



**TELANGANA STATE ELECTRICITY REGULATORY COMMISSION
HYDERABAD.**

5th Floor, Singareni Bhavan Lakdikapul Hyderabad 500004

O. P. No. 35 of 2015

&

I. A. No. 19 of 2017

Dated: 08.01.2019

Present

Sri. Ismail Ali Khan, Chairman

Between:

1. M/s. Axis Wind Energy Limited,
H. No. 119/A, Journalist Colony,
Jubilee Hills, Hyderabad – 500 033.
2. M/s. Axis Wind Farms (Vajrakaur) Pvt Ltd,
H. No. 119/A, Journalist Colony,
Jubilee Hills, Hyderabad – 500 033.
3. M/s. Axis Wind Farms (Borampalle) Pvt Ltd,
H. No. 119/A, Journalist Colony,
Jubilee Hills, Hyderabad – 500 033.
4. M/s. Axis Wind Farms (Nallakonda) Pvt Ltd,
H. No. 119/A, Journalist Colony,
Jubilee Hills, Hyderabad – 500 033.
5. M/s. Axis Wind Farms (Payalakuntla) Pvt Ltd,
H. No. 119/A, Journalist Colony,
Jubilee Hills, Hyderabad – 500 033.
6. M/s. Axis Wind Farms (MPR Dam) Pvt Ltd,
H. No. 119/A, Journalist Colony,
Jubilee Hills, Hyderabad – 500 033.
7. M/s. Axis Wind Farms (Tirumalayapalli) Pvt Ltd,
H. No. 119/A, Journalist Colony,
Jubilee Hills, Hyderabad – 500 033.

.... Petitioners

AND

1. Government of Andhra Pradesh,
Energy Department, Secretariat,
Hyderabad.
2. Non-Conventional Energy Development
Corporation of Andhra Pradesh Ltd. (NEDCAP),
5-8-207/2, Pishah Complex, Nampally,
Hyderabad – 500 001.
3. Transmission Corporation of Andhra Pradesh
Limited, (APTRANSCO), Vidyut Soudha,
Somajiguda, Hyderabad.
4. Central Power Distribution Company
Andhra Pradesh Limited (APCPDCL),
Corporate Office, Mint Compound,
Hyderabad.
5. Southern Power Distribution Company of
Andhra Pradesh Limited (APSPDCL),
Back side Srinivasa Kalyana Mandapam,
Kesavayanagunta, Tirupathi – 517 501.
6. Eastern Power Distribution Company of
Andhra Pradesh Limited (APEPDCL),
P & T Colony, Seethammadhara,
Visakhapatnam – 500 013.
7. Northern Power Distribution Company of
Andhra Pradesh Limited (APNPDCL),
H. No. 1-1-503 & 504,
Opp. NIT Petrol Pump, Chaitanyapuri,
Hanmakonda, Warangal – 506 004.

.... Respondents
(Original Respondents)

8. Govt. of Telangana, Energy Department,
Secretariat, Hyderabad.
9. Telangana New and Renewable Energy
Development Corporation Ltd. 5-8-207/2,
Pigah Complex, Nampally, Hyderabad – 1.
10. Transmission Corporation of Telangana Ltd.,
(TSTRANSCO), Vidyut Soudha, Hyderabad.

.... Proposed Respondents
No. 8 to 10 Vide I. A. No. 19 of 2017.

This petition came up for hearing on 04.02.2015, 20.04.2015, 25.06.2015, 15.07.2015, 05.06.2017, 23.10.2017 and 04.08.2018.

