

# TELANGANA ELECTRICITY REGULATORY COMMISSION

'Vidyut Niyantran Bhavan', G.T.S. Colony, Kalyan Nagar, Hyderabad 500 045

## O. P. No. 27 of 2023

## Dated 14.10.2024

# Present

Sri. T. Sriranga Rao, Chairman Sri. M. D. Manohar Raju, Member (Technical) Sri. Bandaru Krishnaiah, Member (Finance)

B<mark>etw</mark>een

M/s. Bhagyanagar India Limited, Regd. Office at: 5<sup>th</sup> Floor, Surya Towers, S. P. Road, Secunderabad, Telangana 560 003.

.. Petition<mark>er</mark>

## AND

1. Transmission Corporation of Telangana Limited, Vidyut Soudha, Somajiguda, Hyderabad – 500 082.

2. Southern Power Distribution Company of Telangana Limited, Corporate Office, # 6-1-50, Mint Compound, Hyderabad 500 063. .... Respondents

This petition came up for hearing on 15.11.2023, 14.12.2023 and 11.01.2024. Sri. Deepak Chowdary, Advocate for the petitioner appeared on 15.11.2023, 14.12.2023 and on 11.01.2024, Sri. Mohammad Bande Ali, Law Attaché for respondents appeared on 15.11.2023, 14.12.2023 and 11.01.2024. The petition having stood over for consideration to this day, the Commission passed the following:

## ORDER

M/s. Bhagyanagar India Limited (petitioner) has filed a petition under Section 86(1)(f) of the Electricity Act, 2003 (Act, 2003) read with clause 10 of the APERC (Terms & Conditions of Open Access) Regulation, 2005 (Regulation No.2 of 2005) (OA regulation) and TSERC (Interim Balancing and Settlement Code for Open Access Transactions) 3<sup>rd</sup> Amendment Regulation, 2017 (Regulation No.1 of 2017), seeking directions to the respondents to grant long-term open access (LTOA) to the petitioner's 5 MW solar power project from 31.03.2023 and to settle the energy injection into the grid for the period from 31.03.2023 to 14.06.2023 and consequential reliefs. The averments of the petition are extracted below:

a. It is stated that the petitioner is a generator as defined in Section 2 (28) of the Act, 2003 and is engaged in the business of generation and sale of solar energy. It is stated that the erstwhile state Government of Andhra Pradesh, in order to harness the potential of solar generation and abridge the prevailing power situation in the state with regard to substantial gap between the demand and supply position has come with Andhra Pradesh Solar Policy-2012 (AP Solar Policy, 2012) vide G. O. Ms. No.39, dated 26.09.2012. The said policy was envisaged to remain effective upto 2017. The petitioner being one of the developers interested in setting up the solar plant, has received permission/approval for setting up of 5 MW solar project with the intention to sell the power generated from the solar plant to third parties.

b.

It is stated that the petitioner owns and operates a solar power-based plant with the capacity of 5 MW situated at Munipally village and mandal, Sangareddy district in the state of Telangana (solar project) and the solar project was synchronized to the grid on 02.12.2013. The entire energy from the said solar project is being drawn under third party sale by M/s Tata Communication Limited (scheduled consumer), within the area of supply of Southern Power Distribution Company of Telangana Limited (TGSPDCL/2<sup>nd</sup> respondent). For supplying energy to its scheduled consumer, the petitioner is availing LTOA since the date of inception of the plant. The petitioner injects power from the 33/11 kV Munipally substation, Sangareddy.

c. It is stated that the respondent No.1 is the Transmission Corporation of Telangana Limited (TGTRANSCO), constituted under Section 39 of the Act, 2003. The TGTRANSCO undertakes various functions including but not limited to planning, construction, and maintenance of the transmission network of the state of Telangana. The TGTRANSCO has been designated as the nodal agency for receiving and processing applications for grant of LTOA within the state of Telangana.

