

CENTRAL ELECTRICITY REGULATORY COMMISSION

NEW DELHI

Petition No. 30/TL/2024

Coram:

Shri Jishnu Barua, Chairperson

Shri Arun Goyal, Member

Date of order: 13th June, 2024

In the matter of:

Application under Sections 14, 15, 79(1)(e) 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 seeking Transmission License for Koppal-Narendra Transmission Limited for the Transmission Project to be constructed through regulated tariff mechanism (RTM).

And

In the matter of

Koppal-Narendra Transmission Limited,

138, Ansal Chambers II,

Bhikaji Cama Place, New Delhi- 110066

....Petitioner

Vs.

1. Central Transmission Utility of India,

“Saudamini”, Plot No-2,

Sector-29, Gurgaon

Haryana – 122001.

2. Kerala State Electricity Board Limited,

Vaidhyuthi Bhawan, Pattom,

Thiruvananthapuram, Kerala- 695004.

3. Tamil Nadu Generation and Distribution Company Limited,

NPKRR Maaligai, 144,

Anna Salai, Chennai- 600002.

4. Southern Power Distribution Company of Andhra Pradesh Limited,

D. NO:19-13-65/A,

Srinivasapuram Tiruchanoor Road,

Tirupati – 517503.

5. Eastern Power Distribution Company of Andhra Pradesh Limited,

P&T Colony, Seethammadhara,

Visakhapatnam- 530017.

6. Southern Power Distribution Company of Telangana Limited,
6-1-50, Mint Compound,
Hyderabad-500 063.

7. Northern Power Distribution Company of Telangana Limited,
2-5-31/2 Vidyuth Bhavan, Nakkalgutta,
Hanamkonda, Warangal-506001.

8. Bangalore Electricity Supply Company Limited,
K.R. Circle, Bengaluru-560001.

9. Gulbarga Electricity Supply Company Limited,
Station Road, Kalaburagi-585102, Karnataka.

10. Hubli Electricity Supply Company Limited,
Navanagar, P.B. Road, Hubli-580025.

11. Mangalore Electricity Supply Company Limited,
MESCOM Bhavan, Kavour Cross Road,
Bejai, Mangalore – 575004.

12. Chamundeshwari Electricity Supply Corporation Limited,
No. 29, Vijaynagar 2nd Stage,
Hinkal, Mysore- 570017.

13. Electricity Department, Govt. of Puducherry,
137, NSC Bore Road, Electricity Department,
Puducherry- 605001.

.... Respondents

Following was present:

Shri Girik Bhalla, Advocate, KNTL
Ms. Anamika Rana, Advocate, KNTL
Shri Mohit Jain, KNTL
Ms. Priyadarshini, Advocate, PFCCCL
Shri Anubhav Kansal, PFCCCL
Siddharth Sharma, CTUIL
Shri Akshyvats Kislav, CTUIL

ORDER

The Petitioner, Koppal-Narendra Transmission Limited (hereinafter referred to as 'KNTL'), has filed the present Petition under Sections 14, 15 and 79 (1) (e) of the Electricity Act, 2003 (hereinafter referred to as 'the Act') read with the provisions of the Central Electricity Regulatory Commission (Terms and Conditions for grant of Transmission license and other related matters) Regulations, 2009 (hereinafter

referred to as ‘the Transmission Licence Regulations’) for the grant of a separate transmission licence for the implementation of “Augmentation of transformation capacity at 400/200kV Koppal PS in Karnataka by 1x500 MVA, 400/200 kV ICT (6th)” under the Regulated Tariff Mechanism (RTM) mode (hereinafter referred to as ‘transmission scheme’) in line with Office Order dated 28.10.2021 (hereinafter referred to as the ‘Office Order dated 28.10.2021’) issued by the Ministry of Power. The scope of the project for which transmission licence has been sought is as under:

Name of the scheme and Implementation timeframe	Estimated Cost (₹ crore)	Remark
Augmentation of Transformation Capacity at 400/220kV Koppal PS in Karnataka by 400/220kV, 1x500 MVA ICT (6th)	57.59	18 months from the date of issue of OM by CTUIL