Date	Representation for the petitioner	Representation for the respondent (s)
04.02.2015	Sri. S.V.S. Chowdary, Advocate	Sri G. V. Brahmananda Rao, Advocate representing Sri. P. Shiva Rao, Advocate for respondents 3 to 7
20.04.2015	Sri. S.V.S. Chowdary, Advocate	There is no representation for the respondents.
25.06.2015	Sri. S.V.S. Chowdary, Advocate	Sri. J. Aswini Kumar, Advocate representing Sri. Y. Rama Rao, Counsel
15.07.2015	Sri. S.V.S. Chowdary, Advocate	Sri. Y. Rama Rao, Counsel for the respondent is present.
05.06.2017	No representation	Sri. Y. Rama Rao, Standing Counsel
23.10.2017	Smt. Rajeshwari, Asst. General Manager for the petitioner	Sri. Y. Rama Rao, Standing Counsel along with Ms. M. Pravalika, Advocate
04.08.2018	Smt. Rajeshwari, Asst. General Manager for the petitioner	Sri. Y. Rama Rao, Standing Counsel along with Ms. M. Pravalika, Advocate.

The petition having stood over for consideration to this day, the Commission passed the following:

ORDER

M/s. Axis Wind Energy Limited and 6 others (petitioners) have filed a petition under section 62 of the Electricity Act, 2003 (Act, 2003) read with section 86 (1) (a), 86 (1) (e) and section 61 of the Act, 2003 and further read with section 11 of the AP Electricity Reform Act, 1998 along with Regulation No. 8 of Conduct of Business Regulation, 1999 (before the fresh regulation notified by the Commission) seeking the framing of guidelines or issuance of evacuation policy including wheeling charges for captive generation or sale to third parties apart from banking by the wind projects.

2. The petitioners stated that the petitioner No. 1 is a holding company established to setup wind power projects of the capacity of 655.70 MW in the then state of Andhra Pradesh with an investment of Rs. 4,000-4,550 Crs. The petitioners 2 to 7 are special purpose vehicles for establishment of wind farms at various places.

It obtained necessary permissions and sanctions from the nodal agency. The details are as follows.

S No	Name of the site	District	Capacity (MW)
1	Vajrakarur	Anantapur	300.00
2	Borampalle	Anantapur	150.00
3	Payalakuntla	Kadapa	49.50
4	Tirumalayapalli	Kadapa	49.50
5	MPR Dam	Anantapur	49.70
6	Nallakonda	Anantapur	57.00
Total			655.70

3. The petitioners stated that the then state government by its orders dated 30.05.1992 had announced that wind farms are treated as industry and the incentives that are offered to the industry are availed by the wind farms developers. The industrial policy 2010-2015 of the then state government considers and investment of Rs. 250 Crs and above to be a mega project. It was a motivating factor for the petitioner to venture in to this project.

4. The petitioners stated that considering the importance to fulfil the commitment of promoting non-polluting sources of energy and to accelerate wind power generation the state government had issued orders on 11.04.2008 for optimum utilisation of the resources. The tariff was fixed rate Rs. 3.50 per KWH for 10 years from COD by its memorandum dated 09.09.2008.

5. The petitioner stated that it is setting up a major independent wind power project of 655.70 MW in the notified areas of the state with an investment of Rs. 4,000-4,550 Crs. It plans to expand the capacity in phased manner based on studies which are in progress. It is stated that there is no tariff determination for mega wind projects by the Commission till date resulting in policy and regulatory vacuum.

6. The petitioners stated and extracted sections 61, 86 (1) (e) of the Act, 2003. It is stated that framing of policy for generation of electricity from renewable sources of energy by providing suitable connectivity with the grid and sale of electricity of any person, provision for facilitation of power evacuation, wheeling and banking, to encourage setting up of power projects on economic sale is necessary. It is also stated that the orders of the state government provide for tariff, tariff period, power evacuation facilities, transmission and wheeling.

7. The petitioners stated that the then Commission while passing orders in O. P. Nos. 6 and 7 of 2009 on 01.05.2009 has not considered wheeling and banking facilities, consequently the same needs to be addressed. The petitioners stated about various government orders providing for wheeling chargers at 2% and banking charges at 2% with permission for 12 months. There is no banking in the months of April to July of the year. Later the government modified the orders and implemented uniform incentives by issuing orders dated 18.11.1997 and 22.12.1998.

8. The petitioners stated that wind power projects require wheeling and banking facility as it is seasonal generation and will not match the consumption of end user. It is stated that some of the states have announced wheeling and banking facility at 2-5% to facilitate promotion of the projects and selling to third parties as the power generated from the project will be utilised locally and will not be transported physically to end user. It is also stated that as per the provisions of the Act, 2003 sale of power to any person as specified also includes third party sales.