- d. It is stated that the respondent No.2 is a government owned company entrusted with the function of distribution of electricity in certain districts of the state of Telangana. The petitioner has entered into LTOA agreement with TGSPDCL for transmission and wheeling of electricity from the petitioner's 5 MW solar project to its third-party user through the system of TGSPDCL.
- e. It is stated that, on 01.07.2005, the then Andhra Pradesh Electricity Regulatory Commission (APERC) notified the OA regulation to allow open access for supply of electricity to consumers. The OA regulation set out the norms for open access to intrastate transmission and distribution systems of licensees in the state. The provisions of the OA regulation relevant to the instant petition are reproduced herein below

### Definitions

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In this Regulation, unless the context otherwise requires:

(b) "applicant" means a person who makes an application to the Nodal Agency for open access and includes any person engaged in generation, a licensee or any consumer eligible for open access under this Regulation;

 (e) "contracted capacity" in the context of open access for supply to consumers means the capacity contracted in megawatts (MW) or kilowatts (kW) for transmission and/or wheeling to a consumer under open access;

### Categorization of open access users

The open access users of the transmission and/or distribution system(s) shall be classified as follows:

- (a) Long-Term Open Access User: Any user of the transmission and/or distribution system(s) entering into an open access agreement with the concerned licensee(s) for a period of two years or more shall be categorised as a Long-Term Open Access User.
- 10. Procedure of application for Long Term open access
- 10.1 The Nodal Agency (STU) shall make available the format of application for open access requiring broadly the details as set out in Annexure-1 to this Regulation, to the general public in physical form at its offices and in electronic printable form at its website.
- 10.2 An application for long-term open access shall be filed with the STU by the applicant, with a copy to the concerned transmission/distribution licensee(s). The application shall be accompanied by a non-refundable processing fee as prescribed by the Commission in the Tariff Orders, or otherwise, from time to time:

Provided that till such time the processing fee is so prescribed by the Commission, it shall be Rs.10,000.

- 10.3 The Nodal Agency shall acknowledge the receipt of an application made under clause 10.2 above within 24 hours of the receipt of the application.
- 10.4 If after submission of the open access application, the applicant becomes aware of any material alteration in the information contained in the application, the applicant shall promptly notify the Nodal Agency of the same:

Provided that in case the Nodal Agency is made aware of the material alteration in the information contained in the application already submitted under clause 10.2 above, the Nodal Agency shall treat the application as if the same was received on the date the applicant notifies it of the said alteration.

- 10.5 All applications received within a calendar month e.g., during 1<sup>st</sup> April to 30<sup>th</sup> April, shall be considered to have been filed simultaneously. This window of a calendar month shall keep rolling over i.e., after the expiry of a monthly window, another window of the duration of the next calendar month shall commence.
- 10.6 Based on system studies conducted in consultation with other agencies involved including other Licensees, if it is determined that Long-Term open access sought can be allowed without further systemstrengthening, the Nodal Agency shall, within 30 days of closure of a window, intimate the applicant(s) of the same.
- 10.7 If, on the basis of the results of system studies, the Nodal Agency is of the opinion that the Long-Term open access sought cannot be allowed without further system strengthening, the Nodal Agency shall notify the applicant of the same within 30 days of closure of a window. Thereafter, at the request of the applicant, which shall be made within 15 days of such notification by the Nodal Agency, the Nodal Agency shall carry out further studies, if required, to identify the scope of works involved and intimate the same to applicant within 30 days of receipt of such request from the applicant. The Nodal Agency shall also inform the applicant of the probable time frame for execution of the works involved after consultation with the concerned licensee(s).

A bare perusal of the aforequoted Clauses under the Regulation makes the following abundantly clear:

- i. Any person including a generator, licensee or consumer can make an application for grant of LTOA that is open access for two or more years.
- ii. An application for grant of LTOA will be submitted and processed under clause 10. As per the procedure set out in clause 10, an application for grant of LTOA made within a particular calendar month shall be considered to have been made within the window which expires with the close of the relevant calendar month. After the submission of the

application, TGTRANSCO will undertake system studies to ascertain if the LTOA sought by the applicant can be granted with or without system strengthening and the results of the said system studies must be intimated to the applicant within 30 days of closure of the window. If the system studies reveal that LTOA cannot be allowed without further system strengthening, TSTRANSCO is obligated to augment the system to provide LTOA to the applicant. It is therefore, clear that in terms of clause 10 of the OA regulation, open access cannot be denied in either scenario and must be allowed, with or without system strengthening within 30 days of closure of the window.

