CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI

Petition No. 73/MP/2017

Along with I.A. No. 75, 76, 77 and 78 of 2017

Coram:

Shri A.K. Singhal, Member
Shri A.S. Bakshi, Member
Dr. M.K. Iyer, Member

Date of Order: 21.02.2018

In the matter of
Application under Section 79(1)(c) & 79(1)(d) of the Electricity Act, 2003 seeking permission for implementing the directions given in the order dated 16.2.2017 of the Commission in 24/RP/2015.

And

In matter of

Power Grid Corporation of India Limited,
“Saudamini”, Plot No. 2
Sector-29, Gurgaon-122001......Petitioner

Versus

1. GMR Kamalanga Energy Limited,
   Skip House, 25/1, Museum Road,
   Bangalore, Karnataka-560 025

2. Monnet Power Company Limited,
   Monnet Marg, Mandir Hasaud, Raipur,
   Chattisgarh-492 101

3. Lanco Babandh Power Limited,
   Plot No. 397, Phase-III, 2nd Floor,
   Udyog Vihar, Gurgaon,
   Haryana-120 016

4. IND Barath Energy (Utkal) Limited,
   Plot No. 30-A, Road No. 1,
   Film Nagar, Jublilee Hills,
   Hyderabad, Andhra Pradesh-500 033

5. Navbharat Power Private Limited,
   Navbharat Chambers, 6-3-1109/1,
   3rd Floor, Left Wing,
6. Jindal India Thermal Power Limited,  
Plot No. 12, Sector-B,  
Pocket-1 Local Shopping Complex,  
Vasant Kunj, New Delhi-110 070

7. Sterlite Energy Limited,  
Sipcot Industrial Complex, Tuticorin,  
Tamil Nadu-628 002

8. Bihar State Electricity Board,  
Vidyut Bhawan, Bailey Road,  
Patna-800 001

9. West Bengal State Electricity Distribution Company Limited,  
Bidyut Bhawan, Bidhan Nagar, Block DJ, Sector-II,  
Salt Lake City, Kolkata-700 091

10. Grid Corporation of Orissa Limited,  
Shahid Nagar, Bhubaneswar-751 007

11. Damodar Valley Corporation,  
DVC Tower, Maniktala Civil Centre, VIP Road,  
Kolkata-700 054

12. Power Department,  
Govt. of Sikkim, Gangtok-737 101

13. Jharkhand State Electricity Board,  
In front of Main Secretariat, Doranda,  
Ranchi-834 002  

....Respondents

For Petitioner:  
Ms. Swapna Seshadri, Advocate, PGCIL  
Shri R.P. Padhi, PGCIL  
Shri V. Srinivas, PGCIL

For Respondent:  
Shri Sajan Poovayya, Senior Advocate, GMR, Vedanta & IBEUL  
Shri Matrugupta Mishra, Advocate, GMR, Vedanta, IBEUL & JITPL  
Shri Nishant Kumar, Advocate, GMR, Vedanta, IBEUL&JITPL  
Shri Ajaya Kumar Nathini, GKEL  
Shri Manish Tyagi, JITPL  
Shri Neelesh Verma, JITPL
ORDER

Power Grid Corporation of India Limited (PGCIL) has filed the instant petition under Section 79 of the Electricity Act, 2003 (hereinafter referred to as ‘the Act’) seeking recovery of transmission charges allowed for assets covered in Petition No. 112/TT/2013 through POC mechanism. This has been as per the directions given by the Commission in the order dated 16.2.2017 in the Review Petition No. 24/RP/2015 in Petition No.112/TT/2013, wherein it was held that the generators connected to Angul and Jharsuguda Pooling Stations have to bear the transmission charges due to non-commissioning of the dedicated lines under the scope of respective generators.

Brief facts

2. PGCIL filed Petition No. 112/TT/2013 seeking transmission charges for Asset-I: LILO of Meramundali-Jeypore 400 kV S/C line at Angul Sub-station, Asset-II: one no. of 125 MVAR Reactor (1st) and associated bays at Angul Sub-station, Asset-III: one no. of 125 MVAR Reactor (2nd) and associated bays at Angul Sub-station, Asset-IV: one no. of 125 MVAR Reactor (3rd) and associated bays at Angul Sub-station, Asset-V: LILO of one Ckt. Talcher-Meramundali 400 kV D/C line at Angul Sub-station, Asset-VI: LILO-I (Ckt.-III) of Rourkela-Raigarh 400 kV D/C line at Jharsuguda Sub-station, Asset-VII: LILO-II (Ckt.-I) of Rourkela-Raigarh 400 kV D/C line at Jharsuguda Sub-station, Asset-VIII: one no. of 125 MVAR Reactor (1st) and associated bays at Jharsuguda Sub-station and Asset-IX: one no. of 125 MVAR Reactor (2nd) and associated bays at Jharsuguda Sub-station (hereinafter referred to as “transmission assets”) under Transmission System for Phase-I Generation Projects in Orissa-Part-A in Eastern Region (hereinafter referred to as ‘Transmission System’) for tariff block 2009-14. The transmission tariff for all the said assets, which were put into commercial operation during 2009-14 tariff period, except
Asset-V which was put into commercial operation during the 2014-19 tariff period, was allowed by the Commission vide order dated 7.10.2015 as per the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2009 (hereinafter referred to as ‘2009 Tariff Regulations). Taking into consideration the submissions of PGCIL and the beneficiaries of the Transmission System”, the provisions of the LTA, BPTA between the PGCIL and the beneficiaries and the Central Electricity Regulatory Commission (Sharing of inter-State Transmission Charges and Losses), 2010 (hereinafter referred to as 2010 Sharing Regulations), the Commission held that the transmission charges for the instant transmission assets shall be borne by the generators till the operationalisation of the LTA and thereafter will be included in the PoC charges. The relevant portion of the order dated 7.10.2015 is extracted hereunder:-

“60. We have gone through the above mentioned provisions of the BPTA and the generators and the 2010 Sharing Regulations. As per the provisions of BPTA, a long term transmission customer shall share and pay the transmission charges fixed as per the Regulations specified by this Commission from the date of commissioning of the transmission system. The BPTA provides for preponement of the commissioning of the transmission system only with the mutual consent of the concerned parties. Further as per the BPTA, if there is any delay in commissioning of the transmission system, the petitioner shall pay the proportionate transmission charges to the LTA customer and similarly if the generator fails to construct the generating station or makes an exit or abandons its project, the petitioner shall be eligible to collect the transmission charges from the generator. In the instant case, the petitioner has commissioned the transmission system and the generator has not performed its part of the BPTA and hence the generator has to bear the transmission charges as provided in clause 2.0(a) and 2.0 (c) of the BPTA. Further, as per Regulation 8(5) and 8(6) of the 2010 Sharing Regulations, the generators having long term access are liable to bear the charges for the transmission system till they achieve "commercial operation". However, the generators under the instant petition do not have an arrangement with identified beneficiaries for long term supply of power. Taking into consideration the provisions of the BPTA signed by generators and the 2010 Sharing Regulations, we are of the considered view that the generators are liable to bear the Yearly Transmission Charges (YTC) of transmission system till the date their LTA is operationalised post which generators shall be charged as per prevailing Regulations. The tariff for such lines shall be excluded from PoC, till LTA for the generators are operationalised. However, the transmission assets shall be considered in base case for calculation of PoC rates at “Zero Cost”. On operationalisation of LTA for the generators covered under the instant petition, the transmission assets covered under the petition shall be
considered under PoC pool. We also direct the petitioner to take necessary action to operationalise LTA for the projects as per the capacity available as provided in Regulation 8(5) of the 2010 Sharing Regulations.”

