

**BEFORE THE KARNATAKA ELECTRICITY REGULATORY COMMISSION**  
No. 16 C-1, Miller Tank Bed Area, Vasanth Nagar, Bengaluru- 560 052

**Dated : 27<sup>th</sup> September, 2018**

**Present:**

Shri M.K. Shankaralinge Gowda ..	Chairman
Shri H.D. Arun Kumar ..	Member
Shri D.B. Manival Raju ..	Member

**OP No.17/2013**

**BETWEEN:**

Yuken India Limited,  
Whitefield Road,  
Whitefield,  
Bengaluru – 560 066.

..

**PETITIONER**

*[Represented by Navayana Law Offices, Advocates]*

**AND:**

- 1) Karnataka Power Transmission Corporation Limited,  
Cauvery Bhavan,  
Bengaluru – 560 009.
- 2) State Load Desptch Centre,  
KPTCL,  
Cauvery Bhavan, K.G. Road,  
Bengaluru – 560 009.
- 3) Chamundeshwari Electricity Supply Corporation Limited,  
Kaveri Grameena Bank Road,  
Vijayanagar 2<sup>nd</sup> Stage, Hinkal,  
Mysuru – 570 017.

- 4) Bangalore Electricity Supply Company Limited,  
K.R. Circle,  
Bengaluru – 560 001.

.. **RESPONDENTS**

*[Respondents represented by Indus Law, Advocates]*

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### **FURTHER ORDERS**

- 1) The need to pass further Orders in this Petition has arisen, in view of the letter dated 15.03.2016 and application dated 22.12.2016, filed by the Petitioner, after disposal of the Petition in the Commission's Order on 28.11.2014.
- 2) The brief facts of the Petitioner 's case, as noted in the above said Order are, as follows:
- (a) The Petitioner has set-up a Captive Mini Hydel Generating Plant, with installed capacity of 0.35 MW, at Attihalla, near Chandragirikoppal Village, Srirangapatna, Mandya District. The Petitioner had paid Rs.10,81,466/- on 09.09.1997 to the KEB ,for construction of the 11 kV single-circuit transmission line from Attihalla Mini-Hydel Scheme (AMHS) to Pandavapura Sub-Station, located at a distance of 6.5 km, on Deposit Contribution basis. The Petitioner had entered into a Wheeling and Banking Agreement [W&BA] on 06.02.1998 with the KEB, for wheeling the surplus energy and supplying to industries. The term of the W&BA was ten years from the date of synchronization with the grid and was extendable for a further period, after examining the

operational and other issues and by mutual consent. The Petitioner 's Project was commissioned on 16.05.1998.

- (b) There was a theft of the transmission line during February, 2003 and the line was restored in August, 2003. On 03.02.2005, the underground (UG) cable, forming part of the transmission line, had burst. The transmission line was then connected to the existing 11 kV rural feeder, from Srirangapatna-MUSS on 19.2.2005. There was a theft of this transmission line also.
- (c) The Petitioner had addressed letters dated 25.06.2008 and 15.09.2008 to the Respondents, requesting them to extend the term of the W&BA for a further period of ten years. Meanwhile, this Commission had passed an Order on 11.07.2008, standardizing the terms of the W&BA. After some correspondences, the Respondent-3 (CESC) informed the Petitioner, vide its letter dated 13.07.2010, that it should construct another line, from its Project to the 11 kV feeder passing through Chandragirikoppal, through an alternative route. The Petitioner executed the construction of the new line, on self-execution basis, by paying the supervision charges of Rs.15,930/- and spent more than Rs.2,50,000/- for this interim arrangement, till the repair of the transmission line.
- (d) The power from the Plant was evacuated, by granting and extending provisional evacuation approvals. On expiry of the provisional evacuation

approval, the Respondent-1 requested the Petitioner, by letter dated 30.04.2013, to draw a separate line from 66/11 kV Garudana Ukkada-MUSS for evacuation of power from the Plant, as per Article 2 of the Standard W&BA and execute a fresh W&BA. Being aggrieved by the action of the Respondents, this Petition had been filed by the Petitioner.