9. The petitioners therefore require the Commission to consider similar policy regulation for wind projects including wheeling and banking facility, given the nature of wind cycles in the state. The wheeling and banking charges need to fixed at 5% of the energy fed to the grid as is available in other states and it may also be extended to captive generation and third party sale. The petitioner stated that banking may be considered for 1 year from the date of commissioning of the project.

10. The petitioners stated that the Commission has to consider regulation for enabling connectivity to the grid for evacuation of renewable energy and for this purpose it may notice clause 3.8 of Explanatory Memorandum of Draft Terms and Conditions for determination of tariff for Renewable Energy Sources May 2009. This is for providing evacuation facilities from pooling station. It is stated that the Commission had in O. P. No. 40 of 2010 in respect of power purchase agreements (PPAs) and guidelines for power evacuation felt that individual projects are unlikely to come and hence no changes are warranted. It is also stated that large projects are coming up or being established under independent wind power projects model and include sale of power to third parties or captive consumption. Therefore, the said

observation of the Commission needs review so as to regulate the wind power projects and add capacity to state grid for reducing greenhouse gas effects.

11. The petitioners stated that the power evacuation has to be facilitated so that it will be carried out by the then Transmission Corporation of Andhra Pradesh Limited (APTRANSCO) from pooling station of the developer to the nearest sub-station in case of non-existence of facilities. The government in its industrial policy has termed the investment of Rs. 250 Crs and above as mega projects so as to avail applicable benefits. Therefore, the Commission may consider directing the respondents to provide EHV lines from pooling stations to the nearest suitable sub-station including interface facilities for enabling evacuation. It should also provide metering system at the HV side of the step up transformer of the pooling station built by the developer. The interconnection points should be at the pooling station. The metering should be in consonance with standards of respondents.

12. The petitioners stated that it is feasible to evacuate higher capacity in terms of the MW using higher capacity conductors as they allow higher line road in AMPS instead of 10 MW. The Commission may allow higher capacity in MW based on size and make of the conductor. The developer may be permitted to interface the wind farm with the substations by drawing 33 KV dedicated lines where facilities are available based on size of the project by having the interfacing point at the group control station of the wind farm.

13. Based on the above submissions the petitioners have sought the following prayer.

*A. To consider to arrange grid connectivity and evacuation arrangement beyond pooling station and to consider provision of EHV line from pooling station to the APTRANSCO/DISCOM substation by the Utilities and the metering arrangement at HV side of pooling station.

B. To consider formulation of guidelines for Power Evacuation from Wind Farm Projects, in line with Central Electricity Authority (Technical standards for construction of electrical plants and Electrical lines) Regulations 2010 to enable for feasibility of the projects in a more efficient way and to evacuate more capacity of wind power.

C. To consider providing Wheeling & Banking at 5% (five percent) of the Energy fed to the grid, by also extending the facility to captive and third party sale to enable sale of power to any person to encourage captive generation; and by considering facilitating Banking for a period of one year from the date of commissioning.

D. To consider to advise and direct AP Transco / DISCOMs to evacuate higher capacity in terms of MW by using higher capacity conductors, which allow higher line loading in amps rather than restrict to 10 MW, based on the size and make of the conductor (for example usage of higher capacity conductor of 15-25 MW can be permitted on 33 line).

E. To consider amending and modifying the terms and conditions of the Power Purchase Agreements for suitably aligning the same to the individual projects under IWPP model.”

14. The petitioners have filed a petition under Order 6 Rule 17 of Civil Procedure Code seeking to amend the prayer in the main petition.

15. The petitioners stated that they had originally filed the above petition under Sections 62, 86 (1) (a) (e) and 61(a) of the Act, 2003 and Section 11 of Electricity Reform Act, 1998 read with Regulation No. 8 of APERC (Conduct of Business) Regulations 1999, seeking framing of guidelines / issuance of orders on the evacuation policy and determination of wheeling charges for captive generation / Sale to third parties and Banking facility for the petitioners' wind power projects in the state of Andhra Pradesh. The petitioners have sought for the reliefs in the original petition as stated in the previous paragraphs.

