IN THE JHARKHAND STATE ELECTRICITY REGULATORY COMMISSION AT RANCHI

Case No. 41 of 2023

Jharkhand Urja Sancharan Nigam Limited (JUSNL) Petitioner

Versus

Jharkhand Bijli Vitran Nigam Limited & Ors.....Respondent

CORAM: HON'BLE JUSTICE MR. AMITAV KUMAR GUPTA, CHAIRPERSON HON'BLE MR. MAHENDRA PRASAD, MEMBER (LAW) HON'BLE MR. ATUL KUMAR, MEMBER (TECH)

For the Petitioner:Mr. Sumeet Gadodia and Mr. Mukesh Kumar, AdvocatesFor the Respondent:Mr. Prashant Pallav, Advocate –PUVNL, Mr. Nishant KumarSr. Manager, PUVNL, Ravi Shankar - JUVNL, Mr. RishiNandan - GM (Comml). JBVNL

Date – 20th December, 2023

- 1. The Petitioner Jharkhand Urja Sancharan Nigam Limited (hereinafter referred to as 'JUSNL' or 'Petitioner') has filed the instant petition in compliance of Commission's order dated 10.10.2023 in case No. 21 of 2023 for approval of the transmission scheme/plan for evacuation of power from PVUNL (Patratu Vidyut Utpadan Nigam Limited).
- 2. The petitioner has prayed for the following relief :
 - (a) To consider the Evacuation of Power by the petitioner from PVUNL in terms of the petition dated on 31.10.2023.
 - (b) To approve the transmission schemes under SI. No. 01 to 09 as proposed for evacuation of Phase-I i.e. 3*800 MW=2400 MW from PVUNL.
 - (c) To approve the implementation of transmission scheme under SI. No.
 10 to 15 after receipt of schedule from PVUNL of Phase-II i.e. 2*800 MW= 1600 MW.
 - (d) To pass any other order, as the Hon'ble Commission may deem fit and proper on consideration of the facts and circumstance of the instant case.

Submissions of the Petitioner

- 3. Learned counsel for the Petitioner has submitted that a Memorandum of Agreement (MOA) was entered into between the Govt. of Jharkhand, Jharkhand Urja Vikas Nigam Ltd. (JUVNL), Jharkhand Bijli Vitran Nigam Ltd (JBVNL) and NTPC Ltd. on 3rd May, 2015 to incorporate JVC with NTPC and JBVNL as promoters, having a shareholding of 74% and 26% respectively and accordingly, a Joint Venture agreement was entered by NTPC, JBVNL, Govt.of Jharkhand, JUVNL and JUUNL on 29thJuly, 2015 for improving performance of existing Patratu Thermal Power Station and expansion of capacity of the Project through 5 (five) new units in 2 (two) phases, having total generating capacity of 4000MW (Phase-I and Phase-II), Phase-I of 3 (three) units of 800 MW each and Phase-II of 2 (two)units of 800 MW each.
- 4. It was pointed out that in clause 7.1.6 of the said Joint Venture Agreement it is incorporated that JBVNL shall purchase 100% of the power from Existing

(old) Units and 85% of the power generated from the New Units for the State of Jharkhand. That clause 7.3.7 of the agreement provides that JVC shall ensure availability of power for sale on ex-bus bar basis and arrangement for evacuation of power beyond this point shall be responsibility of JBVNL and that JVC shall not be responsible for payment of any charges for evacuation of power beyond bus bars of the station.