“66. Since the generation developers have failed to construct the dedicated transmission lines due to which assets created by the petitioner covered under the present petition are not serving the intended purpose, we are of the view, that the tariff for these assets shall be borne by the generators till operationalisation of their LTA as required under Regulation 8(5) of the 2010 Sharing Regulations as stated in para 60 herein. Till such time, the tariff for the assets shall be excluded from PoC pool.”

3. The Commission in its order dated 7.10.2015 had observed that the generators had not constructed the dedicated transmission lines whereas PGCIL had achieved the commercial operation of the transmission systems envisaged for evacuation of power from the concerned generator and accordingly, it was directed that the transmission tariff of these assets would be excluded from PoC and recovered from the generators. PGCIL filed Review Petition No. 24/RP/2015 seeking review of the order dated 7.10.2015. One of the grounds for seeking review was the observation in the order dated 7.10.2015 that the generators had not constructed the dedicated transmission lines, whereas GMR Kamalanga Energy Ltd. (GMR) and Jindal India Thermal Power Limited (JIPTL) were connected to the pooling stations through their dedicated transmission lines. The Commission in order dated 16.2.2017 in the Review Petition No. 24/RP/2015 disposed of the Review Petition with the following observations:

“14. In the impugned order, it was observed that since the generators connected to the Angul and Jharsuguda Pooling Stations have not commissioned dedicated lines due to which assets created by the petitioner are not serving their intended purpose and hence the transmission charges would be borne by the generators. From the review petition, it is observed that as on the date of issue of the impugned order, dedicated lines of some of the generators have been commissioned during the course of hearing of the main petition and the information in this regard was not made available to the Commission. This is an important factor affecting the liability of the parties for payment of transmission charges. Accordingly, we direct the review petitioner to file an application within one month from the date of issue of this order giving the following information:-

a. Details of the generators whose dedicated transmission lines in the corridor have been commissioned.
b. Details of the generators whose dedicated transmission lines have not been commissioned and the timeline for commissioning of the same.
c. Details of the generators whose LTA has been operationalised.
d. Whether all LILOs by the generators have been replaced as per the directions in order dated 07/10/2015 in Petition No.112/TT/2013 and if so, the details and if not, the timeline finalized for replacement of these LILOs.
e. The supporting documents in the form of minutes of Standing Committee Meetings and RPC meetings.”

4. In compliance of the order dated 16.2.2017 in the Review Petition No. 24/RP/2015, PGCIL has filed the instant petition giving the following information:-

“a. Details of the generators whose dedicated transmission lines in the corridor have been commissioned.

b. Details of the generators whose dedicated transmission lines have not been commissioned and the timeline for commissioning of the same.

5.1. There were Seven (7) generators who were granted LTA/LTOAs under High Capacity Power Transmission Corridor – I (Phase-I IPPs in Odisha). The associated transmission systems upto the pooling stations of Jharsuguda and Angul were under the scope of the respective generation developers and accordingly, the same were to be constructed by the generation developers matching with the transmission system to be developed by the Applicant.

5.2. The status of implementation of dedicated lines by respective generators is as under

<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>LTOA / LTA Applicant</th>
<th>Dedicated / Connectivity line</th>
<th>Status of Dedicated Line</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Vedanta (Erstwhile Sterlite Energy Ltd) (4x600 MW)</td>
<td>400kV Sterlite-Jharsuguda Pool D/c line</td>
<td>Expected by 15/04/2017</td>
</tr>
<tr>
<td>2.</td>
<td>Ind Barath Energy (Utkal) Ltd (2x350 MW)</td>
<td>400kV Ind Barath-Jharsuguda Pool D/c line</td>
<td>Completed. Requested shutdown for commissioning of the line.</td>
</tr>
<tr>
<td>3.</td>
<td>Monnet Power Company Ltd (2x525 MW)</td>
<td>400kV Monnet TPS-Angul Pool D/c line</td>
<td>75% work completed. Project is stalled from last 30 months. Remaining 25% work is expected within 6 months from the commencement of the project.</td>
</tr>
<tr>
<td>4.</td>
<td>Lanco Babandh Power Pvt Ltd (4x660 MW)</td>
<td>400kV Lanco TPS-Angul Pool D/c line</td>
<td>Expected by March’18 matching with generation project (likely to be delayed further)</td>
</tr>
<tr>
<td>5.</td>
<td>GMR Kamalanga Energy Ltd (3x350 MW)</td>
<td>400kV GMR TPS-Angul Pool D/c (Quad) line</td>
<td>Dec’14 (Commissioned)</td>
</tr>
</tbody>
</table>
5.3. The above information is based on the 11th JCC held on 27th December, 2016 and subsequent update obtained from respective IPPs with regard to status of their dedicated transmission line. The Petitioner craves leave to place any further developments that may occur during the filing and hearing of the present application.

6. Query:

a. Details of the generators whose LTA has been operationalised.

6.1. The following table gives the LTA granted to various generators and subsequent developments:

<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>LTOA/LTA Applicant</th>
<th>Original Quantum (MW)</th>
<th>Revised Quantum (MW)</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Vedanta (Erstwhile Sterlite Energy Ltd) (4x600 MW)</td>
<td>400</td>
<td>0</td>
<td>Generation developer has filed Petition No 003/MP/2016 before CERC for relinquishment of entire 400 MW LTA quantum. The prayer of the generator has been in principally accepted subject to settlement of relinquishment charges to be decided by Commission. The generator has been directed to keep the BG alive.</td>
</tr>
<tr>
<td>2</td>
<td>Monnet Power Company Ltd (2x525 MW)</td>
<td>900</td>
<td>900</td>
<td>Letter for operationalisation of LTA has been sent on 17/07/2015. On failure to comply regulatory provision, the generator has been made as one of the respondent in the Petition No. 229/RC/2015.</td>
</tr>
<tr>
<td>3</td>
<td>Lanco Babandh Power Pvt Ltd (4x660 MW)</td>
<td>1600</td>
<td>800</td>
<td>Lanco Babandh had sought relinquishment of 800MW vide petition no. 118/MP/2012. CERC vide order dated 08/06/2013 approved the same. Generation developer has filed Petition No. 38/MP/2016 before CERC for keeping its 800 MW LTA in abeyance on account of alleged force majeure condition.</td>
</tr>
<tr>
<td>4</td>
<td>Ind Barath Energy (Utkal) Ltd (2x350 MW)</td>
<td>616</td>
<td>616</td>
<td>LTA of 500 MW was granted to SR (Tamil Nadu as firm beneficiary) against their application made for change in region in Dec’13.</td>
</tr>
</tbody>
</table>
### S. No. | LTOA/LTA Applicant | Original Quantum (MW) | Revised Quantum (MW) | Remarks
--- | --- | --- | --- | ---