2. The Petitioner company was incorporated as a Special Purpose Vehicle (‘SPV’) by the PFC Consulting Limited (‘PFCCL’) as part of the Tariff Based Competitive Bidding (‘TBCB’) process to establish the “Evacuation of power from RE sources in Koppal Wind Energy Zone (Karnataka) (2500MW)”, on a Build, Own, Operate and Maintain (‘BOOM’) basis. ReNew Transmission Ventures Private Limited (‘RTVPL’) participated in the competitive bidding process conducted by PFCCL, and upon emerging as a successful bidder, a Letter of Intent (‘LoI’) was issued to RTVPL by PFCCL on 13.10.2021. In accordance with the bidding documents, RTVPL acquired 100% shareholding in KNTL. On 26.8.2021, KNTL entered into a Transmission Service Agreement (‘TSA’) with the LTTCs with the Long-Term Transmission Customer (‘LTTC’), namely, with ReNew Surya Ojas Private Limited and on 13.12.2021, KNTL entered into a Supplementary Agreement (‘Supplementary TSA’) with ReNew Solar Power Pvt. Limited on a Build, Own, Operate and Maintain (‘BOOM’) basis under TBCB mechanism. The Commission, in its order dated

28.3.2022 in Petition No. 280/TL/2021, granted a transmission licence to KNTL for the establishment of the “Evacuation of power from RE sources in Koppal Wind Energy Zone (Karnataka) (2500MW)”, on a BOOM basis consisting of the following elements:

SN	Name of the Transmission Element	Scheduled COD in months from Effective Date
1	<i>Establishment of 5x500 MVA, 400/220 kV Pooling Station near Munirabad /suitable location in Koppal district</i>	
1 (a)	<p>With SCOD of 18 months</p> <p>400 kV</p> <ul style="list-style-type: none"> • ICT: 3x500 MVA, 400/220 kV • ICT bay: 3 nos. • Line bay: 2 nos. • Bus Reactor bay: 2 nos. <p>220 kV</p> <ul style="list-style-type: none"> • ICT bay: 3 nos. • Line bay: 5 nos. • Bus coupler bay: 1 nos. • Transfer Bus coupler bay: 1 nos. 	18 Months
1 (b)	<p>With SCOD of 24 months</p> <p>400 kV</p> <ul style="list-style-type: none"> • ICT: 2x500 MVA, 400/220 kV • ICT bay: 2 nos. <p>220 kV</p> <ul style="list-style-type: none"> • ICT bay: 2 nos. • Line bay: 4 nos. • Bus sectionalizer bay: 2 nos. (One no. bay for each Main Bus) * • Bus coupler bay: 1 nos. • Transfer Bus coupler bay: 1 nos. <p>Future provisions:</p> <ul style="list-style-type: none"> • Space for future 400 kV line bay with switchable line reactor: 6 nos. • Space for future 400/220 kV ICT along with associated bay: 3 nos. • Space for future 220 kV line bay: 7 nos. 	24 Months
2.	Pooling station (near Munirabad /suitable location in Koppal distt.) – Narendra (New) 400 kV D/c Line. (with Quad Moose ACSR conductor)	18 Months

3.	<ul style="list-style-type: none"> • 400 kV GIS Line bay at Narendra (New): 2 nos. • 400 kV GIS Bay for future 765/400kV Transformer: 2 nos.# • 400 kV Auxiliary GIS bay module for switching of future 765/400 Kv Transformer: 1 no.# 	18 Months
4.	2x125 MVar, 420 kV bus reactor at Pooling station (near Munirabad /suitable location in Koppal distt.)	18 Months

Note:

1. PGCIL to provide space for 2 nos. 400kV GIS line bays, 2 nos. of 400kV GIS bays for future 765/400kV Transformer and 1 no. 400kV Auxiliary GIS bay of Narendra (New) GIS S/S

**Required as per CEA's planning criteria.*

#As per RfQ 02 nos. of 400kV GIS bays for interconnection with Koppal was envisaged. However, it is proposed to implement 02 nos. of complete GIS diameter of One and half breaker scheme, so as the provision of 04 nos of outlet shall be available. Out of these 04 no boys, 02 shall be utilized for termination of 400kV D/c line and balance 02 nos. shall be utilized in future for termination of 765/400KV ICTS

2. For establishment of 5x500MVA, 400/220 kV Pooling Station near Munirabad /suitable location in Koppal distt, it may be noted that 220 kV bus sectionaliser to be placed such that the 220 kV line boys are uniformly distributed on its both sides."