- 5. It was stated that subsequent to Joint Venture Agreement, the Managing Director of JBVNL vide letter no. 103 dated 21.01.2016 requested Managing Director of JUSNL to make arrangements of Transmission network for evacuation of 4000MW power from Patratu for utilization of JBVNL.
- 6. It was also submitted that as per clause 7.1.7 of Joint Venture Agreement, JBVNL has to enter into supplementary Power Purchase Agreement pertaining to payment security mechanisms and provisions for sale of power from existing units and new units, as such Managing Director JBVNL vide its letter no. 104 dated 21.01.2016 has prayed for approval of the draft PPA which was approved by this Commission vide letter no. JSERC/Legal-13/2016/PPA dated 26.02.2016 and consequently PVUNL and JBVNL entered into a supplementary Power Purchase Agreement on 30.03.2016 for purchase of power from Patratu Thermal Power Station.
- 7. It was submitted that as per clause No. 2.1.1 of the Supplementary power purchase agreement -The capacity of Patratu TPS Phase-I is proposed to be 2400 MW (3x800 MW) and as per clause No. 2.2, "**Allocation of Power**", 85% of power has been allocated to the State of Jharkhand whereas as per clause No. 3.1, the sale of electricity shall be at the busbars of the station. Evacuation of power shall be the obligation and responsibility of JBVNL and it shall ensure availability of adequate transmission system for evacuation of power generated from the station, either directly or through STU/CTU or any other transmission licensee.
- 8. It was pointed out that as per clause no. 3.3 of the supplementary PPA, the charges for utilization of transmission system owned by the Powergrid/STU/other Transmission Licensee for wheeling of electricity beyond bus bar of the station shall be paid directly by JBVNL to the Powergrid /STU or to the Transmission Licensee, as the case may be, and PVUNL shall not be responsible for payment of any other charges for the evacuation of power beyond bus bar of the station.
- 9. Learned counsel for the Petitioner has submitted that in view of the above facts the petitioner - JUSNL (i.e. STU of Jharkhand), in pursuant of Letter of Managing Director of JBVNL has taken up the work of development of Transmission Network for Evacuation of Power from PVUNL.
- 10. It is submitted by the Learned counsel that for 220 kV Transmission line and above, permission of Ministry of Power, Govt. of India through CEA is mandatory and after necessary approval accorded by MoP, the petitioner -

JUSNL (STU of Jharkhand) took sanction from Board of Director (BoD) of JUSNL and thereafter the proposal was placed before the Hon'ble JSERC.

11. Learned counsel has further submitted that the petitioner-JUSNL- in the instant petition, has filed the proposal for approval of capital expenditure and capitalization of transmission schemes pertaining to evacuation of power from PVUNL, as detailed below: -

Table 1: Proposed capital expenditure schedule as submitted by the Petitioner for evacuation of Power from PVUNL

S. No.	Project	Estimated Amount (Rs Cr.)	FY 21-22	FY 22-23	FY 23-24	FY 24-25	FY 25-26
	400 kV D/C Quad Moose						
1.	Patratue-PVUNL Transmission	64.54		13.96	50.58		
	Line and 2 no. of Line Bay						
2.	400/220 kV GSS, Chandil	175.74			17.58	70.30	87.87
	400 kV D/C 3-Ph QM Patratu-						
3.	Chandil Transmission Line (130	463.12			46.31	185.25	231.56
	km)						
	400 kV D/C 3-Ph QM Chandil-						93.28
4.	Chaibasa Transmissions Line (50	186.55			18.66	74.62	
	km)						
	400 kV D/C 3-ph QM Chandil-						
5.	Dhanbad Transmission line (130	463.31			46.33	185.32	231.66
	km)						
6.	220 kV D/C 3-Ph Chandil-Chandil	13.4			1.34	5.36	6.7
	Transmission line (10 km)						
7.	400/220 kV GSS, Koderma	175.74			17.56	70.296	87.87
0	400 kV D/C 3-ph QM Patratu-	460.01			46.00	107 70	004.66
8.	Koderma Transmission line (133	469.31			46.93	187.72	234.66
	km)						
9.	220 kV D/C 3-Ph Koderma-	96.24			9.62	38.50	48.12
	GridihTransmission line (80 km)	2107.95		13.96	254.92	817.36	1021.7
	Total (A)	2107.95	-	13.90	234.92	817.30	1021.7
10.	400/220 kV GSS, Mandar& associated Transmission Line	232					
11.	400/220 kV GSS, Jasidih	175.74					
11.	400 kV D/C 3-ph QM Koderma-	113.14					
12.	Jasidih Transmission line (135	481.12					
14.	km)	401.12					
	400 kV D/C 3-ph QM Dumka-						
13.	Jasidih Transmission line (131	466.87					
10.	km)	100.07					
14.	400/220 kV GSS, Dumka	175.74					
	400 kV Dhumka- Dhanbad (NKTL)						
15.	Transmission Line (122 km)	434.79					
	Total (B)	1966.26					
	Grand Total (A+B)	4074.21	-	13.96	254.92	817.36	1021.7