| GMR Kamalanga Energy Ltd (3x350 MW) | 800 | 647 | The original LTA quantum of 800 MW has been reduced to 647 MW by GMR on account of relinquishment of 153 MW of LTA with the consent for payment for relinquishment charges to be decided by the Commission. IPP have filed Petition no 41/MP/15 for the above relinquishment. Order is reserved. LTA of 387MW to NR operationalised. GMR had applied for LTA for change in region of 260MW from NR to ER -Bihar, which has been granted subject to payment of relinquishment charges for change in region. LTA of ER (Bihar– 260MW is to be operationalized. IPP has also filed Petition NO: 203/MP/2015 with regard to return of BG. Order is reserved. | }

| Navabharat Power Pvt. Ltd (3x350 MW) | 720 | 720 | Generation Developer has applied for relinquishment in Petition No: 317/MP/2013 filed before CERC. Order is reserved. | }

| Jindal India Thermal Power Ltd (2x600 MW) | 1044 | 0 | Generation developer has filed Petition No 55/MP/2015 before CERC for relinquishment of entire 1044 MW LTA quantum. Vide Interim Order dated 16/12/2015, the relinquishment of LTA has been allowed. However, the date of relinquishment and the charges payable to be decided in the Final Order. Order is reserved. | }

6.2. In terms of the provisions of BPTA/LTAA signed with the above generators and the conditions for the grant of LTA, the LTA commencement of all the generators were linked to commissioning of various transmission elements of High Capacity Power Transmission Corridor –I (Phase-I IPPs in Odisha) out of which the last element was commissioned on 27.01.2016. Accordingly, communication for operationalisation of LTA and opening of LC were sent to all the generators on 17/07/2015. Subsequently, the Petitioner filed Petition bearing no. 229/RC/2015 to ensure regulatory compliance by generators to enable operationalisation of LTA. Order in the said petition is awaited.

7. **Queries:**

Order in Petition No. 73/MP/2017
a. Whether all LILOs by the generators have been replaced as per the directions in order
dated 7.10.2015 in Petition No.112/TT/2013 and if so, the details and if not, the timeline
finalized for replacement of these LILOs.

b. The supporting documents in the form of minutes of Standing Committee Meetings and
RPC meetings.

7.1. Out of the above seven (7) nos of IPPs associated with HCPTC-I, only 4 nos of
IPPs were granted interim arrangements through LILO of existing transmission lines in the
vicinity; 2 nos. at Angul Pooling station and 2 nos. at Jharsuguda Pooling station.

7.2. The status of Interim LILO arrangements allowed for above Generation Projects
associated with HCPTC-I in Odisha are as follows:

<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Generation Project</th>
<th>Interim Connectivity</th>
<th>Timeline for replacement of LILO</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Vedanta (Sterlite Energy Ltd.) (4x600 MW)</td>
<td>LILO of one circuit of Rourkela - Raigarh 400kV D/c line at Sterlite Generation Switchyard</td>
<td>LILO not removed</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Dedicated line under construction and expected by 15-04-2017</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>As agreed in 35th TCC &amp; ERPC meeting held on 24/02/2017 &amp; 25/02/2017 LILO is to be removed by 15/04/2017 (Minutes of Meeting awaited)</td>
</tr>
<tr>
<td>2</td>
<td>Ind Barath Energy (Utkal) Ltd. (2x600 MW)</td>
<td>LILO of one circuit of Jharsuguda - Raigarh 400kV D/c line at Ind-Barath Generation Switchyard</td>
<td>Status as of 7th March 2017 given by IPP -</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>The dedicated line has been completed.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>The LILO would be removed upon commissioning of the dedicated line for which shut down of the line has been requested by the developer.</td>
</tr>
<tr>
<td>3</td>
<td>GMR Kamalanga Energy Ltd (3x350 MW)</td>
<td>LILO of one circuit of 400 kV Talcher – Meramundali at GMR TPS</td>
<td>LILO removed in Dec’14</td>
</tr>
<tr>
<td>4</td>
<td>Jindal India Thermal Power Ltd (2x600 MW)</td>
<td>LILO Meramundali-Angul-Bolangir at JITPL Generation Switchyard</td>
<td>LILO removed in Jun’14</td>
</tr>
</tbody>
</table>

7.3. CTU during the JCC meetings has been emphasizing that the generation
developers should ensure timely completion of their dedicated transmission lines. The
interim arrangements through LILO of existing lines were provided only as a contingency
arrangement and the generation developers need to complete the finalized dedicated
transmission lines thereafter the interim LILOs shall be removed.

7.4. Under the subject scheme, 4 nos. of LILOs, 2 each at Angul and Jharsuguda
Pooling station were also planned.
(a) At the Angul Pooling station, the LILO of Meramundali – Jeypore 400kV S/C line and LILO of one circuit of Talcher-Meramundali 400kV D/C have been planned and implemented. These LILOs were initially planned as interim arrangement for evacuation of power from Pooling Station till main 765 kV corridors gets commissioned.

However, the matter regarding removal of these LILOs after the commissioning of the main 765 kV transmission lines was discussed with the constituents of Eastern Region. In the 18th Standing Committee meeting held on 13/6/2016 and 33rd TCC/ERPC meeting held on 24-25th June, 2016, it was decided that the above LILOs at Angul pooling station may not be disconnected as these are load centers of Odisha at Meramundalia and Medhshal. It was also decided that instead switching arrangements be made at Angul sub-station such that above 400kV LILOs may be operated either by-passing Angul sub-station and/or terminating at Angul Sub-station as and when required, depending upon the power flow condition.

(b) At the Jharsuguda Pooling station, 2 nos. of LILO of Rourkela – Raigarh 400 kV D/c line were planned. These LILOs were part of final approved scheme and were not meant to be disconnected at all."