3. The Petitioner has submitted that after the grant of a separate transmission licence, the Petitioner shall proceed to implement the transmission scheme under RTM mode. The estimated completion cost of the transmission scheme, as per CTUIL`s Office Memorandum (OM), is Rs. 57.59 crore. After completion of the transmission scheme, the Petitioner shall approach the Commission to determine of the transmission charges in terms of the Tariff Regulations.

4. The Commission, after considering the application of the Petitioner in light of the provisions of the Act and the Transmission Licence Regulations, vide its order dated 14.03.2024, prima facie proposed to grant a separate transmission licence to the Petitioner to implement the transmission projects detailed in paragraph 1 of the order.

The relevant extracts of the order dated 14.3.2024 are extracted as under:

“19. In the present case, the Petitioner does not fulfil any of the eligibility conditions for the grant of transmission licence. However, in the 23rd meeting of the National Committee on Transmission, it was indicated that as per the revised Terms of Reference issued by the Ministry of Power, Government of India, ISTS projects costing up to Rs. 100 crore or such limit as may be prescribed by Ministry of Power from time to time would be approved by CTUIL including its mode of implementation. The scheme has been identified for implementation through RTM mode by CTUIL. Non- grant of transmission licence to any agency nominated by NCT to implement a transmission system through a regulated tariff mechanism given the provisions of Regulation 6 defeats the purpose of the Government’s Policy decision. We are of the view that considering the strategic importance of the transmission line, it is a fit case for relaxation of the provisions of Regulation 6 by invoking the power vested under Regulation 24 of the Transmission Licence Regulations.

20. Regulation 24 of the Transmission Licence Regulations, dealing with the power to relax in appropriate cases, provides as under:

“24. The Commission may, when it considers necessary or expedient to do so and for reasons to be recorded in writing, relax or depart from any of the provisions of these regulations.”

21. It is an established principle of law that the power to relax has to be strictly construed and is to be exercised judiciously and with caution. Further, the power to relax is to be exercised only when undue hardship is caused by applying the rules or regulations. In the present case, the Petitioner is a transmission licensee who is already implementing the project defined under its scope through the TBCB mechanism. The present Petition is consequent to the office order 28.10.2021 notified by the Ministry of Power Government of India wherein CTUIL has been authorized to determine the mode of implementation of ISTS projects costing up to Rs. 100 crore to 500 Crore. Pursuant to the direction n of the Ministry of Power, CTUIL, vide its Office Memorandum dated 10.7.2023, has determined a list of Projects to be implemented or through a Regulated Tariff Mechanism, which also includes the instant Petition for the subject transmission system.

22. Since the Petitioner is already an inter-State transmission licensee and has been identified as an agency to implement the project as per RTM, the Commission, in the exercise of power under Regulation 24, hereby relaxes the provision of Regulation 6 of the Transmission Licence Regulations and holds that the Petitioner is eligible for grant of transmission licence. We, hereby, direct that a public notice under clause (a) of sub-section (5) of Section 15 of the Act be published to invite suggestions or objections to grant a transmission licence aforesaid. The objections or suggestions, if any, shall be filed by any person before the Commission by 5.4.2024.”

5. A public notice under Sub-section (5) of Section 15 of the Act was published on 21.3.2024 in all editions of the Indian Express (English) and Dainik Jagran (Hindi). No

suggestions/objections have been received from members of the public in response to the public notice.

Hearing dated 10.4.2024

6. The case was called out for the hearing on 10.04.2024. During the course of the hearing, the learned counsel for the Petitioner submitted that no objection has been received in response to the public notice published by the Commission under sub-section (5) of Section 15 of the Act. Accordingly, it was requested that a separate transmission licence be granted to the Petitioner Company.

