regulation 13(11) of the 2020 Sharing Regulations by the said Respondents. The Petitioner has also contended that the Respondents are required to refund the amounts wrongly collected from KPTCL against the provisions of the relevant Regulations.

9. The Petitioner has also referred to the Commission's orders dated 30.3.2017 in Petition No. 291/MP/2015, 9.3.2018 in Petition No. 20/MP/2017 and 4.5.2018 in Petition No. 126/MP/2017 to contend that the Commission in the said orders has held that when a generator is connected to both intra-State and inter-State transmission network, the power evacuated from the intra-State network has to be excluded from computation of ISTS charges and losses.



10. A copy of the line diagram showing the connectivity of KPTCL lines with the bus bar of NTPC Kudgi STPS is given below:



12. From the perusal of the above diagram, it is apparent that the generator is connected to both ISTS and STU networks, and the evacuation of power is being done through the following transmission lines of KPTCL and ISTS at its bus bar:

- I. 220 kV STU network of KPTCL
 - a. Kudgi TPS – 220 kV Basavana Bagewadi D/C Drake line.
 - b. Kudgi TPS – 220 kV Bijapur D/C Drake line.
 - c. Kudgi TPS – 220 kV Vajramatti D/C Drake line.
- II. 400 kV line of ISTS

11. We have perused the Standing Committee minutes where the transmission system for Kudgi was planned. The transmission scheme for evacuation of power from Kudgi TPS (3x800 MW in Phase-1) was discussed and agreed upon in the 33rd



Standing Committee on Power System Planning in SR (SCPSP-SR), on 16.4.2012.

The relevant extracts of the meeting of the 33rd Standing Committee on Power System Planning in SR held on 20.10.2011 is follows:

“10.0 Transmission System for evacuation of power from Kudgi TPS (3x800 MW in Phase-I) of NTPC Limited.

10.1 Director (SP & PA), CEA informed that the transmission system for Kudgi TPS was agreed in the 32nd Meeting of Standing Committee on Power System Planning in SR held on 8 June, 2011 which inter-alia included stepping up of generation at 765 kV and 765 kV D/C lines from Kudgi to Narendra and Narendra to Madhugiri. Subsequently, KPTCL requested that the proposed Narendra (new) substation may be constructed nearer to Kudgi site as they can help in identification and procurement of land for the substation close to the Kudgi generation project. Further, they suggested 400 kV D/c quad lines from Kudgi to Narendra (existing) and Raichur (new) alongwith Narendra(New) to Madhugiri 765 kV D/c (charged at 400 kV) as a part of evacuation system for Kudgi TPS.

10.2 In this regard, POWERGRID informed that the Narendra (new) substation is covered under the inter-regional scheme viz. Narendra – Kolhapur 765 kV D/c (initially charged at 400 kV). This link is required in the timeframe of Raichur-Sholapur 765 lines for smooth synchronisation of two large grids. Therefore, it is utmost important that this inter-regional scheme and transmission system for Kudgi should not be clubbed. Prima-facie in line with the proposal of KPTCL the Narendra (new) substation can be constructed near Kudgi TPS site which can later be integrated with Kudgi transmission system matching with the Kudgi generation project.

10.3 Construction of 765/400 kV substation at Narendra (new) near Kudgi was discussed with respect to adoption of AIS/GIS. ED (POWERGRID) explained that they have gone ahead with 400 kV Narendra (new) substation as a GIS substation under the SR-WR inter-regional scheme. After deliberations it was decided that the 400 kV Narendra (new) substation near Kudgi site may be constructed as GIS. Accordingly, the same system as already approved scheme in Standing Committee and RPC and under implementation by POWERGRID with following configuration was agreed as the inter-regional link:

- (i) Establishment of 400 kV GIS substations at Narendra (New, near Kudgi) and Kolhapur (New) (with provision to upgrade to 765 kV at a later date)*
- (ii) Narendra (New) – Kolhapur (New) 765 kV D/C line (initially charged at 400 kV)*
- (iii) Narendra (New) – Narendra (Existing) 400 kV D/C quad line*
- (iv) LILO of both circuits of Kolhapur – Mapusa 400 kV D/C line at Kolhapur (New)*

10.4 As regard Kudgi Transmission System following system was agreed:

Transmission system for Kudgi Phase-I Generation project of NTPC (3x800 MW)

To be provided by NTPC:



- (i) *Stepping up of power at the generation project to 400 kV*
- (ii) *Provision of Bus reactor of 2x125 MVAR at generation switchyard.*
- (iii) *Provision of 2x500 MVA, 400/220 kV transformers at generation switchyard and 6 nos. 220 kV bays*

To be implemented as ISTS (as evacuation system for Kudgi TPS Phase-I):

- (i) *Kudgi TPS – Narendra (New) 400 kV 2xD/C quad lines*
- (ii) *(Narendra (New) – Madhugiri 765 kV D/C line (initially charged at 400 kV)*
- (iii) *Madhugiri – Bangalore 400 kV D/c (quad) line. (The terminal point at Bangalore is yet to be decided, for which POWERGRID would take action and inform CEA/SCPSPSR)*

10.5 In addition to above, a 400 kV D/c quad line from Narendra (New) to Raichur (New) would be considered while planning the transmission system when NTPC applies for LTA for Phase-II (1600 MW) of the Kudgi TPS.”

