

**BEFORE THE HARYANA ELECTRICITY REGULATORY COMMISSION
BAYS No. 33-36, SECTOR-4, PANCHKULA- 134112, HARYANA**

Case No. HERC/PRO- 27 of 2019

Date of Hearing : 29.05.2019

Date of Order : 29.05.2019

In the Matter of

Petition seeking amendment in clause 59 i.e. Cost of Evacuation System of HERC (Terms and Conditions for determination of Tariff from Renewable Energy Sources, Renewable Purchase Obligation and Renewable Energy Certificate) Regulations, 2017.

Petitioner

Haryana Vidyut Prasaran Nigam Limited (HVPNL)

Present On behalf of the Petitioner

1. Shri Ravi Sher Singh, SE, HVPNL.
2. Shri Pushpendra Singh, Xen, HVPNL.
3. Shri Gaurav Gupta, Xen, HPPC.

Quorum

**Shri Jagjeet Singh,
Shri Naresh Sardana,**

**Chairman
Member**

ORDER

Brief Background of the Case

1. The Petitioner has filed the instant petition seeking amendment in clause no. 59 of the HERC RE Regulations, 2017. HVPNL has submitted as under:-
 - a) Clause no. 5(8) of HERC (Terms and conditions for grant of connectivity and open access for intra-State transmission and distribution system) Regulations, 2012 stipulates that for grant of connectivity the cost of construction of dedicated line or the augmentation of the transmission or distribution system and associated facilities shall be borne by the applicant. The said clause 8 of ibid Regulation is reproduced as under:
“(8) In case a dedicated line in the transmission system or distribution system is required to be constructed or where augmentation of the transmission system and or distribution system is to be carried out for

grant of connectivity, the nodal agency shall, within 30 days from the date of receipt of application, inform the applicant about the broad design features, estimated cost and the timeframe for completion of the dedicated line or the system augmentation. The cost of construction of dedicated line or the augmentation of the transmission or distribution system and associated facilities shall be borne by the applicant.”

- b) Further, the relevant portion of clause (19) i.e. Transmission charges and wheeling charges of HERC (Terms and conditions for grant of connectivity and open access for intra-State transmission and distribution system) Regulations, 2012 stipulates as under:-

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Provided further that where a dedicated transmission system has been constructed for exclusive use of or being used exclusively by an open access consumer, the transmission charges for such dedicated system shall be worked out by transmission licensee and got approved by the Commission and shall be borne entirely by such open access consumer till such time the surplus capacity is allotted and used for by other open access consumers or purposes, after which these transmission charges for such dedicated system shall be shared in the ratio of loads allotted to the various users.”

- c) The clause 16.5 of Hon'ble HERC (Terms and Conditions for Determination of Tariff for Generation, Transmission, Wheeling and Distribution & Retail Supply under Multi Year Tariff Framework) Regulations, 2012 is reproduced as under:-

“16.5 Connection charge- A consumer or a person seeking connectivity to the transmission system for Open Access shall pay ‘connection charge’ to the transmission licensee as provided in HERC (Terms and condition for grant of connectivity and open access for intra-State transmission and distribution system) Regulations, 2012 as amended from time to time. Connection charges relate to cost of assets installed solely for the use by an individual user and cost of such assets shall not be considered for determination of transmission tariff.”

- d) The clause 59 of HERC (Terms and Conditions for determination of Tariff from Renewable Energy Sources, Renewable Purchase Obligation and

Renewable Energy Certificate) Regulations, 2017 (HERC/ 40 / 2018) stipulates that the State transmission utility or the Transmission/Distribution Licensee shall bear the cost of Extra High Voltage (EHV)/ High Voltage (HV) transmission line up to a distance of 10 km. from the inter- connection point. The said clause 59 of ibid Regulation is reproduced as under:

“Cost of Evacuation System. – The State transmission utility or the Transmission/Distribution Licensee shall bear the cost of Extra High Voltage (EHV)/ High Voltage (HV) transmission line up to a distance of 10 km. from the inter-connection point. In case the distance between the inter connection point and point of grid connectivity is more than 10 KMs then the cost of transmission line for the distance beyond the 10 KMs shall be borne equally between the Independent Power Producer and the licensee. However for canal based solar power projects, the transmission lines shall be provided by the utilities, free of cost, irrespective of the distance of the project from the substation, subject to the conditions that the solar power is generated and utilized within the state of Haryana and is counted towards RPO of the Distribution Licensee (s).