7. Vide Record of proceedings for the hearing dated 10.4.2024, the CTUIL was directed to provide the details regarding the status of the commissioning of the generators and their start date of the connectivity, which have been granted connectivity at the Koppal sub-station. The CTUIL, vide its affidavit dated 31.5.2024, has submitted the details of the status of commissioning and start date of connectivity of generators that have been granted connectivity at the Koppal sub-station, as under:

Sl. No	Application ID	Name of the Applicant	Present Connectivity granted/agreed (MW)	ISTS connectivity substation	Connectivity start date (as per grant)	Expected date of connectivity to be made effective (as per latest schedule)	Generation Schedule	Remarks
1	1200003 181	Ayana Renewable Power Six Pvt. Ltd.	300	Koppal PS	Effective	Effective	50.4MW: 5.12.2023; 46.8MW: 2.1.2024; 54MW: 14.1.2024; 68.4MW: 29.1.2024; 80.4MW: 19.2.2024; CoCo mmissioned)	

SI . No	Application ID	Name of the Applicant	Present Connectivity granted/agreed (MW)	ISTS connectivity substation	Connectivity start date (as per grant)	Expected date of connectivity to be made effective (as per latest schedule)	Generation Schedule	Remarks
2	1200003254	Renew Solar Power Pvt. Ltd.	300	Koppal PS	Effective	Effective	72.765MW-22.11.2023; 131.67MW -25.11.2023; 17.325MW -28.12.2023; 13.86MW -19.01.2024; 20.79MW -23.02.2024; 6.93MW -15.03.2024; 27.72MW -22.03.2024 (Commissioned) 8.94MW -31.07.2024;	
3	1200002536	ReNew Surya Ojas Pvt. Ltd.	300	Koppal PS	Effective	Effective	180MW-24.04.2024; (Commissioned) 60MW- Mid May 2024; 60MW- Mid June 2024;	
4	0251100005	TP Saurya Ltd.	300	Koppal PS	11.01.2025 (Tentative) With the availability of common tr. system required for effectiveness of Connectivity / GNA	11.01.2025	300MW: 11.01.2025	An addendum vide letter dtd. 18.03.2024 was issued to M/s TP Saurya regarding the re-allocation of 220kV line bays at Koppal PS. The CERC order is presently under challenge in the appeals filed subsequently before APTEL. Accordingly, the in-principle grant of connectivity issued against

Sl. No	Application ID	Name of the Applicant	Present Connectivity granted/agreed (MW)	ISTS connectivity substation	Connectivity start date (as per grant)	Expected date of connectivity to be made effective (as per latest schedule)	Generation Schedule	Remarks
								application no. 0251100005 shall be subject to final Order of APTEL Order and directions.
5	1200003849	Tunga Renewable Energy Pvt. Ltd.	45.07	Koppal PS	30.06.2025 With the availability of common tr. system required for effectiveness of Connectivity / GNA	30.06.2025	45.07MW: 30.06.2025	
6	1200003392	Tunga Renewable Energy Pvt. Ltd.	115	Koppal PS	30.06.2025 With the availability of common tr. system required for effectiveness of Connectivity / GNA	30.06.2025	115MW: 30.06.2025	
7	1200003577	Tunga Renewables Energy Pvt. Ltd.	189.84	Koppal PS	16/07/2024	31.12.2024	189.84MW: 31.12.2025	
8	1200003530	Project Ten Renewable Power Pvt. Ltd.	150	Koppal PS	16/07/2024	31.12.2024	150MW: 31.03.2025	
9	1200003825	Kleio Solar Power Pvt. Ltd.	153.6	Koppal PS	31.08.2024 With the availability of common tr. system required for effectiveness of Connectivity / GNA.	31.12.2024	153.6MW: 30.06.2024	