5. **PGCIL has made the following submissions:**

   a. There has been no default on its part and it has acted in a bonafide manner and proceeded with the construction of the subject transmission system as per the terms of the order dated 31.5.2010, with meagre Construction Bank Guarantee of ₹5 lakh/MW. If the recovery of the investment made fails or is deferred, it would seriously prejudice and jeopardise its finances and would set a bad and incorrect example for future.

   b. As per the BPTA, if a generator abandons or delays its generation project, it is liable to compensate PGCIL. Generator is liable to pay the transmission charges. In a given corridor, even if one generator achieves the commercial operation, it has to pay the transmission charges for the total transmission system implemented as per the BPTA. The BPTA was executed in a pre-POC regime and the Regulatory approval was also granted before notification of the 2010 Sharing regulations. While granting Regularity approval it was made clear that the transmission charges and its sharing by the constituents will be determined by the Commission in accordance with the
applicable regulations on such terms and conditions of tariff as specified by the Commission from time to time.

c. As regards the utilisation of the transmission assets, the LILOs at Angul and Jharsuguda were put into commercial operation on 1.4.2013 and the remaining 7 assets were put into commercial operation progressively by April 2014. While the 3 units of Sterlite (1800 MW) were commissioned on 10.11.2010, 13.3.2011 and 19.8.2011 which were to get connected at Jharsuguda Sub-station and 3 units of GMR Kamalanga (1050 MW) were commissioned in January, 2013, November, 2013 and March, 2014. Therefore, on the COD of instant transmission assets, 1800 MW power at Angul and 1050 MW power at Jharsuguda were available for evacuation to the extent margins in the Grid. Hence, the instant assets were ready for use and put to regular use from the COD.

d. The Jharsuguda-Dharamjaygadh 765kV D/C Transmission Line was put into commercial operation on 31.7.2014. The connection of this line with ISTS transmission system in ER was facilitated through 765/400 kV ICTs and 400kV inter-connection through LILO of Raigarh-Rourkela Transmission Line and other related assets at Jharsuguda.


7. The gist of the submission by the respondents is as follows:-
a. GMRKEL has submitted that it is in the process of filing an appeal before the Hon’ble Appellate Tribunal for Electricity against the orders dated 7.10.2015 and 16.2.2017. GMRKEL has made payment towards the transmission charges under STOA during the period for which PGCIL has raised the non-POC invoices dated 22.8.2017 without taking into consideration the STOA charges paid during April, 2013 to December, 2015. Therefore, imposing non-POC bills for the said period of time amounts to double charging of transmission charges. GMRKEL had already made payment towards evacuation of energy through the LILOs up to December, 2014 and thereafter, power was evacuated through its dedicated transmission line connecting its power plant to Angul Pooling Station. The dedicated line of GMRKEL was commissioned in December 2014 and the LTA was operationalized by PGCIL in July, 2016. But the Commission in its order dated 7.10.2015 in Petition No. 112/TT/2013 has observed that transmission system has been commissioned and the generator has not performed its part of the BPTA. PGCIL submitted that in the 18th SCM held on 13.6.2016 and 33rd TCC/ERPC Meeting held on 24-25.6.2016, it was decided that the LILOs at Angul PS may not be disconnected as these are load centers of Odisha at Meramundali and Medhashal. It was also observed that the LILOs were used as an alternative arrangement for bypassing Angul Sub-station and/or terminating at Angul Sub-station as and when required, depending upon the power flow condition. The said assets were utilized by other participants in the Grid and such LILO lines brought further stability to the entire grid system.

b. JITPL has submitted that the said assets were utilized by other participants in the Grid and such LILO lines brought further stability to the entire grid system. The
dedicated transmission line from the plant of the JITPL to Angul PS was constructed and put into commercial operation by the JITPL in June 2014.

c. IB(U)EL has submitted that its dedicated transmission line was put into commercial operation in the month of May 2017. PGCIL made contradictory statements regarding the LILOs arrangement because at the Jharsuguda PS, 2 nos. of LILO of Rourkela-Raigharh 400 kV D/C line were planned. In such case, PGCIL submitted that these LILOs were part of final approved scheme and were not meant to be disconnected at all. The assets in question are utilized by others since COD and the same has been put to use as a significant part of the entire transmission system, the cost of the transmission asset in question are required to be socialized in line with the spirit of 2010 Sharing Regulations.

d. Vedanta submitted that as submitted by PGCIL, the Jharsuguda Pooling Station, 2 nos. of LILO of Rourkela-Raigharh 400 kV D/C line were planned and were part of final approved scheme and were not meant to be disconnected at all. These LILOs were not made as temporary arrangements, and the same were converted into transmission asset which are utilized in aid and assistance of the associate transmission system. The instant transmission assets are utilized by others since its commissioning and the same were put to regular use as a significant part of the entire transmission system, hence their cost should be socialized. Further, the dedicated transmission line from Vedanta to Jharsuguda Pooling Station is in its advanced construction stage and expected to be commissioned by October, 2017.

8. The other submissions of the respondents are summarized below:-
a. The Commission in order dated 7.10.2015 held that the transmission charges for the instant transmission assets should be recovered from the generators till the date of operationalization of LTA under non-PoC regime, which is against the 2010 Sharing Regulations. The 2010 Sharing Regulations does not mandate recovery of the YTC of the transmission from the generators till operationalisation of the transmission system.

b. Regulation 8(8) of the Central Electricity Regulatory Commission (Grant of Connectivity, Long-term Access and Medium-term Open Access in inter-State Transmission and related matters) Regulations, 2009(herinafter referred to as “2009 Connectivity Regulations) cannot be made applicable to the present case, since the dedicated transmission lines were to be constructed/implemented by the Generators/Developers.

c. The BPTA between generators with PGCIL does not provide for part operationalization of LTA. The Commission had relied upon Regulations 8(5) and 8(6) of the 2010 Sharing Regulations for part operationalization of LTA which was notified by an amendment dated 3.4.2015, after the instant transmission assets were put into commercial operation. Even the amended Regulation 8(5) of the 2010 Sharing Regulations, does not contemplate imposing non-PoC charges on the generators.

d. It is a settled principle of law that any law to have retrospective effect, shall have to expressly be mentioned in the notification, to that effect. In the absence of such provision, the laws are to be implemented prospectively.
e. The 2010 Sharing Regulations and the 2014 Tariff Regulations provide for recovery of transmission charges only through the 2010 Sharing Regulations and there is no other method for recovery of the transmission charges. Hence, any transmission charges imposed beyond the 2010 Sharing Regulations are bad in law.

9. GMRKEL, Vedanta, IBEUL and JITPL have filed IA No. 75 of 2017, IA No. 76 of 2017, IA No. 77 of 2017 and IA No. 78 of 2017 respectively praying for issuance of necessary directions to restrain PGCIL from raising any demand of transmission charges qua the transmission assets, till the final disposal of the present petition. GMRKEL, Vedanta, IBEUL and JITPL have also prayed for stay of the non-PoC invoice dated 22.8.2017 amounting to ₹9,50,01,006/- invoice dated 22.8.2017 amounting to ₹23,78,68,291/-, invoices dated 22.8.2017 and 17.7.2017 amounting to ₹36,63,17,168/- and invoice dated 22.8.2017 amounting to ₹12,39,76,312/- respectively.