- 3) After hearing the learned counsel for both the parties and perusing the material placed on record, the Commission had passed the following Order on 28.11.2014:

*“(2) The Petitioner is required to construct a dedicated transmission line from its Plant up to the nearest Sub-station to avail the facility of Wheeling & Banking, as per the standardized format of the W&BA applicable; and.*

*(3) The Petitioner shall be permitted to evacuate power from its Project through the Srirangapatna – Dasaraguppe Feeder (F-4), for a period of one year from the date of this Order or till the construction of a dedicated transmission line by the Petitioner, whichever is earlier.”*

- 4) However, on 15.03.2016, the Petitioner addressed a letter to the Commission, stating that it had taken steps to construct the dedicated line, from the project to the Garudana Ukada sub-station, which is at a distance of 5.5 km and got prepared an estimate by the concerned Engineer of Respondent-3 for the dedicated line; that, the estimated cost was about Rs.48 lakhs, excluding the work for interconnection at the sub-station; that, the supervision charges at 10% of the estimate was paid on 11.11.2015; and that,

most of the distance of 5.5 km had 11 kV double circuit transmission system, due to which, the aerial bunched cables had to be used for 3 km, which would make the line more expensive. The Petitioner, in the letter, had requested the Commission to grant extension of time by one year, to construct the dedicated transmission line; direct the Respondent-3 to purchase the energy from 27.11.2015; and permit evacuation of power through the 11 kV S R Patna Dasaraguppe feeder.

- 5) Upon receipt of this letter, Notice was issued to the Respondents to hear them on the request of the Petitioner. Subsequently, the Petitioner filed an Interlocutory Application on 22.12.2016 and additional Pleadings on several dates, and the Respondent -3 filed the Objections.
  
- 6) The gist of the Petitioner's pleadings is that, it had constructed dedicated transmission lines twice, earlier and incurred huge expenses; an amount of Rs.52 lakhs has to be incurred for constructing the dedicated transmission line as per the Order dated 28.11.2014 and the route, along which the line has to be constructed, is not safe and secure and the line may be prone to theft, as had happened earlier; that the estimate for an alternative route would be Rs.72 lakhs; and that the capacity of the plant being 35 kW and the annual generation being 2,03,600 units, the cost of generation would work out to be more than Rs.8 per unit, making the Project totally unviable. The Petitioner has produced the details of the cost and revenue parameters, to

substantiate that the construction of the line would be a heavy burden. The Petitioner has also stated that the generation from the Plant can meet the local demand, without causing any over load or problem to the grid and the entire quantum of energy generated by the Plant can be consumed in the adjacent village of Chandragirikoppal, supplied from the 11 kV F4 feeder from Srirangapatna sub-station. The Petitioner has also stated that the transmission line loss would be 79.2 units per year, which is negligible and the Petitioner is agreeable to the method followed by the Respondent-3, from October, 2013 to October, 2015, in deducting a small quantum from the energy generated, if the existing grid interconnection is permitted. The Petitioner, in the application dated 22.12.2016, had prayed to permit evacuation of power through the existing transmission lines, with payment of normal open access charges, which are higher than the wheeling and banking charges. In the Additional submissions dated 17.04.2018, the Petitioner has prayed to continue the existing evacuation system from the 11 kV Srirangapatna- Dasaraguppe feeder.

- 7) The gist of the Objections filed by Respondent-3 is that, the Order dated 28.11.2014 has attained finality and the question of a relook does not arise and the application deserves to be dismissed. We note that, the Respondent-3 has not disputed the averment that the Project would be unviable, if the expenses on the dedicated transmission line are incurred by the Petitioner.

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- 8) We have heard the learned counsel for the parties and perused the records.
- 9) The following Issues would arise, for our consideration:
- (1) Whether, considering the facts of a case, the Commission can dispense with the requirement of construction of a dedicated transmission line, by a generating company?
  - (2) If so, whether this is a fit case to grant such relief?
  - (3) What Order?
- 10) After considering the submissions made by the parties and their pleadings and other materials placed on record, our findings on the above Issues are as follows:
- 11) **ISSUE No.(1):** *Whether, considering the facts of a case, the Commission can dispense with the requirement of construction of a dedicated transmission line, by a generating company?*

**ISSUE No.(2):** *If so, whether this is a fit case to grant such relief?*

As these two Issues are interconnected, we deal with them together.