- iii. Under clause 12.4, an LTOA grantee can apply for renewal of its LTOA agreement for a period of two (2) years or more. Pertinently, there is no requirement for a fresh application in case of renewal of LTOA agreement and the LTOA grantee is only required to give notice to TGTRANSCO (3) months prior to the expiry of the LTOA agreement.
- It is stated that, consequent to the bifurcation of the state of Andhra Pradesh, the Commission was constituted on 03.11.2014. Further, on 24.11.2014, the Commission by way of TSERC (Adoption) Regulation, 2014 adopted all regulations, decisions, directions, orders, licenses, and practice directions issued by the erstwhile APERC in existence and in force as on the date of constitution of the TSERC. The regulation specifies that all the adopted regulations, decisions, directions, orders, licenses, and practice directions shall continue to have effect until duly altered, repealed, or amended, by the TSERC. Accordingly, the Commission has adopted the OA regulation, as amended from time to time.

f.

g. It is stated that pertinently, the AP Solar Policy, 2012, evacuation facilities were to be granted for the life of the solar power project as per the regulations of the Commission, as amended from time to time. Under the policy, the developers were also given the option for laying of the evacuation line either by themselves by payment of supervision charges to TRANSCO/DISCOM or alternatively TRANSCO/DISCOM shall lay the same at the cost of the developer. Further, TRANSCO/DISCOM was to ensure the technical feasibility for evacuation was to be granted within 21 days of the application.

- h. It is stated that further thereto, the petitioner executed power purchase agreement (PPA) dated 07.01.2014 for the period from 30.01.2014 to 30.01.2016 Further, on expiry of the PPA dated 07.01.2014 the petitioner entered into a supplementary PPA dated 27.01.2016 for further period from 30.01.2016 to 30.03.2016 further entered into fresh PPA dated 18.02.2016 to be effective from 31.03.2016 to 30.03.2019 imminent expiry of the PPA dated 18.02.2018 for the additional period of 10 years to be effective from 31.03.2019 to 30.03.2029 with M/s Tata Communications Limited for supply of electricity from the 5 MW solar project.
- i. It is stated that the petitioner commissioned the 5 MW solar project on 02.12.2013. After the commissioning of the 5 MW solar project, the petitioner applied for and was granted LTOA as follows:

Date of application	Date of approval	Date of LTOA agreement	Validity period
13.12.2013 (Fresh)	25.01.2014	30.01.2014	301.2014 to
V	Q ///		30.03.2016
26.02.2016 (Fresh)	17.03.2017	12.04.2017	31.03.2016 to
1			30.03.2019
04.12 <mark>.2</mark> 018	04.04.2019	27.04.2019	31.03.2019 to
(Renewal notice)	1		30.03.2021
06.11.2 <mark>0</mark> 20	16.11.2021	03.12.2021	31.03.2021 to
(Renewal notice)			<u> </u>
16.11.2022	14.06.2023	06.07.2023	15.06.20 <mark>23</mark> to
(Renewal notice)			14.0 <mark>6.2</mark> 025

j.

It is stated that the Superintending Engineer, Operation Circle, TGSPDCL has sent a letter dated 18.04.2023 to Chief General Manager (IPC & RAC), TGSPDCL submitting the feasibility report and requesting the same to approve LTOA for the period from 31.03.2023 to 30.03.2025. The Chief General Manager (IPC), TGSPDCL had addressed a letter to Chief Engineer (Comml. & RAC), TGTRANSCO vide Lr. No.CGM (IPC)/DE (IPC)/ADE-OA/D. No.212/23, dated 25.04.2023, communicating the feasibility report for the period from 31.03.2023 to 30.03.2025. It is pertinent to mention here that, the petitioner despite submitting its renewal application well in advance (134 days) on 16.11.2022, the feasibility was issued with an in-ordinate delay of 89 days, from the end period as envisaged under clause 10.5 and 10.7 of 2005 OA regulation as amended from time to time.