Table 2: The Proposed captilazation schedule of above schemes are as under :

S. No.	Project	Estimated Amount (Rs Cr.)	FY 21-22	FY 22-23	FY 23-24	FY 24-25	FY 25-26
1.	400 kV D/C Quad Moose Patratue-PVUNL Transmission Line and 2 no. of Line Bay	64.54			64.54		
2.	400/220 kV GSS, Chandil	175.74					175.74
3.	400 kV D/C 3-Ph QM Patratu- Chandil Transmission Line (130 km)	463.12					463.12

S. No.	Project	Estimated Amount (Rs Cr.)	FY 21-22	FY 22-23	FY 23-24	FY 24-25	FY 25-26
4.	400 kV D/C 3-Ph QM Chandil- Chaibasa Transmissions Line (50 km)	186.55					186.55
5.	400 kV D/C 3-ph QM Chandil- Dhanbad Transmission line (130 km)	463.31					463.31
6.	220 kV D/C 3-Ph Chandil- Chandil Transmission line (10 km)	13.4					13.4
7.	400/220 kV GSS, Koderma	175.74					175.74
8.	400 kV D/C 3-ph QM Patratu- Koderma Transmission line (133 km)	469.31					469.31
9.	220 kV D/C 3-Ph Koderma-Gridih Transmission line (80 km)	96.24					96.24
	Total (A)	2107.95	-	-	64.54	-	2043.4
10.	400/220 kV GSS, Mandar& associated Transmission Line	232					
11.	400/220 kV GSS, Jasidih	175.74					
12.	400 kV D/C 3-ph QM Koderma- Jasidih Transmission line (135 km)	481.12					
13.	400 kV D/C 3-ph QM Dumka- Jasidih Transmission line (131 km)	466.87					
14.	400/220 kV GSS, Dumka	175.74					
15.	400 kV Dhumka- Dhanbad (NKTL) Transmission Line (122 km)	434.79					
	Total (B)	1966.26					
	Grand Total (A+B)	4074.21	-	-	64.54	-	2043.4

12. Learned counsel for the Petitioner has further submitted that the transmission scheme under Sl. No. 01-09 is proposed for evacuation of power from Phase-I (3*800 MW), whose commencement is expected from April 2024 and scheme under Sl. No. 10-15 will be placed for approval before BoD of JUSNL and subsequently before the Government of Jharkhand for administrative approval after receipt of schedule of Phase-II i.e. 2*800 MW from PVUNL and accordingly, it is submitted that these schemes will spill over to the next control period.

Submissions of the Respondent Jharkhand UrjaVikas Nigam Limited (JUVNL)

- 13. Learned counsel for the respondent JUVNL (the holding company that own all shares of JUUNL, JUSNL and JBVNL) has submitted that section 39 (2) of the Electricity Act, 2003 mandates STU (JUSNL) to ensure development of an efficient, coordinated and economical system of intra-State transmission lines for smooth flow of electricity from a generating station to the load centers.
- 14. Learned counsel for the respondent- JUVNL has supported the submission of the petitioner-JUSNL and has further submitted that there is an urgent need to augment the existing infrastructure in the transmission network considering the overloading of existing sub stations and in future to increase load demand and has requested the Commission to consider the prayers of the petitioner and to approve the scheme for Evacuation of Power from

Submissions of the Respondent Patratu Vidyut Utpadan Nigam Limited (PVUNL)

- 15. Learned Counsel for the respondent-PVUNL has submitted that as per clause no. 2.2 of the supplementary power purchase agreement, 85% of power is requested by Govt. of Jharkhand to MoP, Govt. of India and the balance 15% of power is kept with the MoP, Government of India and the same will be allocated by MoP as per the requested State from the central Generating Pooling Quota.
- 16. Learned Counsel for the respondent-PVUNL has further submitted that PVUNL may make an application for connectivity and long term access to CTU for ISTS connectivity on behalf of the beneficiaries to transmit the unallocated 15% of power which is under the control of MoP.
- 17. Learned counsel for the respondent-PVUNL has submitted that as per clauses 3.1, 3.2 and 3.3 of the PPA, the JBVNL shall ensure availability of adequate transmission system corresponding to its share of allocated capacity of project i.e. 85% of power from PSTPP Stage – 1 (3x800 MW) and for the balance 15% (360 MW), PVUNL has requested to apply for ISTS connectivity for a quantum of 360 MW.