As per above, it is observed that though 220 kV bays were in the scope of the generating station there is no mention of 220 kV lines to be constructed by KPTCL for evacuation of power of Karnataka’s share of power from Kudgi.

13. Petitioner has sought exemption from payment of ISTS charges for the quantum connected to State under Regulation 13(11) of the 2020 Sharing Regulations

14. The issue of exemption of ISTS charges was discussed in the 39th meetings of TCC & SRPC held on 3.12.2021 and 6.12.2021, which were noted as follows:

“3.1 SE (C), SRPC stated that the main objective is to formulate a methodology for determining the quantum of LTA corresponding to the capacity connected to ISTS from the MoP share allocation of the State for Central Generating Stations (CGS) connected to both ISTS and Intra-State Transmission System. It is also required to identify CGS of SR which are eligible to be considered under the Regulation 13(11) of CERC Sharing Regulations 2020.

He observed that the CGS for which LTA had been granted by CTU need not be considered by the Sub-Group. As such, NTPC Kudgi STPS, Neyveli New Thermal Power Station (NNTPS), which has been granted LTA by the CTU as per the applicable CERC Regulations, need not be considered. Simhadri STPS (Stage-I) & Simhadri (Stage-II) also need not be considered for discussion as there are specific CERC Orders. UPCL station which is an Inter State Generating Station (ISGS) has also granted LTA by CTUIL, hence that also need not be considered by the Sub-Group.



.....
3.5 The Sub-Group agreed that NTPC-Kudgi STPS, Neyveli New Thermal Power Station (NNTPS) Simhadri STPS (Stage-I), Simhadri STPS (Stage-II), and UPCL would not be considered since they do not qualify for adopting Regulation 13 (11) of CERC Sharing Regulations 2020 for LTA bifurcation.

.....
I. Commercial

.....
Recommendation of the LTA Sub-Group:

a) Following methodology was agreed in principle by the Sub-Group for ascertaining the adequacy of intra-STU Network to evacuate their share from a GS connected to both STU system & ISTS:

i) The intra-STU network planned and implemented at the time of commissioning of the concerned Central Generating Station (CGS) only to be considered.

ii) ISTS Network connected to CGS may be taken out of service and CGS may be left connected with intra-state transmission system (STU network) of home state. If the home state STU system is meeting all the criteria as per the transmission planning criteria to evacuate their share, then that quantum may be considered for exemption in the computation of sharing of transmission charges.

iii) Latest ATC/TTC All India Peak Base Case may be used for this purpose.

iv) Ex-Bus Firm + Un-allocated quantum of the beneficiaries (i.e., 100% of CGS net capacity) to be considered to evaluate whether the home state STU system is capable of evacuating their share.

However, TANGEDCO has expressed the concern on considering only the originally approved transmission system and opined that it may be appropriate to consider the present Intra-State Transmission system connected to the Generating Station for evaluation of the capacity to be evacuated through Intra-State Transmission system for LTA exemption.

b) Following Generating Stations of SR connected to both ISTS and intra-State Transmission System have been considered and concluded as below:

.....”

15. From the perusal of the above notes of the meeting of LTA sub-group of Southern Region dated 28.10.2021, we find that with regard to NTPC Kudgi STPS generating station, it was stated that NTPC Kudgi STPS is a CGS for which LTA



granted by CTUIL need not be considered by the Sub-Group as it does not qualify for adopting Regulation 13(11) of the 2020 Sharing Regulations for LTA bifurcation.

16. We have perused the PPA entered between NTPC Kudgi and Karnataka Discom, which provides as follows:

“

TRANSMISSION / WHEELING OF ELECTRICITY

3.1 *Sale of electricity shall be at the busbars of the Station and it shall be the obligation and responsibility of BESCO to make the required arrangement for evacuation of electricity from such delivery points of the NTPC.*

3.2 *For timely and expeditious development of the required transmission system for evacuation of power from the said project to its various beneficiaries, NTPC shall initially make an application for Connectivity and Long Term Access to the CTU, POWERGRID on behalf of the beneficiaries. BESCO hereby consents for NTPC to make the said application on its behalf. BESCO also agrees to subsequently sign all necessary agreements, including BPTA, with POWERGRID/ other transmission licensees developing the identified transmission system, corresponding to their share of allocated capacity from the project.*

3.3 *Charges for utilization of, transmission system(s) owned by the Powergrid/other Transmission Licensee for wheeling of the electricity beyond busbar of the Station, shall be paid directly by BESCO to the Powergrid or the Transmission Licensee as the case may be. NTPC shall not be responsible for payment of such charges*

“

As per the above, Karnataka Discom specifically gave consent to NTPC Kudgi to apply for LTA on behalf of the Discom and that Discom shall enter into the Agreement, including BPTA with Powergrid /ISTS licensees.