- k. It is stated that thereupon, the Chief Engineer (Comm. & RAC), TGTRANSCO had sent a letter No.CE/Comml & RAC/SE/DE/Comml/ADE-OA/F-DRES/ D.No.224/23, dated 09.05.2023 addressed to the petitioner, calling upon the petitioner to rectify the real time data as the same is reporting partially to SLDC. The petitioner vide letter dated 10.05.2023, to CE (Comm. & RAC), TGTRANSCO informing that the real data was reporting to SLDC and requested for the approval of conveying of renewal of LTOA.
- I. It is stated that further, the petitioner vide reminder letter dated 12.05.2023, informed the Joint Managing Director, TGTRANSCO, requesting to convey the clearance for the renewal of LTOA. The Chief Engineer, SLDC vide letter dated 23.05.2023 informed the petitioner that the clearance will be allowed only after restoration of the real-time data to SLDC in full shape. The petitioner vide letter dated 06.06.2023, informed the Chief Engineer, SLDC that, real time data acquisition is rectified and sought for approval for LTOA renewal.
- m. It is stated that the Chief Engineer, SLDC once again addressed letter dated 08.06.2023 to the petitioner, that the potential transformer (PT) was reporting issues and requested to rectify the same. The petitioner vide letter dated 09.06.2023, informed the CE, SLDC that the real time data was reporting normally and requested for LTOA renewal clearance. Thereupon, the CE, SLDC vide letter dated 13.06.2023 that the data was reporting to SLDC accurately.
- n. It is stated that, CE (Comm. & RAC), TGTRANSCO addressed a letter dated 14.06.2023 to the petitioner informing that the nodal agency being TGTRANSCO has accorded approval for LTOA of the petitioner for the period from 15.06.2023 to 14.06.2025 and consequently called upon the petitioner to comply with certain conditions. The petitioner vide letter dated 15.06.2023, addressed a letter to the CMD, TGTSANSCO, requesting to at least approve the LTOA from 31.03.2023 to 30.03.2025. While things stood thus, the Chief General Manager, IPC, TGSPDCL addressed a letter dated 16.06.2023 to the petitioner calling upon it to furnish the letter of credit (LC) for an amount of Rs.68,64,000/- valid up to 31.07.2025 towards the imbalance in supply and consumption of electricity calculated for 10 days energy charges and demand draft for an amount of Rs.4,08,632/- towards security deposit of wheeling

charges equivalent to 2 months as per the wheeling tariff schedule for FY 2023-24. The petitioner vide letter dated 28.06.2023 informed the respondents that, it has furnished the requirements as envisaged vide letter dated 16.06.2023.

- o. It is stated that on 06.07.2023, the petitioner addressed a letter to CGM, IPC, TGSPDCL seeking indulgence to revise the LTOA period from 31.03.2023 to 30.03.2025 and further informed that the petitioner had entered into the LTOA agreement under protest and reserving its rights to canvass its remedies before the appropriate commission. Having left with no other alternative the petitioner on the very same day, after an inordinate delay of 7 months from the date of petitioners' application for renewal, had entered into renewal LTOA agreement with the TGSPDCL for the period from 15.06.2023 to 14.06.2025. The petitioner once again vide representation dated 12.07.2023 to the CMD, TGTRANSCO had requested to revise the LTOA period with effective from 31.03.2023.
- p. It is stated that subsequently, TGTRANSCO undertook the energy settlement for the petitioner and its third-party user and issued the energy and demand settlement statements for the month of June, 2023 that is from 15.06.2023 (settlement reports).
- q. It is stated that the petitioner is filing the instant petition being aggrieved by the arbitrary, unfair and illegal actions of the respondents detailed hereinabove. The Commission has the necessary jurisdiction to entertain the present petition and to provide the reliefs sought hereunder. The petitioner's solar project is in the state of Telangana and the entire power generated from the solar project is being consumed by third party user through the In STS and distribution system of TGSPDCL. Therefore, the Commission can exercise its regulatory powers under Section 86 (1) (f) of the Act, 2003 to entertain the present petition and provide the reliefs as sought by the petitioner on the grounds set out below
  - i. The petitioner had, further to the directions of TGTRANSCO, applied for grant of LTOA for the 5 MW solar project by way of the application dated 16.11.2022. In terms of clause 10 of the OA regulation, the TGTRANSCO is mandated to respond or intimate its decision to the petitioner within 30 days of the closure of the window that is 15.12.2022 or by the end of the month that is 31.12.2022. To circumvent the provisions of the OA regulation and delay the grant of LTOA, TGTRANSCO by various letters much later, instead of providing the mandatory approval, sought various documents and compliances after an inordinate delay. Assuming arguendo that such information was

necessary for the grant of LTOA, TGTRANSCO should have sought the information within the mandated 30 day period or before the expiry LTOA of the petitioner, while also intimating the requirement or non-requirement of system strengthening to the petitioner.