10. The respondents further submitted that the Commission in order dated 7.10.2015 in Petition No. 24/RP/2015 specifically observed that the liability of generators towards the payment of transmission charges can only be determined after the submission of additional information as sought in the said order dated 7.10.2015. PGCIL by way of the instant petition has placed on record the said additional information sought, and as such without analysing the said information/documents, no liability can be ascertained which is allegedly payable by the generators, and as such no invoices could have been raised by PGCIL. The respondents also submitted that they are in the process of challenging the main order dated 7.10.2015, passed in Petition No. 112/TT/2013, before the Appellate Tribunal not only with respect to condonation of delay in completing the transmission projects by PGCIL but also that 2010 Sharing Regulations does not provide for recovery
of the transmission charges other than the PoC mechanism. As such, propriety demands
that the invoices raised by PGCIL are stayed, till the adjudication of the present
proceedings.

11. PGCIL vide affidavit dated 10.10.2017 has submitted that as per the directions of the
Commission in the order dated 15.7.2015 in Petition No.112/TT/2013, invoices were raised
by PGCIL on the generators for recovery of transmission charges under the Bilateral billing
for the period from April, 2013 to December, 2015. After certain correspondence with
PGCIL, some of the Generators/Respondents filed IAs seeking stay of the said invoice
dated 22.8.2017 and for directions to PGCIL to not to take any coercive actions against the
Respondents. On non-recovery of the transmission charges, PGCIL sent a letter dated
20.12.2017 to the generators requesting them to make payment of the bills immediately so
as to avoid regulatory action including curtailment of Short term Open Access (STOA).

Vedanta Limited has approached the Hon’ble High Court of Delhi under Article 226 and
227 of the Constitution of India on 5.1.2018 by filing Writ Petition 105 of 2018 praying
for a declaration that the letter dated 20.12.2017 is illegal and non-est on the ground that
Petition No. 73/MP/2017 filed in March, 2017 for determination of liability of the generators
in respect of payment of transmission charges is still pending for adjudication by the
Commission. The Hon’ble High Court in its order dated 8.1.2018 directed as under:-

"Ms Swapna Seshadri, Advocate appears on advance notice for the
respondent no. 2 and very fairly states that keeping in view the fact that the invoice
was issued on 22.08.2017 and the matter is already listed before the respondent
no, 1 on 11.01.2018, respondent no. 2 will not take any coercive steps against the
petitioner till the matter is disposed off by the respondent no. 1.

However, she expresses her apprehension that in view of her statement not to
take coercive steps, the petitioner will try to prolong the hearing of the petition
before the respondent no. 1. Mr. Akhil Sibal, the learner Senior Advocate
appearing for the Petitioner, on instructions, assures the Court that the petitioner
will not seek any unnecessary adjournment before the respondent no. I., it is made
clear that in case, the petitioner seeks any unnecessary adjournments, respondent No. 2 will be at liberty to approach this Court by filing an appropriate application.

Both the parties request that the matter before the respondent no. 2/commission be heard expeditiously. It is hoped that keeping in view the facts above, respondent no. 1/commission would deal with the matter in an expeditious manner.

12. Learned counsel for PGCIL submitted during the hearing on 11.1.2018 that the Commission in order dated 15.7.2015 held that PGCIL has already commissioned its transmission system and the generators have not performed their part of the obligations under BPTA. Therefore, it is the defaulting generators who are liable to bear the transmission charges till the operationalization of LTA as provided in Clause 2.0(a) and 2.0(c) of the BPTA and transmission charges for such period shall not be included in the PoC charges. PGCIL as per the directions in order dated 15.7.2015 raised invoices on the generators on 22.8.2017 for recovery of transmission charges under the bilateral billing for the period from April 2013 to December 2015. In the absence of the Commission’s directions in the present matter, the respondents have approached the High Court to restrain it from taking any coercive action on non-payment of transmission charges for the assets and PGCIL is unable to recover the billed amount either through PoC or from the generators. Accordingly, learned counsel submitted that the Commission may allow the recovery of transmission charges of assets under Petition No.112/TT/2013 through PoC mechanism.

13. In response, learned senior counsel for GMRKEL, Vedanta and IBEUL submitted that PGCIL has raised invoices dated 22.8.2017 upon the respondents towards the transmission charges under the non-PoC mechanism which is contrary to its own stand in Petition No. 112/TT/2013 that recovery of transmission charges can only be through PoC mechanism. The recovery of transmission charges of the instant transmission assets is
only permissible under the PoC regime under the 2010 Sharing Regulations and not otherwise. There cannot be any charges other than through PoC mechanism. Otherwise a separate mechanism has to be devised for recovery of transmission charges. PGCIL by way of the present petition has placed on record the additional information sought by the Commission and as such without analyzing the said information, no liability can be ascertained which is allegedly payable by the generators and no invoices could have been raised. By raising the invoices without awaiting the adjudication in the present petition, PGCIL has acted contrary to the procedure established by law, thereby prejudging the outcome of the present matter. Learned Senior Counsel submitted that the respondents would be subjected to undue financial hardship and grave prejudice if they were compelled to make payment of transmission charges without the actual assessment of the respondent’s liability to bear the transmission charges for the instant transmission assets. Therefore, PGCIL’s impugned invoices be stayed till the adjudication of the present proceedings and PGCIL be directed not to take any coercive actions till the final disposal of the matter as undertaken by it before the Delhi High Court in W.P. (C) No. 105 of 2018. After hearing the parties, the Commission directed PGCIL not to take any coercive action against the respondents for non-payment of the bills in line with the order dated 8.1.2018 of the High Court of Delhi in W.P (C) No. 105 of 2018 till the disposal of the present petition.

14. In response to the IAs filed by the generators, PGCIL vide affidavit dated 22.1.2018 has submitted that PGCIL raised invoices on the generators on 22.8.2017 for recovery of transmission charges under the Bilateral billing for the period from April 2013 to December 2015 in compliance with the directions of Commission in the Order dated 15.7.2015 in Petition No.112/TT/2013. The main contention of the respondents is that PGCIL cannot
recover transmission charges through a non-POC Bill and it is recoverable only through POC mechanism. PGCIL submitted that the submissions of the respondents are entirely misconceived as the transmission assets meant for these generators have been put into service and PGCIL is entitled to recover the charges for these assets. PGCIL has further submitted that the Commission may ultimately decide the best method to recover the transmission charges, but it does not mean that PGCIL will not be permitted to recover any charges till such decision is taken.