Sl. No	Application ID	Name of the Applicant	Present Connectivity granted/agreed (MW)	ISTS connectivity substation	Connectivity start date (as per grant)	Expected date of connectivity to be made effective (as per latest schedule)	Generation Schedule	Remarks
10	1200003822	Serentica Renewable India 1 Pvt.	10	Koppal PS	31.10.2024 With the availability of common tr. system required for effectiveness of Connectivity / GNA	31.12.2024	150MW: 30.04.2024 100MW: 31.07.2024 50MW: 31.10.2024	
11	1200003909	Serentica Renewable India 1 Pvt.	90	Koppal PS	31.10.2024 With the availability of common tr. system required for effectiveness of Connectivity / GNA	31.12.2024		
12	0451100013	Serentica Renewable India 1 Pvt.	100	Koppal PS	30.09.2024 With the availability of common transmission system required for effectiveness of Connectivity / GNA	31.12.2024		
13	0451100012	Serentica Renewable India 1 Pvt.	100	Koppal PS	16.07.2024 with the availability of common transmission system required for effectiveness of Connectivity / GNA	31.12.2024		
14	1200003791	Project Eight Renewable Power Private Limited \$	300	Koppal PS	\$ Consequent to cancellation of LOA by SECI, Connectivity has been revoked. However, Hon'ble High Court of Karnataka has stayed the revocation and subsequent allocation of bays / capacity.			
15	1200003792	SolarOne Energy Private Limited ^	300	Koppal PS	^ Consequent to cancellation of LOA by SECI, Connectivity was revoked. However, vide order dated 21.04.2024 in petition no. 291/MP/2023 & 292/MP/2023, CERC relaxed the provision off Regulations 24.6 and allow the applicant to convert connectivity granted under LOA route to any other route under Regulation 5.8(xi) of the GNA Regulations and submit the Land Documents/ Land BG within 2 weeks.			

SI . No	Applicati on ID	Name of the Applicant	Present Connectivity granted/ agreed (MW)	ISTS connectivity substation	Connectivity start date (as per grant)	Expected date of connectivity to be made effective (as per latest schedule)	Generation Schedule	Remarks
					Subsequently, vide order dated 04.05.2024 in IA(Diary) No. 230/2024 and 231/2024, CERC permit one time extension for submission of BG by 20.05.2024, failing which connectivity shall be revoked.			

8. CTUIL has further submitted that an addendum vide CTUIL letter dated 18.03.2024 was issued to M/s TP Saurya regarding the re-allocation of 220kV line bays at Koppal PS. Since the Commission`s order is presently under challenge in the appeals filed subsequently before APTEL, the in-principle grant of the connectivity issued against application No. 0251100005 shall be subject to the final order of the APTEL and directions. In light of the above, the Petitioner shall implement its transmission scheme matching with the generation schedule.

9. As regards the grant of the transmission licence, Clauses (15) and (16) of Regulation 7 of the Transmission Licence Regulations provide as under:

“(15) The Commission may after consideration of the further suggestions and objections, if any, received in response to the public notice as aforesaid, grant licence as nearly as practicable in Form-III attached to these regulations or for reasons to be recorded in writing, reject the application if such application is not in accordance with the provisions of the Act, the rules or regulations made thereunder or any other law for the time being in force or for any other valid reason.

(16) The Commission may, before granting licence or rejecting the application, provide an opportunity of hearing to the applicant, the Central Transmission Utility, the long-term customers, or the person who has filed suggestions and objections, or any other person: Provided further that the applicant shall always be given a reasonable opportunity of being heard before rejecting the application.”

10. In our order dated 14.3.2024, we had proposed to grant a transmission licence to the Petitioner company and directed for the issuance of public notice. In response to the public notice, no suggestions/ objections have been received. CTUIL, vide its letter dated 12.2.2024, has recommended the grant of a separate transmission licence to the Petitioner. The Commission, in its order dated 14.3.2023, had observed that the Petitioner does not fulfil the eligibility conditions for the grant of a transmission licence. Since, in the present case, the Petitioner is a transmission licensee that is already implementing the project defined under its scope through the TBCB mechanism, and the present Petition is consequent to the office order 28.10.2021 notified by the Ministry of Power, Government of India. The Commission vide Order dated 14.3.2024 relaxed the provision of Regulation 6 of the Transmission Licence Regulations and held that the Petitioner is eligible for the grant of transmission licence. Considering the submissions of the Petitioner and CTUIL, we, accordingly, direct that the transmission licence be granted to the Petitioner, Koppal-Narendra Transmission Limited, to establish the transmission scheme through the RTM route as per the details given in paragraph 1 above.