- (a) Under Section 10 of the Electricity Act, 2003 and Section 18-A of the Electricity (Supply) Act, 1948, the Petitioner has to construct the dedicated transmission line from the Plant to the Sub-station. The Petitioner had, in 1997 paid

Rs.10,81,466/- to the KEB for construction of a dedicated transmission line, from the Project to Pandavapura sub-station, on DCW basis. This line had burst and the evacuation of power was being made through the 11 kV rural feeder, from Srirangapatna MUSS, as an interim arrangement, allowed by the Respondent-3. Thereafter, the Petitioner constructed another line from its Project to the 11 kV feeder line passing through Chandragirikoppal by spending more than Rs.2,50,000/- on self-execution basis. When the Respondent-1 directed the Petitioner to construct another dedicated transmission line to the Garudana Ukkada sub-station, the Petitioner had filed this Petition. An Interim Order was passed in this Petition, directing evacuation of power through the S.R. Patna - Dasaraguppe feeder line. As pleaded by the Petitioner, the capacity of the Petitioner 's Plant is 35 kW and the additional expenditure, to be spent on the line, would make the Project unviable. These aspects are not denied by the Respondents.

- (b) Therefore, we consider that the construction of any dedicated transmission line, by the Petitioner, is unviable.
- (c) The only next question is, whether the Commission can give a direction to the Respondent-3, to provide connectivity through the feeder line, for evacuation of power from the Petitioner's Plant. We note that, under Section 86(1)(e) of the Electricity Act, 2003, the Commission has **to promote generation of electricity from renewable sources of energy by providing**



**suitable measures for connectivity with the grid** (*emphasis supplied by us*).

As a promotional measure, the Commission had earlier granted exemption from payment of the Cross-Subsidy, in respect of RE Projects. Therefore, we consider that, in appropriate cases, the Commission can exempt a RE Generating Company, from constructing a dedicated transmission line, and as a measure of providing connectivity to the grid, direct evacuation of power from the feeder line. It is not disputed by the Respondents that, the generation from the Plant being of very small quantum, it can be distributed locally. In fact, during several years, from the date of commissioning of the plant in 1998, the evacuation was being carried out through the 11 kV feeder line and, thereby, perhaps meeting the local demand. From the date of the Interim Order on 11.07.2013, in this case, the power is being evacuated through the S.R. Patna- Dasaraguppe feeder (F-4). Thus, it can be inferred that the power generated from the Plant can be permanently evacuated through the feeder, as mentioned in the Order dated 28.11.2014, without any hindrance to the grid. Therefore, considering the facts and circumstances of the case, and the provisions of Section 86(1)(e) of the Act, which mandates promotion of renewable sources of energy, by providing suitable connectivity measures, we hold that the Commission can exercise its power, to dispense with the requirement of construction of another dedicated transmission line, by the Petitioner - Generating Company and we feel that this is a fit and apt case to do so. In lieu of the concession, the Petitioner had offered to pay regular open access charges, instead of the

concessional wheeling charges. We find that this offer could be accepted, in the interest of both sides. Hence, this can be a condition for granting the relief of exempting the Petitioner from construction of another dedicated transmission line.

(d) Accordingly, we answer Issues Nos.(1) and (2), in the affirmative.

12) **ISSUE No.(3):** *What Order?*

For the foregoing reasons, we pass the following:

**ORDER**

- (a) The Respondent-3 shall allow the evacuation of power from the Petitioner's Project, through the S.R.Patna- Dasaraguppe F-4 feeder line, instead of insisting on construction of a dedicated transmission line, from the Generating Station to the Sub-station;
- (b) The Petitioner shall pay the normal transmission / wheeling charges, as determined by the Commission from time to time, in addition to the other applicable open access charges; and,
- (c) It is clarified that the Petitioner is entitled to the banking facility, on payment of applicable banking charges.

The Order dated 28.11.2014 is modified accordingly.

Sd/-  
(M.K. SHANKARALINGE GOWDA)  
CHAIRMAN

Sd/-  
(H.D. ARUN KUMAR)  
MEMBER

Sd/-  
(D.B. MANIVAL RAJU)  
MEMBER