**Analysis and decision**

15. We have considered the submissions of PGCIL and the respondents. PGCIL has filed the information sought by the Commission in order dated 16.2.2017 in Petition No. 24/RP/2016. The information submitted by PGCIL is summarised below. The details of the status of dedicated lines, operationalization of LTA of the generators and status of removal of interim connectivity granted through LILOs are as under:-

**Status of dedicated lines and interim connectivity granted through LILO**

<table>
<thead>
<tr>
<th>Srl. No.</th>
<th>LTOA / LTA Applicant</th>
<th>Dedicated / Connectivity line</th>
<th>Status of Dedicated Line</th>
<th>Status of interim Connectivity granted through LILO, if any.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Vedanta Ltd (4x600 MW)</td>
<td>400 kV Sterlite-Jharsuguda Pool D/C line</td>
<td>COD in November, 2017</td>
<td>LILO removed on 7.11.2017</td>
</tr>
<tr>
<td>2.</td>
<td>Ind Barath Energy (Utkal) Ltd (2x350 MW)</td>
<td>400kVIndBarath-Jharsuguda Pool D/C line</td>
<td>COD in May, 2017</td>
<td>LILO removed.</td>
</tr>
<tr>
<td>3.</td>
<td>Monnet Power Company Ltd (2x525 MW)</td>
<td>400 kV Monnet TPS-Angul Pool D/C line</td>
<td>75% work completed. Project is stalled for last 30 months.</td>
<td>.................</td>
</tr>
<tr>
<td>4.</td>
<td>Lanco Babandh Power Pvt Ltd (4x660 MW)</td>
<td>400kV Lanco TPS - Angul Pool D/C line</td>
<td>By March, 18 matching with generation project.</td>
<td>.................</td>
</tr>
<tr>
<td>5.</td>
<td>GMR Kamalanga Energy Ltd (3x350 MW)</td>
<td>400kV GMR TPS-Angul Pool D/C (Quad) line</td>
<td>COD in December, 2014</td>
<td>LILO removed.</td>
</tr>
<tr>
<td>Srl. No.</td>
<td>LTOA / LTA Applicant</td>
<td>Dedicated / Connectivity line</td>
<td>Status of Dedicated Line</td>
<td>Status of interim Connectivity granted through LILO, if any.</td>
</tr>
<tr>
<td>---------</td>
<td>-----------------------</td>
<td>-------------------------------</td>
<td>--------------------------</td>
<td>----------------------------------------------------------</td>
</tr>
<tr>
<td>7.</td>
<td>Jindal India Thermal Power Ltd (2x600 MW)</td>
<td>400 kV Jindal TPS-Angul Pool D/C line (1st Ckt)</td>
<td>COD in June, 2014</td>
<td>LILO removed.</td>
</tr>
</tbody>
</table>

Status of LTA operationalization

<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>LTOA/LTA Applicant</th>
<th>Original Quantum (MW)</th>
<th>Revised Quantum (MW)</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Vedanta Ltd (4x600 MW)</td>
<td>400</td>
<td>0</td>
<td>Relinquished entire quantum.</td>
</tr>
<tr>
<td>2</td>
<td>Monnet Power Company Ltd (2x525 MW)</td>
<td>900</td>
<td>900</td>
<td>Letter for operationalisation of LTA has been sent on 17.7.2015.</td>
</tr>
<tr>
<td>3</td>
<td>Lanco Babandh Power Pvt Ltd (4x660 MW)</td>
<td>1600</td>
<td>800</td>
<td>Relinquished 800MW.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Filed Petition No. 38/MP/2016 for keeping its 800 MW LTA in abeyance.</td>
</tr>
<tr>
<td>4</td>
<td>Ind Barath Energy (Utkal) Ltd (2x350 MW)</td>
<td>616</td>
<td>616</td>
<td>LTA of 500 MW was operationalized from 16.12.2015.</td>
</tr>
<tr>
<td>5</td>
<td>GMR Kamalanga Energy Ltd (3x350 MW)</td>
<td>800</td>
<td>647</td>
<td>The LTA quantum of 800 MW has been reduced to 647 MW by relinquishment of 153 MW of LTA.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>LTA of 387MW to NR operationalised.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>LTA of ER (Bihar-260MW) is to be operationalized.</td>
</tr>
<tr>
<td>6</td>
<td>Navabharat Power Pvt. Ltd (3x350 MW)</td>
<td>720</td>
<td>720</td>
<td>Relinquished entire quantum.</td>
</tr>
<tr>
<td>7</td>
<td>Jindal India Thermal Power Ltd(2x600 MW)</td>
<td>1044</td>
<td>0</td>
<td>Relinquished entire quantum.</td>
</tr>
</tbody>
</table>

16. The basic contention of the respondents is that the transmission charges for the instant transmission assets could be recovered only through PoC mechanism as provided in the 2010 Sharing Regulations and the 2014 Tariff Regulations. PGCIL has contended that the transmission assets under the Transmission System have been put to use and it is...
eligible for recovery of transmission charges. On the basis of the pleadings, the following two issues are framed:-

(a) Whether there can be a mechanism other than PoC mechanism for recovery of transmission charges?
(b) Who will share the transmission charges for the transmission assets covered in Petition No. 112/TT/2013?

Issue (a): Whether there can be a mechanism other than PoC mechanism for recovery of transmission charges?

17. On the first issue, the respondents have submitted that the observations made by the Commission in para 60 and 66 of the order dated 7.10.2015 in Petition No. 112/TT/2013 do not have the regulatory mandate as per the provisions of the 2010 Sharing Regulations. The 2010 Sharing Regulations do not provide for recovery of the YTC of the transmission system from the generators till their LTA gets operationalized post which the generators shall be charged as per the PoC mechanism. Further, during the hearing held on 11.1.2018, learned counsel appearing on behalf of the respondents submitted that there cannot be any recovery of charges other than through PoC mechanism, otherwise a separate mechanism has to be devised for recovery of transmission charges by the Commission within the four corners of the Sharing Regulations.

18. We have considered the submissions of PGCIL and respondents. The Commission in similar other cases held that the transmission charges can be recovered through non-PoC mechanism. In the case of Kayamkulam Transmission System, NTPC Faridabad-Palla Transmission Line owned by PGCIL is not included in PoC computation. The relevant extract of the order dated 2.6.2011 is quoted below:-

“(B) Sharing of transmission charges for dedicated lines owned by CTU

Order in Petition No. 73/MP/2017

Page 21 of 30
6. CTU has pointed out that certain assets of POWERGRID such as Faridabad-Palla, Kayamkulam transmission system etc., are used for evacuation of power from Central Generating Station for consumption within the State. Even though these transmission lines are dedicated to a particular State, nevertheless they should be included in the Inter-State Transmission System (ISTS) for the purpose of calculation of PoC charges as they are part of the ISTS in accordance with Section 2(36)(iii) of the Electricity Act 2003 (the Act). It has been submitted that any asset owned by the CTU shall be a part of the ISTS and their charges should be considered for the purpose of computation of PoC charges. However, the Implementing Agency has not included the same for the calculation of the PoC charges.

7. We have examined the suggestion of the CTU. Though the definition of “Inter-State Transmission System” in Section 2(36)(iii) of the Electricity Act, 2003 includes “the transmission of electricity within the territory of a State on a system built, owned, operated maintained or controlled by Central Transmission Utility”. The tariff of such lines owned by POWERGRID for evacuation of power from a power station dedicated to any particular state is presently being borne only by the State concerned. These transmission lines are akin to the state lines except that it is owned, controlled and operated by POWERGRID. Since the transmission charges of these lines are not shared by any other State, we are of the view that the existing arrangement should continue under the Sharing Regulations also.”