16. The petitioners stated that subsequent to the filing of the original petition, the Commission was pleased to pass certain orders in O. P. No. 7 of 2012 and O. P. No. 13 of 2012. The Commission, vide orders dated 11.07.2012 in O. P. No. 7 of 2012 has modified to the guidelines dated 30.03.2010, as follows:

i The developer shall have the discretion in choosing the conductor for connecting wind generator to the pooling substation of the developer subject to the CEIG approval.

- ii. The developer is allowed to inject a maximum of 10 MW from pooling substation of the wind generator to the existing 33/11 KV DISCOM substation.
- iii. The developers connecting at 33kV level to EHT SS, The maximum injection is limited up to 25 MW in case of single conductor 33 KV bus and up to 40 MW in case of double conductor 33 KV bus, subject to transformation capacity. Injection of power may be in one or more circuits depending up on availability of bays in that substation and loading per circuit not exceeding 25 MW.
- iv. Injection of power by wind developer from pooling substation to EHT substation at EHT level may be as per system studies.

17. The petitioners stated that vide orders dated 15.11.2012 in O P No.13 of 2012 the Commission in the context of tariff fixation, has with reference to the capital cost fixation has directed that:

- (a). capital cost fixation is considered at Rs.5.75 Cr per MW
- (b). That the capital cost at Rs.5.75cr shall include the cost of evacuation up to the grid substation.

18. The petitioners stated that in the context of the above said two orders of the Commission in O. P. Nos. 7 and 13 of 2012, it has become necessary to amend the petition filed by the petitioners, so as to enable appropriate adjudication of the reliefs sought for, including by amending the prayer portion of the petition. The petitioner, therefore, craves leave of the Commission to amend the petition by adding the following paragraphs to the petition, at the places indicated hereunder. The petitioner prays leave to amend the petition by adding the following paragraph after para No. (24), and renumbering the existing other paragraphs:

Para No. (25) : In the light of the above submissions, the petitioners stated that the approvals of guidelines for power evacuation was issued in O.P. No. 40 of 2010, dated 30.03.2010 considering that the individual projects are unlikely to come to the then state of Andhra Pradesh; and that the projects will come up only as cluster, developed by manufactures. The Commission reviewed the order dated 30.03.2010 and in partial modification, the Commission was pleased to issue orders vide O. P. No. 7 and 13 of 2012, by modifying some of the guidelines relating to evacuation.

Para (26): However, some of the issues raised by the petitioner in the original petition were not considered, which need to be considered specifically since, the orders of the Commission are from the perspective of cluster projects, but not from the perspective of independent wind power projects, which gap needs to be considered appropriately since the petitioners are executing projects as independent wind power producers (IWPP) in the then Andhra Pradesh.

Para (27): The Commission vide orders in O. P. No. 13 of 2012 dated 15.11.2012 has considered the project cost as Rs. 575 lakhs per MW, which includes the cost of power evacuation up to grid substation. While considering the project as Rs. 575 lakhs per MW including evacuation, the Commission has not specified about the construction of pooling substation and EHT line from the pooling substation and EHT line from the pooling substation to the grid of APTRANSCO / DISCOM. This is a significant issue having great bearing as project cost will be based on the size of the conductor of pooling substation and distance of transmission line (EHT).

Para (28): The Commission had originally stipulated through guidelines of power evacuation at Annexure – I of O. P. No. 40 of 2010 that 5% supervision charges is to be paid to APTRANSCO / DISCOM and 10% supervision charges on EHT system beyond interconnection point. This expenditure towards supervision charges was not considered while determining the tariff in O. P. No.13 of 2012 dated 15.11.2012. It is stated that the Commission may be pleased to consider to waive off the payment of supervision charges, as the burden is very onerous. It will not be out of place to submit that the petitioners as developers had paid Rs.1.5 Lakhs per MW as sanction fee to NREDCAP and provided bank guarantee for an amount of Rs. 2 Lakhs per MW in addition to Application fee of Rs. 25,000 per MW while obtaining project sanction.