17. We have perused application for Long term Access filed by NTPC Kudgi in Petition No. 261/MP/2017 which is quoted as follows:



5 Details for Long Term Access (LTA)

5a	Quantum (MW) for which LTA required	2392.49 MW		
		COD	Cumulative Quantum	
5b	Date from which LTA required	Unit-I	31.05.2015	797.5 MW
	<i>(not earlier than 3 years from the last day of the month in which application has been received)</i>	Unit-II	30.11.2015	1595 MW
		Unit-III	31.05.2016	2392.49 MW
5c	Date upto which LTA required	31.05.2041		
	<i>(12 years to 25 years from the date from which LTA is required)</i>			

5d Injection of Power (more than one only in case of single Drawal)

Entity-1	NTPC,Kudgi
State/Region	Karnataka / SR
Quantum-1	2392.49 MW
Connectivity with the Grid	NTPC Kudgi Switchyard (Connectivity already applied for)

5e Drawal of Power (more than one only in case of single Injection)

Entity-1	Karnataka Discoms
State/Region	Karnataka / SR
Quantum-1	1196.24 MW
Connectivity with the Grid	Various CTU substations in Karnataka

Entity-2	KSEB
State/Region	Kerala / SR
Quantum-2	119.18 MW
Connectivity with the Grid	Various CTU substations in Kerala

Entity-3	TANGEDCO
State/Region	Tamil Nadu / SR
Quantum-3	300.10 MW
Connectivity with the Grid	Various CTU substations in Tamil Nadu

Entity-4	AP Discoms
State/Region	Andhra Pradesh / SR
Quantum-4	418.10 MW
Connectivity with the Grid	Various CTU substations in Andhra Pradesh

Note: In addition to above allocations to various beneficiaries, unallocated quota of 358.87 MW, shall be allocated by GOI from time to time.



As per the above NTPC, after getting consent from beneficiaries through PPA, applied for LTA to ISTS for 2392.49 MW, which included drawl by Karnataka Discoms for 1196.24 MW.

18. We also observe from Order dated 6.11.2018 in Petition No. 261/MP/2017 that Karnataka Discoms entered into LTA Agreements with PGCIL for the said quantum.

The relevant extract of the said Order is quoted as follows:

“29. Thereafter, on 15.04.2011, the petitioner in accordance with Article 3 of the PPA applied to CTU for grant of LTA for Kudgi generating station stating as under:-

“NTPC is making this application on behalf of the beneficiaries. The beneficiaries have agreed for subsequent signing of all necessary agreements including BPTA etc. with Powergrid / other transmission licensee developing the identified transmission system, corresponding to their final share of allocated capacity from the project. It is requested that the enclosed application may be processed at your end.”

30. Subsequently, on 23.12.2011, PGCIL granted LTA. Thereafter, PGCIL signed the LTA Agreements with the beneficiaries directly on various dates as under:

- (i) Karnataka Distribution Companies (1196.24 MW) - LTA Agreement dated 04.03.2015*
- (ii) Kerala State Electricity Board Limited (119.18) – LTA Agreement dated 30.03.2015*
- (iii) Tamil Nadu Generation & Distribution Co Ltd (300.10 MW) - LTA Agreement dated 04.02.2015.*
- (iv) Andhra Pradesh Discoms (192.79 MW) - LTA Agreement dated 10.03.2015*
- (v) Telangana Discoms (225.31 MW) - LTA Agreement dated 27.02.2015”*

As per above, Karnataka Discoms entered into an LTA Agreement dated 4.3.2015 for a full share of Karnataka of 1196.24 MW. There is no mention of drawl of Karnataka share from 220 KV lines.



19. In light of our observations made above, we are of the considered view that Karnataka Discoms obtained LTA from PGCIL for 1196.42 MW and are liable to pay charges for the said quantum. Hence, the prayers of the Petitioner are rejected.

20. Accordingly, Petition No. 280/MP/2022 is disposed of in terms of the above.

Sd/
(P.K. Singh)
Member

Sd/
(Arun Goyal)
Member

Sd/
(I.S. Jha)
Member

Sd/
(Jishnu Barua)
Chairperson