Similarly, the Commission in order dated 29.4.2015 in Petition No. 105/TT/2015 directed BHAVINI to pay transmission charges as BHAVINI could not commission its power plant but the transmission systems were commissioned by PGCIL. The relevant portion of the said order dated 29.4.2015 is reproduced as under:-

“17. ............... As per the submissions of the petitioner, Assets-I and II are being utilized for drawing start up power for BHAVINI PFBR. These assets were planned for evacuation of power from BHAVINI. In the absence of commissioning of BHAVINI, these assets could not be put to regular use for supply of power to the constituents of the Southern Region. Therefore, till the unit of BHAVINI is commissioned, the transmission charges of Assets-I and II shall be borne by BHAVINI in accordance with Regulation 8(6) of the Central Electricity Regulatory Commission (Sharing of Transmission Charges) Regulations, 2010.”

The Commission in order dated 5.8.2015 in Petition No. 011/SM/2014, directed that in case of mismatch in commissioning of transmission assets and the downstream system, the concerned STU should bear the transmission charges till the completion of the downstream system under its scope. The relevant portion of the said order dated 5.8.2015 is extracted hereunder:-
“21. Since, the process of amendment would take time, we direct STUs to expedite downstream system in a time bound manner so that the transmission system already commissioned is put to use. PGCIL is at liberty to approach the Commission for invoking Regulation 3(12) (c) of the 2009 Tariff Regulations or Regulation 4(3) (ii) of 2014 Tariff Regulations, as the case may be, for COD of the completed assets. Concerned STU, who had requested for provision of downstream line bays in the various meetings of Standing Committee/RPC, shall bear the transmission charges till completion of downstream system.”

Similarly, in order dated 29.7.2016 in Petition No.127/TT/2014, the Commissioned directed as under:-

“77. Thus, drawing analogy from above, we are of the view that CEPL and IBPL shall pay transmission charges for the instant assets till the dedicated transmission line up to the Tuticorin Pooling Station are constructed and declared under commercial operation and put to regular use by the concerned generating station. If one of the generating stations commissions the dedicated transmission line, in that case 50% of the charges of LILO will be included under PoC and the balance 50% of the transmission charges shall be borne by the generating which has not commissioned the dedicated transmission line……………………”

Further, in order dated 27.6.2016 in 236/MP/2016, the Commissioned directed PGCIL and NTPC to pay transmission charges to KTL. The relevant portion of the said order dated is reproduced below:-

“42. ………………..
(a) It is noted that the petitioner completed its entire scope of the work on 27.3.2015. However, due to non-availability of inter-connection facility required to be developed by NTPC and PGCIL at each end, it could not commission the transmission line. Therefore, the transmission charges for the period from 4.8.2015 to 23.8.2015 shall be shared by both NTPC and PGCIL in the ratio of 50:50……”

19. Thus, in a number of cases, the Commission has decided that the transmission charges shall be directly recovered from the generators or the developers of the upstream or downstream transmission systems of the ISTS which has achieved CoD whether implemented by PGCIL on cost plus basis or through tariff based competitive bidding but is prevented for being put into service on account of the non-readiness of the generating stations or their dedicated transmission lines or the upstream/downstream transmission systems. In case where the generating stations have not achieved CoD but the transmission systems have achieved CoD, Regulation 8(6) of the 2010 Sharing Regulations clearly provides that the transmission charges shall be calculated at the
drawal nodes of the LTTCs availing power from such Inter-State Generating Stations after their commercial operation. Till the CoD of the generating station, it shall be the responsibility of the generator to pay the transmission charges as provided in Regulation 8(6) of the 2010 Sharing Regulations. The respondents have contended that Regulation 8(6), which was amended on 3.4.2015 is not applicable to the instant transmission assets as the instant assets have been put into commercial operation before the said amendment. It is observed that Regulation 8(6) of the 2010 Sharing Regulations before and after the amendment on 3.4.2015 makes the generator liable for the transmission charges till the commercial operation of the generator. Regulation 8(6) of the 2010 Sharing Regulations before and after the amendment on 3.4.2015 provides as under:

Before amendment on 3.4.2015-

“(6) For Long Term customers availing supplies from inter-State generating stations, the charges payable by such generators for such Long Term supply shall be billed directly to the respective Long Term customers based on their share of capacity in such generating stations. Such mechanism shall be effective only after “commercial operation” of the generator. Till then, it shall be the responsibility of generator to pay these charges.”

After amendment on 3.4.2015-

“(6) For Long Term Transmission Customers availing power supply from the inter-State generating stations, the charges attributable to such generation for long term supply shall be calculated directly at drawal nodes as per the methodology given in Annexure-I. Such mechanism shall be effective only after commercial operation of the generator. Till then, it shall be the responsibility of the generator to pay transmission charges.”

As per the above provision, if the generating station has not achieved COD matching with the transmission line, the generator shall be liable to pay the charges till the COD of the generating station. The only alternative method is to make the generators directly pay the transmission charges to the transmission licensees till the CoD of their generating stations. The Commission has already devised a methodology for recovery of the charges in such cases by requiring CTU to raise the bills in a particular manner in order dated 4.1.2017 in Petition No. 155/MP/2016. Relevant portion of the said order is extracted as under:
17. The petitioner is directed to provide YTC details of its assets to NLDC and CTU. NLDC shall provide the same to RPC for inclusion in RTAs. The assets shall be billed along with bill 1 under the provisions of the Central Electricity Regulatory Commission (Sharing of inter-State Transmission charges and losses), Regulations, 2010 as amended from time to time. ISTS licensees shall forward the details of YTC to be recovered as per formats provided under the Sharing Regulations to NLDC. ISTS licensees shall forward the details of entity along with YTC details from whom it needs to be recovered as per applicable orders of the Commission to NLDC (only in cases of bilateral billing due to non-availability of upstream/downstream system). Based on the input received from respective licensees and the Commission’s order, NLDC shall provide details of billing pertaining to non-availability of upstream/downstream system to respective RPCs for incorporation in RTAs for all cases of bilateral billing. On this basis, CTU shall issue the bills. The process given in this para shall be applicable to all future cases of similar nature and all concerned shall duly comply with the same.

The above method of billing shall be followed by PGCIL for recovery of dues from the generators whose generating stations have not achieved CoD. Since the Commission has devised a methodology for recovery transmission charges from the generators who have not achieved CoD, this will address the concerns of the respondents.