Para (29): It is stated that vide its orders in O. P. 13 of 2012, the Commission had specified that the wind power generators shall bear the entire cost of power evacuation up to the grid substation. As per the orders of the Commission, the developers have to execute the power evacuation. It is stated that the APTRANSCO has directed payment of an amount of Rs. 10 lakhs per MW as security deposit for issuing power evacuation approval and

also advised to pay grid connectivity application fee additionally for processing the application for power evacuation approval. It is stated that such an additional financial burden on the project does not form part of the project cost considered by the Commission and consequently it is stated that either this component of financial burden be added to the project cost or in the alternative to direct / advise APTRANSCO not to levy such payments to collect deposits.

Para (30): In the case where the wind farm is directly connected to the substation of APTRANSCO / DISCOM (without constructing pooling substation), the entire cost of evacuation has to be borne by the developer as per the orders issued in O. P. No. 13 of 2012 dated 15.11.2012. However, in the event the developers opt to construct the pooling substation, then the Commission may consider to direct that such pooling substation be designated as the grid substation and to also consider to provide the metering system at HV side of pooling substation and further to direct that the evacuation from the said pooling substation up to APTRANSCO / DISCOMS grid, including EHT line, shall be in the scope of APTRANSCO / DISCOMS.

Para (31): The petitioner stated that it is also necessary to consider to provide concessional wheeling and banking at 5% of the energy fed to grid in kind, by also extending the facility to captive and third party sale of power to any person to encourage captive generation and to consider the banking facility for a period of one calendar year. The Commission may consider the orders of GoAP issued in G. O. Ms. No. 48 dated 11.04.2008 in which the new wind power policy was announced. As per the G. O., the eligible developers are to be given concessional wheeling, transmission and banking charges as 5% in kind as the power generated from wind will be consumed locally.

Para (32): The petitioner stated that the Commission while passing orders in O. P. No. 13 of 2012 dated 15.11.2012 has not considered nor issued orders in respect of wheeling and banking, and hence the same may be considered in this petition. It is stated that some of the potential states could execute large scale wind power projects due to the facility of concessional wheeling and banking to encourage captive generation, which is a clean power. The projects in Tamil Naidu were executed by the captive consumers and the projects are of 65% of the installed capacity.

Para (33): The petitioner stated that in the light of the above facts, it is necessary that the Commission may be pleased to pass orders on fixation of timeline for according approvals for power evacuation by AP Transco / DISCOMS to facilitate the developers to execute projects as per the time schedule. It is stated that such fixation of timelines is relevant since in the absence of the same, the Developers will be in dark as to the timelines relating approvals from the AP Transco/DIDCOMS.

19. The petitioners stated that the prayer in the petition and the reliefs thereunder may be permitted to be modified and recast as under:

“A. To consider that in the event the developers opt to construct the pooling substation, then such pooling substation be designated as the grid substation, and to provide the meeting system at HV side of pooling substation;

B. To consider to direct that the evacuation from the said pooling substation up to APTRANSCO / DISCOMS grid, including EHT line, shall be in the scope / responsibility of APTRANSCO / DISCOMS.

C. To consider specifying about the construction of EHT line from the wind power project to the grid substation (where the pooling substation is not constructed by the developers), including its distance, as the same was not considered while fixing the tariff issued in OP No.13 of 2012 dated 15.11.2012 while fixing the tariff for wind power projects.

D. To consider formulation of guidelines for power evacuation from Wind Farm Projects, in line with Central Electricity Authority (Technical standards for construction of electrical plants and Electrical lines) Regulations 2010 to enable for feasibility of the projects in a more efficient way and to evacuate more capacity of wind power.

E. To consider providing Wheeling & Banking at 5% of the energy fed to the grid in kind, by also extending the facility to captive and third party sale to enable sale of power to any person to encourage captive generation; and by considering facilitating Banking for a period of one calendar year.