The cost of any augmentation required after the interconnection point in the grid system of the Transmission/Distribution Licensee shall also be borne by the Transmission/Distribution Licensee concerned. Further, the power utilities concerned, on being informed about the Scheduled Commissioning Date (SCOD), shall complete the evacuation system well in time.”

- e) The clause 1(1) of HERC RE Regulation, 2017 (HERC/ 40 / 2018) stipulates these Regulation may be called HERC (Terms and Conditions for determination of Tariff from Renewable Energy Sources, Renewable Purchase Obligation and Renewable Energy Certificate) Regulations, 2017. The said clause gives understanding that the Regulation is applicable to only those Renewable Energy Projects whose tariff is to be determined through the Commission unless otherwise specifically mentioned.

- f) In the statement of reason of HERC RE Regulation, 2017 (HERC/ 40 / 2018), it has been mentioned that HVPNL has given comments on the clause 59 of ibid regulation. However, the comments were not provided by Commercial Wing of HVPNL. In addition, during draft stage of HERC RE Regulation, 2017 (HERC/ 40 / 2018), the HPPC submitted that the cost of evacuation system including transmission line up to Metering Point should be borne by the Solar Power Generator.
- g) In case of Solar Power Park, the HAREDA (nodal agency) while conveying the 'No Objection Certificate' have clarified that the evacuation System shall be constructed by the Solar Power Park Developer.
- h) Further, Captive Power Plant commissioned till date, have constructed the evacuation system at their own cost.
- i) The in-principle feasibility are being issued to the Solar Generators wherein the clause regarding evacuation system has been intimated as under:

"The cost of evacuation system i.e dedicated line along with all associated bays for injection of power shall be as per HERC Regulation/Guideline in vogue. However, in case of solar power park, the expenditure for evacuation system is to be borne by developer itself as mentioned by HAREDA in the approval letters of solar park."

- j) In view of the above, the following prayer has been made:-
- i) Keeping in view the involvement of huge expenditure of Power Utilities in creation of transmission/distribution infrastructure and thereupon burden of this expenditure on consumers of Haryana, the clause 59 of ibid regulation may be amended/substituted as under:-
- "The cost of evacuation system shall be borne by the Solar Power applicants itself."*
- ii) The Petition may be listed for hearing as earliest as possible as the final connectivity has to be granted to the applicant within ninety days of issuance of in-principle feasibility.

Proceedings in the Case

2. The case was heard on 29.05.2019, wherein HVPNL mainly reiterated the contents of its petition, which for the sake of brevity, is not being reproduced here.

Commission's Analysis and Order

3. The Commission heard the arguments of the parties as well as perused the petition filed in the matter. The Commission observes that the similar issue was raised by HPPC in the hearing held on 01.05.2019 on the petition filed by HAREDA (HERC/PRO-22 of 2019) seeking amendment in HERC RE Regulations, 2017. The Commission has already discussed the decided the issue regarding amendment in Regulation Clause no. 59 of HERC RE Regulations, 2017, vide its Order dated 13.05.2019, as under:-

"The following clarification shall be inserted after Regulation 59:-

Transmission/Distribution Licensee shall bear the cost of Extra High Voltage (EHV)/ High Voltage (HV) transmission line up to a distance of 10 km and shared cost after 10KM, only in the case where the power is to be supplied to DISCOMs under approved PPA. RE Power producers installed under third party sale or captive consumption, should bear the cost themselves.

It is further clarified that the terms & conditions for cost of evacuation of power in respect of PPA entered into by DISCOMs/HPPC with Solar Power Producers under competitive bidding, shall be governed by the terms of such PPA."

4. In view of the above order of the Commission dated 13.05.2019, the present petition has become infructuous and is accordingly disposed of.

This order is signed, dated and issued by the Haryana Electricity Regulatory Commission on 29.05.2019.

Date: 29.05.2019
Place: Panchkula

(Naresh Sardana)
Member

(Jagjeet Singh)
Chairman