**Issue (b): Who will share the transmission charges for the transmission assets covered in Petition No. 112/TT/2013?**

20. Transmission tariff was approved in Petition No. 112/TT/2013 for the following assets under the Transmission System:

<table>
<thead>
<tr>
<th>Assets</th>
<th>Actual DOCO</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Asset I:</strong> LILO of Meramundali-Jaypore 400kV S/C line at Angul S/s</td>
<td>1.4.2013</td>
</tr>
<tr>
<td><strong>Asset II:</strong> One no. of 125 MVAR Reactor (1st) &amp; associated bays at Angul S/s</td>
<td>1.11.2013</td>
</tr>
<tr>
<td><strong>Asset III:</strong> One no. of 125 MVAR Reactor (2nd) &amp; associated bays at Angul S/s</td>
<td>1.6.2013</td>
</tr>
<tr>
<td><strong>Asset IV:</strong> One no. of 125 MVAR Reactor (3rd) &amp; associated bays at Angul S/s</td>
<td>1.5.2013</td>
</tr>
<tr>
<td><strong>Asset VI:</strong> LILO-I (ckt-III) of Rourkela-Raigarh 400kV D/C line at Jharsuguda S/s</td>
<td>1.4.2013</td>
</tr>
<tr>
<td><strong>Asset VII:</strong> LILO-II (ckt-I) of Rourkela-Raigarh 400kV D/C line at Jharsuguda S/s</td>
<td>1.6.2013</td>
</tr>
<tr>
<td><strong>Asset VIII:</strong> One no. of 125 MVAR Reactor (1st) &amp; associated bays at Jharsuguda S/s</td>
<td>1.5.2013</td>
</tr>
<tr>
<td><strong>Asset IX:</strong> One no. of 125 MVAR Reactor (2nd) &amp; associated bays at Jharsuguda S/s</td>
<td>1.6.2013</td>
</tr>
</tbody>
</table>
21. The above transmission system is covered under Part-A of HCPTC-I through which CTU had granted LTA to generation projects such as JITPL (1044MW), Navbharat Power Pvt. Ltd (720MW), Monnet Power Company Ltd (900MW), Lanco Babandh Power Ltd (800 MW) and GMRKEL (800MW) connected at Angul Pooling Sub-station and IBEUL (616MW) and Sterlite Energy Ltd. (400MW) connected at Jharsuguda Pooling Sub-station. The indicative diagram of the generating stations connected at Angul and Jharsuguda Pooling Sub-stations is given overleaf:

22. These generators have signed BPTAs with PGCIL for availing LTA for inter-State transmission for the purpose of evacuation of power. We have perused the BPTAs signed by Ind-Bharat, Monnet, GMRKEL and Lanco Babandh with PGCIL wherein these generators have agreed that in the event of default by any developers under Clause 5 and 6 of this Agreement, the transmission charges for the system mentioned at Annexure-3 of the said BPTA would be shared by balance developers. Similar BPTA was also signed by NPPL, JITPL and Sterlite. The relevant portion of Annexure-4 the aforesaid BPTA is reproduced below:-
“In the event of default by any developers under Clause 5 and 6 of this Agreement, the transmission charges for the system mentioned at Annexure-3 would be shared by balance developers. However, the damages collected (if any) form the defaulting developer(s) under Clause 5 & 6 of this Agreement shall be adjusted for the purpose of claiming transmission charges from the balance (remaining) developers.”

23. We have considered the submissions of PGCIL and respondents. We have also perused minutes of the 14th JCC meeting of Eastern Region held on 20.9.2017 and minutes of Minutes of 139th OCC Meeting of ERPC held on 27.11.2017. As per the submission of PGCIL and respondents, minutes of the 14th JCC meeting of Eastern Region held on 20.9.2017 and minutes of Minutes of 139th OCC Meeting of ERPC held on 27.11.2017, the status of dedicated lines under the scope of generator connected to the Angul and Jharsuguda Pooling stations are as under:

(a) Out of five generators viz. JITPL, NPPL, MPCL, Lanco Babandh, and GMRKEL, connected at Angul Pooling Sub-station, JITPL and GMRKEL have been put under commercial operation and MPCL, Lanco Babandh and NPPL are under construction. Further, JITPL and GMRKEL have commissioned their dedicated transmission lines.

(b) Out of two generators connected at Jharsuguda viz. Vedanta Ltd and IBEUL, Vedanta has commissioned all units while IBEUL has commissioned one unit and 2nd unit is under construction. Further, Vedanta and IBEUL have commissioned their dedicated lines.

24. Asset wise sharing of transmission charges shall be as detailed below (Asset no. as per the order dated 7.10.2015 in Petition No. 112/TT/2013).
(a) The Single Line Diagram (SLD) of Angul Pooling Sub-station is given below:

(b) On perusal of the above diagram, it is noted that the dedicated transmission lines to be developed by JITPL and GMR were commissioned on 1.6.2014 and 21.12.2014 respectively. We also observe that once the connecting transmission system i.e. 765 kV Angul-Jharsuguda line is commissioned, Asset-I, II, III and IV would be utilized in the system. Further, 2x765 kV Angul-Jharsuguda S/C line was commissioned on 4.4.2015. Since, JITPL commissioned its dedicated 400 kV Jindal-Angul D/C line on 1.6.2014, it shall bear transmission charges pro-rata to its LTA only till 1.6.2014 post which its share of charges shall be considered under PoC pool. Further, GMRKEL commissioned its dedicated 400 kV GMR-Angul D/C line on 21.12.2014, it shall bear transmission charges pro-rata to its LTA only till 21.12.2014 post which its share of charges shall be considered under PoC pool.

(c) We are of the view that the transmission tariff in respect of Asset-I, II, III and IV shall be borne by JITPL and GMRKEL till 1.6.2014 and 21.12.2014 in the ratio of
their operationalized LTA post which their share of transmission charges for Asset-I, II, III and IV shall be completely included in PoC mechanism for sharing of transmission charges.

(d) The charges recovered, if any, from balance generators/defaulting generator connected/to be connected at Angul pooling station till their dedicated line is commissioned shall be adjusted to JITPL & GMRKEL accordingly.

(e) CTU may operationalize Annexure-4 of the BPTA as quoted under para22 above of this order as the case may be.

**Jharsuguda Pooling Sub-station: (Asset- VI, VII, VIII and IX of the table under para 20 above)**

25. The Single Line Diagram (SLD) of Jharsuguda Pooling Sub-station is given below:

![Diagram of Jharsuguda Pooling Sub-station]

On perusal of the above diagram, both IBEUL and Vedanta Ltd have commissioned their dedicated transmission lines on 12.5.2017 and 6.11.2017 respectively. It can be seen that
the connecting 765 kV line i.e. 765kV Jharsuguda-Dharamjaygarh line was commissioned on 31.7.2014. Hence, we are of the view that transmission tariff in respect of Asset-VI, VII, VIII and IX shall be borne by Vedanta and IBEUL in proportion to their LTA from 31.7.2014 till the COD of the dedicated transmission line, post which Asset-VI, VII, VIII and IX shall be included in PoC mechanism for sharing of transmission charge.

26. In view of above directions, the Petition No. 73/MP/2017 along with I.A. No. 75/2017, 76/2017, 77/2017 and 78/2017 stands disposed.

sd/-
(M. K. Iyer)
Member

sd/-
(A. S. Bakshi)
Member

sd/-
(A. K. Singhal)
Member