11. The grant of the transmission licence to the Petitioner (hereinafter referred to as “the licensee”) is subject to the fulfilment of the following conditions throughout the period of licence:

(a) The transmission licence shall, unless revoked earlier, remain in force for a period of 25 years from the date of issue;

(b) The transmission licensee shall comply with the provisions of the Transmission Licence Regulations or any subsequent enactment thereof during the period of subsistence of the licence;

(c) The licensee may make an application, two years before the expiry of the initial licence period, for the grant of the transmission licence for another term in accordance with Regulation 13 (2) of the Transmission Licence Regulations which shall be considered by the Commission in accordance with law;

(d) The licensee shall not enter into any contract for or otherwise engage in the business of trading in electricity during the period of subsistence of the transmission licence;

(e) The licensee shall have the liability to pay the license fee in accordance with the provisions of the Central Electricity Regulatory Commission (Payment of Fees) Regulations, 2012, as amended from time to time or any subsequent enactment thereof. Delay in payment or non-payment of licence fee or a part thereof for a period exceeding 60 days shall be construed as breach of the terms and conditions of the licence;

(f) The licensee shall comply with the directions of the National Load Despatch Centre under Section 26 of the Act, or the Regional Load Despatch Centre under sub-section (3) of Section 28 or sub-section (1) of Section 29 of the Act, as may be issued from time to time for maintaining the availability of the transmission system;

(g) The licensee shall remain bound by the provisions of Central Electricity Regulatory Commission (Standard of Performance of inter-State transmission licensees) Regulations, 2012 or subsequent enactment thereof:

(h) The licensee shall provide the non-discriminatory open access to its Transmission System for use by any other licensee, including a distribution licensee or an electricity trader, or generating company or any other person in accordance with the Act; the Central Electricity Regulatory Commission (Open Access in inter-State Transmission) Regulations, 2008; the Central Electricity Regulatory Commission (Connectivity and General Network Access to the inter-State Transmission System) Regulations, 2023; the Central Electricity

Regulatory Commission (Indian Electricity Grid Code) Regulations, 2023, as amended from time to time or any subsequent re-enactments thereof;

(i) The licensee shall not undertake any other business for optimum utilization of the Transmission System without prior intimation to the Commission and shall comply with the provisions of the Central Electricity Regulatory Commission (Sharing of Revenue Derived from Utilization of Transmission Assets for other business) Regulations, 2020;

(j) The licensee shall remain bound by provisions of the Central Electricity Regulatory Commission (Sharing of inter-State Transmission Charges and Losses) Regulations, 2020 as amended from time to time;

(k) The licensee shall remain bound by the provisions of the Act, the Rules and Regulations framed thereunder, in particular the Transmission Licence Regulations, the Grid Code, the Standards specified by the Central Electricity Authority, orders and directions of the Commission issued from time to time;

(l) The licensee shall ensure the execution of the Project as per the Technical Standards and Grid Standards of CEA;

(m) The licensee shall submit all such report or information as may be required under Transmission Licence Regulations, Standard of Performance Regulations or any other regulation of the Commission or as per the directions of the Commission as may be issued from time to time.

(n) The licensee shall ensure that the EPC contract for the execution of work under the scope of the project is awarded through a competitive bidding process.

12. The Central Electricity Authority/ CTUIL shall monitor the execution of the Project and bring to the Commission's notice any lapse on the part of the licensee to meet the schedule for further appropriate action in accordance with the provisions of the Act and the Transmission Licence Regulations.

13. An extract of a copy of this order be sent to the Central Government in the Ministry of Power and the Central Electricity Authority in terms of sub-section (7) of Section 15 of the Electricity Act, 2003, for their information and record.

14. Petition No. 30/TL/2024 is allowed in terms of the above.

Sd/-
(Arun Goyal)
Member

sd/-
(Jishnu Barua)
Chairperson