F. To consider to advise and direct APTRANSCO / DISCOMS to evacuate higher capacity in terms of MW by using higher capacity conductors, which allow higher line loading in amps rather than restrict to 10 MW, based on the

size and make of the conductor (for example usage of higher capacity conductor of 15-25MW can be permitted on 33 KV line).

G. To consider the cost elements pertaining to 5% supervision charges payable to TRANSCO / DISCOM and 10% supervision charges on EHT system beyond interconnection point, which were not considered while determining the tariff in O.P.No.13 of 2012, dated 15.11.2012; or in alternative direct waiving of the payment of such supervision charges.

H. To consider the cost of payment of Rs.10 lakhs /MW (being security deposit for issuing power evacuation approval and application processing fee) as part of the project cost for the purpose of fixation of project cost, by the Commission, while fixing the project cost at Rs.575 lakhs / MW vide orders in OP No.13 of 2012 or in the alternative to direct APTRANSCO not to levy such payments.

I. To consider directing that any levy of future payments to APTRANSCO / DISCOM towards guarantees / charges / fee shall be with the consent of Commission since any payments / levy will have bearing on the project cost which in term shall have bearing on the tariff. The APTRANSCO / DISCOMs may accordingly be advised.

J. To consider passing orders on fixation of timeless for according approval (s) for power evacuation by APTRANSCO / DISCOM to facilitate the developer to execute projects as per the time schedule(s).

K. To consider amending and modifying the terms and conditions of the Power Purchase Agreements for suitably aligning the same to the individual projects under IWPP model.”

20. The petitioners have sought the following prayer in the present I. A.

“Therefore, pray that the Honourable Commission may be pleased to allow the petition, by directing the amendments; and pass such other order or orders as the Commission may be pleased, in the facts and circumstances of the case.”

21. The petitioners have filed an application under Order VI Rule 17 of the Civil Procedure Code, 1908 seeking to amend the cause title by deleting certain parties and adding certain parties to the case before the Commission.

22. The petitioner stated that pursuant to the bifurcation of the state of Andhra Pradesh, and the constitution of the state of Telangana, it has become necessary to amend the cause title of the respondents in the above petition in O. P. No. 35 / 2015, by substituting the reference of Andhra Pradesh with the word “Telangana” to their names of respondent / DISCOMs falling under the jurisdiction of APERC.

23. The petitioner accordingly prayed that the Commission may be pleased to permit the amendment of the original petition by substituting the names of the respondents 1 to 4 with the word “Telangana” in the place of Andhra Pradesh where ever it occurs, and also deleting the names of respondents No. 4 and 5 consequential to the constitution of the state of Telangana, as follows.

“a) Substituting the name of respondent No. 1 that is Government of Andhra Pradesh, represented by, Energy Department, Secretariat, Hyderabad, with the name ‘Government of Telangana, represented by Energy Department, Secretariat, Hyderabad’.

b) Substituting the name of Non-Conventional Energy Development Corporation of Andhra Pradesh (NEDCAP) 5-8-207/2, Pisgah Complex, Nampally, Hyderabad – 500 001, with the name ‘Telangana New and Renewable Energy Development Corporation Limited’, 5-8-207/2, Pisgah Complex, Nampally, Hyderabad – 500 001.

c) Substituting the name of Transmission Corporation of Andhra Pradesh Limited, (APTRANSCO) Vidyutsoudha, Somajiguda, Hyderabad, with the name of ‘Transmission Corporation of Telangana Limited, (TSTRANSCO) Vidyutsoudha, Somajiguda, Hyderabad’.

d) Substituting the name of Central Power Distribution Company Limited of Andhra Pradesh, (APCPDCL), Corporate Office, 6-1-50, Mint Compound, Hyderabad – 500 063, with the name Southern (Central wrongly typed) Power Distribution Company of TS Limited, Corporate Office, 6-1-50, Mint Compound, Hyderabad – 500 063

e) Deleting the names of respondent No. 4 that is Southern Power Distribution Company of Andhra Pradesh Limited (APSPDCL), Backside Srinivasa Kalyana Mandapam, Kesavayanagunta, Tirupati – 517 501, since it is now in the State of Andhra Pradesh.

f) Deleting the names of respondent No. 5 that is Eastern Power Distribution Company of Andhra Pradesh Limited (APEPDCL), P & T Colony, Seethammadhara, Visakhapatnam – 500 013, since it is now in the State of Andhra Pradesh.”

