

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 331/MP/2020

- Subject : Petition under Section 79 (1) (c) and (d) read with Sections 61, 62 and other applicable provisions of the Electricity Act, 2003 and Regulations 20 and 21 of the Central Electricity Regulatory Commission (Sharing of Inter-State Transmission Charges and Losses) Regulations, 2010 for the modified application of the provisions of Regulation 7 of the Sharing Regulations dealing with the point of connection transmission charges and losses to the solar power projects set up in the designated solar parks under the Guidelines issued by the Central Government for development of the Solar Parks.
- Date of Hearing : 20.8.2020
- Coram : Shri P. K. Pujari, Chairperson
Shri I. S. Jha, Member
Shri Arun Goyal, Member
- Petitioners : Andhra Pradesh Solar Power Corporation Private Limited and 3 Ors.
- Respondents : Power Grid Corporation of India Limited and Anr.
- Parties present : Shri M. G. Ramachandran, Sr. Advocate, SECI
Ms. Poorva Saigal, Advocate, SECI
Ms. Tanya Sareen, Advocate, SECI
Shri S. Ramana Reddy, SECI
Shri K. J. Nagaraju, KSPCL
Shri R. G. Patel, GPCL
Shri Manoj Mathur, SECI

Record of Proceedings

The matter was heard through video conferencing.

2. Learned senior counsel for the Petitioners submitted that the present Petition has been filed, *inter-alia*, seeking modified application of the Central Electricity Regulatory Commission (Sharing of Inter-State Transmission Charges and Losses) Regulations, 2010 (in short, '2010 Sharing Regulations') in regard to levy of transmission charges and adjustment of transmission losses pertaining to the solar power projects that are set-up in the designated solar parks with grid connectivity through Inter-State Transmission System (ISTS). Learned senior counsel further submitted as under:



(a) In terms of Regulation 7 of the 2010 Sharing Regulations, payment of transmission charges and losses for the use of ISTS network for solar power project have been exempted subject to the conditions specified therein. However, the above Regulation, while addressing the issues relating to individual solar power projects being set-up, does not address the issues in regard to solar power projects being set-up in the solar park, wherein the Connectivity and Long-Term Access are obtained by the Solar Power Park Developers (SPPD).

(b) SPPDs provide service of development of the solar power park as an agency to facilitate establishment of the solar power projects. Thus, SPPDs are not in a position to absorb the cost implication of the delays that may occur in the establishment of solar power projects in the solar power park, more particularly, when such delays are attributable to the different agencies including the agencies responsible for selection of solar power developers through bid process.

(c) The development of solar power projects in the solar power parks may get substantially delayed due to various reasons such as land availability/ acquisition for solar power park, identification and award of solar power projects corresponding to solar park capacity in one go, etc., and as a result, there may be a mismatch with the development of ISTS network established for connectivity and evacuation of solar power and the solar energy generation by the solar power developers.

(d) Since the transmission charges and losses for the solar power projects being established in the solar power park are exempted from the date of their commercial operation, the SPPD, as an intermediary nodal agency, would not be in a position to absorb the entire cost of transmission charges and losses pending the establishment of the solar power projects to the full capacities of the solar power park. Moreover, such levy on SPPDs would seriously affect the development of solar power parks and development of solar capacity in the country.

(e) In such circumstances, if the delay is not on account of any factor attributable to and in absence of any negligence on the part of the intermediary agencies such as the Petitioners, transmission charges till the utilization of entire capacity of ISTS network ought to be socialized in the same manner as provided for the period from the date of commercial operation of the solar power projects.

(f) Accordingly, the Petitioners have, *inter-alia*, prayed to exercise provisions of 'power to relax' and 'power to remove difficulties' with regard to Regulation 7 of the 2010 Sharing Regulations to the extent of solar power projects set up in the solar power parks.

3. In response to the Commission's specific observations that the socialization of transmission charges and losses as sought for by the Petitioners would lead to passing of the inefficiencies of various agencies to the distribution licensees and in turn to the consumers at large and that the Petitioners have sought to invoke the 'power to relax' and 'power to remove difficulties' on generic basis, learned senior counsel sought two weeks' time to place on record the affidavit regarding difficulties being faced by the



Petitioners. Considering the request of the learned senior counsel for the Petitioners, the Commission directed the Petitioners to file an affidavit on the above aspect, on or before, 7.9.2020.

4. Subject to the above, the Commission reserved order in the matter.

By order of the Commission

**SD/-
(T.D. Pant)
Deputy Chief (Law)**

