

**CENTRAL ELECTRICITY REGULATORY COMMISSION  
NEW DELHI**

**Petition No. 92/MP/2015**

Subject : Petition seeking directions with regard to difficulties in implementing some of the directions given in the Order dated 16.2.2015 in Petition No. 92/MP/2014 along with IA Nos. 43/2014, 51/2014, 52/2014, 54/2014, 56/2014 & 59/2014, Petition No. 376/MP/2014, Petition No. 382/MP/2014, Petition No. 393/MP/2014 and Review Petition No. 25/RP/2014.

Date of hearing : 21.7.2015

Coram : Shri Gireesh B. Pradhan, Chairperson  
Shri A.K. Singhal, Member  
Shri A.S. Bakshi, Member

Petitioner : Power Grid Corporation of India Limited

Respondents : Kerala State Electricity Board and Others

Parties present : Shri Gopal Jain, Senior Advocate, Dhariwal  
Shri Ramajee Srinivashan, Senior Advocate, TRN Energy  
Ms. Prerna Priyadarshini, Advocate, PGCIL  
Ms. Jyoti Prasad, PGCIL  
Shri Jafar Alam, Advocate, EMCO  
Shri Vishal Binod, Advocate, EMCO  
Ms. Drishti Bawa, Advocate, EMCO  
Shri Anand K. Ganeshan, Advocate, KSK Mahanadi  
Ms. Swapna Seshari, Advocate, KSK Mahanadi  
Shri Deepak Khurana, Advocate, DB Power  
Shri Akhil Sibal, Advocate, DB Power  
Shri H. Sharma, DB Power  
Shri Matru Gupta Mishra, Advocate, TRN Energy Private Ltd.  
Shri Hemant Singh, Advocate, TRN Energy Private Ltd.  
Shri Molshree Bhatnagar, Advocate, MB Power (MP) Limited  
Ms. Esha Shekhar, Advocate, MB Power (MP) Limited  
Shri Abhishek Gupta, MB Power (MP) Limited  
Ms. Abilia Zaidi, POSOCO  
Ms. Pragya Singh, POSOCO  
Shri Vikas Saksena, JPL  
Shri P.C. Sen, Advocate, BALCO  
Ms. Divya Chaturvedi, Advocate, JPL

### **Record of Proceedings**

Learned senior counsel for Dhariwal Infrastructure Limited submitted that the issue regarding determination of relinquishment charges for LTA in case of change of target region was dealt with by the Commission in para 135 of the order dated 16.2.2015. In the said order, the Commission has categorically held that the stranded capacity has to be determined and then the relinquishment charges are to be computed on the basis thereof. He further submitted that since CEA has not submitted any methodology to work out stranded capacity and the formula for calculating corresponding relinquishment charges, CTU cannot levy relinquishment charges as per mechanism suggested at Annexure 4 to the petition. He submitted that CTU has to comply with Regulation 18 of the Connectivity Regulations.

2. Learned counsel for the petitioner submitted that as per the direction of the Commission in order dated 20.3.2015, the petitioner has suggested an interim mechanism for determination of the relinquishment charges till the issue is decided by the Commissions on the recommendations of CEA. Learned counsel further submitted that as per the direction of the Commission in para 4 (d) of the order dated 20.3.2015, the petitioner has not been charging the relinquishment charges for change of region and the intimation to the LTA applicant has been made subject to the payment of relinquishment charges as may be decided by the Commission.

3. Learned counsels for the parties objected to mechanism suggested by CTU and submitted that it is not treating all LTA customers uniformly. They further submitted that the CTU should adopt a uniform approach for determination of the relinquishment charges.

4. Learned counsel for KSK Mahanadi submitted that the present petition is not maintainable as there is no methodology to work out stranded capacity and the formula for calculating corresponding relinquishment charges.

5. Learned senior counsel for TRN Energy Private Ltd submitted that the calculation of the relinquishment charges is not possible without CEA's methodology to work out stranded capacity and the formula for calculating corresponding relinquishment charges, which is still awaited. He further submitted that the petitioner should be granted at liberty to file fresh petition in this regard.

6. Learned counsel for MB Power (MP) Limited submitted that the relinquishment charges cannot be treated as penalty/compensation.

7. Learned counsel for the BALCO submitted that the petitioner itself has expressed difficulty in assessing stranded capacity on account of the meshed network of the inter-State transmission system. Therefore, the issue remains as to how the stranded capacity shall be assessed.

8. After hearing the learned senior counsels and counsels for the parties, the Commission suggested that a Committee shall be constituted to go into all aspects of the stranded capacity and relinquishment charges with representatives of CTU, CEA, POSOCO, Association of Power Producers and staff of the Commission. The Commission directed the petitioner and respondents to submit their suggestions for deciding the terms of reference for the Committee within one week of issue of RoP. Any suggestion received after 31.7.2015 shall not be considered.

9. The Commission directed that all the concerned LTA applicants shall keep their Bank Guarantee valid till the decision with regard to relinquishment charges is taken by the Commission.

**By order of the Commission  
Sd/-**

**(T. Rout)  
Chief (Law)**