24. The Southern Distribution Company of Telangana Limited (TSSPDCL) the then APCPDCL has filed reply on behalf of all the respondents in the I. A. and stated as below.

i. It is stated that the orders in O. P. No. 7 of 2012 and O. P. No. 13 of 2012 have already covered the discussion on the relieves sought by the petitioner and hence respondents are of the opinion that repetition of the same may not be required.

ii. It is stated that amendment to the petition may not be required as most of the items are already covered in the original petition.

iii. It is stated that the petitioner’s contention on that individual projects were not considered in the approved evacuation guidelines in O. P. No. 40 of 2010 order dated 30.03.2010 is merely false and in the said guidelines it is stated as below.

“In case of wind power projects which may come up as independent projects at a particular location, they will normally be interfaced to nearest grid SS at available voltage level.”

iv. It is stated that in the order dated 11.07.2012 in O. P. No. 7 of 2012 filed by the Indian Wind Energy Association, it is mentioned that ‘Injection of power by wind developer from pooling substation to EHT substation at EHT level may be as per system studies.’

v. It is stated that presently DISCOMs are modifying the existing approved PPA suitably for the individual projects as and when the developers are approaching the DISCOMs and the same are being submitted to then Commission for consent. The CPDCL has entered into PPAs with the individual projects in their jurisdiction that is M/s. Sai Silks and HCL which were also consented by the then Commission.

vi. It is stated that the then Commission in the order dated 15.11.2012 determined tariff considering the capital cost of Rs. 575 lakhs / MW including cost of evacuation, which is the same as in case of Tamilnadu. Further, at

para 23 (iii) of the said order, it is clearly specified that “the wind power generators shall bear the entire cost of power evacuation up to the grid substation.” Further in the said orders dated 11.07.2012, the size and type of conductors to be used in the pooling substation are left to the discretion of the developer subject to the CEIG approval.

vii. It is stated that the collection of supervision charges is purely departmental procedure and is not part of the tariff components. As such these charges were not to be considered while determining the tariff in O. P. No. 13 of 2012. The supervision charges were reduced to 5% (10%) from 10% (25%) originally to encourage wind power projects only but not to other NCE projects, conventional or other projects. Complete waiver of the same is not possible.

viii. It is stated that i) as per CERC guidelines, the developer has to submit the detailed application form for grant of connectivity along with requisite grid connectivity fee. Accordingly the application fee was collecting. However, the petitioner has not paid the requisite grid connectivity application fee.ii) APTRANSCO initially proposed to collect Rs. 10.00 lakhs / MW towards security deposit and that amount will be refunded after completion of the project. However, due to several representations from the developers, the proposal of collecting the security deposit was dropped.

ix. It is stated that the existing evacuation guidelines for wind power are contemplated with the same procedure under the scope of the developer only.

x. It is requested that the existing regulation No. 2 of 2005 and 2 of 2006 shall govern the open access transactions for wind power projects. The then GoAP has provided 5% concessional wheeling and transmission charges, but denied the provision for banking of wind energy. As per the then Commission RPPO Regulation No. 1 of 2012, the developers availing any concessional wheeling and or banking facilities are not eligible for getting RECs.

xi. It is also stated that APTRANSCO in order to encourage the wind developers has prepared a comprehensive scheme for 3150 MW with 3 Nos. 400 KV substations, 9 Nos. 220 KV substations along with connecting lines to enable evacuation of wind power from the potential sites. If concessional wheeling charges are allowed at this stage APTRANSCO cannot be able to

collect the capital cost invested on the substations and lines in the reasonable time.