Commission's Observation and Findings

- 18. The Commission has considered the submission made by the parties and perused the materials available on record.
- 19. Under section 86 (1) (c) of the Electricity Act, 2003, the State Commission has the responsibility to facilitate intra-state transmission and wheeling of electricity. The relevant part of section 86 is referred as under:

- 20. The Commission has observed that as per clause 7.1.6 of the Joint Venture Agreement, JBVNL shall purchase 100% of power from Existing (old) Units and 85% of power generated from New Units for the State of Jharkhand and as per clause 7.3.7, JVC shall ensure availability of power for sale on ex-bus bar basis and arrangement for evacuation of power beyond that point shall be the responsibility of JBVNL, and JVC shall not be responsible for payment of any charges for evacuation of power beyond the bus bars of the station.
- 21. It is observed that the charges for utilization of Transmission system(s) owned by the Powergrid/STU/other Transmission Licensee for wheeling of electricity beyond busbar of the station shall be paid directly by JBVNL to the Powergrid/STU/other Transmission Licensee, as the case may be.

22. It is also observed that the Board of Director vide agenda item no. 47-12-03 dated 08.07.2022 and Department of Energy, Government of Jharkhand vide letter no. 03/U.(O.) 01/20-1862 dated 07-09-2022 had approved the Transmission scheme as given below:

S.No.	Name of Transmission scheme	Cost (Rs. Cr.)
1.	400 kV D/C Quad Moose Patratu-PVUNL Transmission Line and 2 no. of Line Bay	64.54

23. It is noticed that the Board of Director vide agenda item no 46-10/2021-22 dated 25.03.2022 and Department of Energy, Government of Jharkhand vide letter no. 03/U.(O.) 06/20 (Part-I)- 79 dated 19.07.2023 had approved the following Transmission Scheme:

S.No.	Name of Transmission scheme	Cost (Rs. Cr.)
2.	400/220 kV GSS, Chandil	
3.	400 kV D/C 3-Ph QM Patratu-Chandil Transmission Line (130 km)	
4.	400 kV D/C 3-Ph QM Chandil-Chaibasa Transmissions Line (50 km)	1302.14
5.	400 kV D/C 3-ph QM Chandil-Dhanbad Transmission line (130 km)	
6.	220 kV D/C 3-Ph Chandil-Chandil Transmission line (10 km)	
7.	400/220 kV GSS, Koderma	
8.	400 kV D/C 3-ph QM Patratu-Koderma Transmission line (133 km)	785.28
9.	220 kV D/C 3-Ph Koderma-Gridih Transmission line (80 km)	

- 24. The Commission has also observed that the Petitioner has failed to submit the approval of competent authority for the Transmission scheme as mentioned in Sl. No. 10 to 15 of table no. 1.
- 25. In view of the discussion made herein above and considering the facts and circumstances of the case, it is ordered as under:

<u>ORDER</u>

- 26. The prayer of the petitioner for development of Transmission System (Sl.no. 1 to 9) of Table 1 at the estimated cost of Rs. 2107.95 cr. for evacuation of power from PVUNL for phase I is hereby allowed.
- 27. The Commission hereby directs the petitioner to file a separate tariff petition for determination of tariff for the abovementioned project/ Transmission Scheme for evacuation of power from PVUNL after the CoD (Date of Commercial operation) of the project.
- 28. Consequently, the petition is disposed off in terms of the aforesaid order.

Sd/-	Sd/-	Sd/-
Atul Kumar	Mahendra Prasad	Justice Amitav Kr. Gupta
Member (Technical)	Member (Legal)	Chairperson