xii. It is also stated that as of now APDISCOMs are not able to meet the RPPO fixed by the then Commission. If developers are allowed for wheeling to 3rd party at concessional rates, the APDISCOMs have to purchase the RECs in the open market, which will be additional cost after investing huge amounts in constructing the lines and substations as per the scheme.

xiii. It is stated that comprehensive wind power evacuation scheme was prepared for evacuation of power from wind generators for 3150 MW. The comprehensive wind power evacuation scheme converts 2 Nos. 400 KV substation and 9 Nos. 220 KV substations and associated transmission lines. Most of the works, tenders called and contractor works LOI was issued for investment approval from the then Commission for the above scheme has awaited at the relevant time. Soon after receipt of the investment approval the works will be started.

xiv. It is stated that about the prayer of the petitioner, the following is stated;

- a. To direct to follow the then Commission approved guidelines in O. P. No. 40 of 2010 for wind projects with pooling SS.
- b. To direct to follow the then Commission approved guidelines in O. P. No. 40 of 2010 for wind projects with pooling SS. As the same was mentioned in the order dated 15.11.2012.
- c. The then Commission already allowed wind developers for banking of the energy throughout the year in O. P. No. 2 of 2006. Hence, necessary directions may be caused for following the existing regulations with respect to 3rd party and captive transactions of wind power.
- d. To direct to follow the orders issued in this regard in O. P. No. 7 of 2012.
- e. Waiver of supervision charges shall not be permitted in lieu of the proposed evacuation scheme.
- f. TRANSCO initially proposed to collect Rs. 10.00 Lakhs / MW towards security deposit and that amount will be refunded after completion of the project. However, several representations from

the developers, the proposal of collecting the security deposit was dropped.

- g. DISCOMs will loose huge revenue if wind developers are allowed for concessional wheeling charges. The Commission is requested to continue the existing regulation No. 2 of 2005 and 2 of 2006.
- h. Evacuation feasibility is to be given as per the feasibility available in the existing network and proposed network after feasibility study report.
- i. Modification in the approved PPA format are being carried out as and when a developer has approached them.

25. The matter was listed for hearing on the above said dates and arguments were advanced in the matter. Later the arguments were concluded and I have perused the record and the material available therefor.

26. While the matter stood thus for consideration and passage of orders, this Commission noticing that there is a need for determining the generic tariff in respect wind based power plants initiated the necessary process. After undertaking thorough exercise by following the due procedure, this Commission had passed an order on 06.10.2018 determining the generic tariff for wind based power projects, which is applicable for the period 2018 -2020. In the conclusion the Commission observed as below.

6. SUMMARY OF TARIFF COMPONENTS:

The Commission has considered all the parameters and submissions brought before it with reference to its discussion paper and it is of the view that the submissions made in respect of certain issues do not satisfy the normative conditions nor can they be factored while determining the tariff. Therefore, the Commission has arrived at the tariff based on the normatives that are taken into consideration and discussed thoroughly in this order. Based on the discussion, the final tariff is arrived at, which is applicable in the State of Telangana for wind generation projects for the period FY 2018-2020 (FY 2018-19 and 2019-20) in terms of the applicability stated at clause 4 of this order. Normatives parameter adopted for determination of tariff are given at Table – 5.”

27. In view of the determination made in the above said order, there is no necessity of undertaking a separate exercise of determination of tariff with reference to the petitioner's project specifically. Suffice it to state that the determination would equally apply to the petitioner also. It is also appropriate to state that the Commission is not required to go into the rival contentions in view the order passed in the above said proceeding. That all the other contentions are left open except tariff determination which is covered by the said order and the same is being applied to this case.

28. Accordingly, having considered the rival contentions and relevant material including the discussion in the preceding paragraphs, the present petition is disposed in terms of the above said order. However, in the circumstances without any costs.

29. The interlocutory applications are allowed to the extent that this order is passed with reference to the state of Telangana only. Any reference to the state of Andhra Pradesh or parties located in the residuary state stands deleted and this order is not applicable to them.

This order is corrected and signed on this the 8th day of January, 2019.

**Sd/-
(ISMAIL ALI KHAN)
CHAIRMAN**

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