- ii. The petitioner had expeditiously and proactively applied for renewal of LTOA for its 5 MW solar project more than three (3) months before the expiry of LTOA. Any delay in the grant of LTOA beyond the date of expiry of the previous LTOA is wholly attributable to TGSPDCL and TGTRANSCO and the licensees cannot be allowed to take advantage of their own wrong. In such a scenario, TGTRANSCO's action in refusing to settle the energy injected into the grid by the petitioner's 5.0 MW solar project after 30.03.2023, the date on which the previous LTOA expired, till 15.06.2023, the date from which the extant LTOA became operational, has resulted in gross injustice and hardship to the petitioner.
  - The action of TGSPDCL in approving renewal of its LTOA within the timeline stipulated under clause 10 of the OA regulation is in contravention of the OA regulation, which regulation guarantee non-discriminatory open access to all applicants and in particularly to renewal energy sources in line with the mandate of the Act, 2003. The OA regulation clearly allow the petitioner to renew its LTOA by submitting a notice/application for the same 3 months before the expiry of the LTOA agreement.
    - The TGSPDCL and TGTRANSCO, being instrumentalities of state and licensees of the Commission, are duty bound to act in a fair and reasonable manner and within the four walls of the powers and functions conferred on them. That while on one hand the GoT has invited private investments into the state for development of the renewable energy sector by guaranteeing incentives under the A P solar policy, 2012, on the other hand, the TGSPDCL and TGTRANSCO, by the afore stated actions, is clearly acting in complete disregard of the aim and objective of the GoT as well as its own responsibilities in the capacity of being licensees under the Act, 2003. The incentives under solar policy formed the basis of the petitioner's decision to invest in the state of Telangana.
- v. The appellant has injected 14,23,430 units from its 5 MW solar project into the grid during the period 31.03.2023 to 14.06.2023 and TGTRANSCO has not settled these units against the third-party consumption.
- vi. That notwithstanding the arguments taken in the foregoing paragraphs, TGSPDCL has sold this energy to its consumers and financially benefited from such sale. The petitioner's act of supplying energy to the grid is a non-gratuitous act and accordingly, in terms of Section 70 of Indian Contract Act, 1872 (Contract Act), since TGSPDCL has enjoyed the benefit of the petitioner's non-gratuitous act, TGSPDCL is bound to provide compensation to the petitioner for such energy.
- vii. That TSSPDCL cannot be allowed to take benefit of its own inaction. It is a settled principle of law that a person cannot be permitted to take undue and unfair advantage of his own wrong to gain favourable interpretation of law. In this regard, the petitioner places reliance on Kusheshwar Prasad Singh vs. State of Bihar [2007 (11) SCC 447].

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- viii. That the respondents are not only acting in contravention of the extant regulation framed by the Commission but also the Act, 2003, National Electricity Policy (NEP) and the National Tariff Policy (NTP) which mandate promotion of renewable energy sources. The actions of the TGSPDCL and TGTRANSCO have a contrary impact. It is incumbent upon the respondents, which are licensees of the Commission to act in furtherance of the objectives of the Act, 2003 and the policies issued thereunder.
- 2. The petitioner has sought the following reliefs in the petition.

iv)

- *"i)* Declare that the petitioner's 5 MW solar project is entitled to long term open access from 31.03.2023 and accordingly, direct TGSPDCL to amend the extant LTOA agreement dated 06.07.2023 to reflect the start date of the agreement as 31.03.2023 instead of 15.06.2023.
- ii) Direct TGTRANSCO to settle the energy injected into the grid by the petitioner's 5 MW solar project between 31.03.2023 to 14.06.2023.
- iii) Direct the TGTRANSCO to treat the energy injected that is 14,23,430 units during the period from 31.03.2023 to 14.06.2023 as deemed to have been banked in line with Telangana State Electricity Regulatory Commission (Interim Balancing and Settlement Code for Open Access Transactions) Third Amendment Regulation, 2017.
  - In alternative, direct TGSPDCL to provide compensation to the petitioner for 14,23,430 units of energy injected into the grid between 31.03.2023 and 14.06.2023 at the average pooled power purchase cost as determined by TGERC for the FY 2023-24 in line with Telangana State Electricity Regulatory Commission (Interim Balancing and Settlement Code for Open Access Transactions) Third Amendment Regulation, 2017."

3. The respondent No.1 has filed its counter affidavit and the averments thereof are extracted as below:

- a. It is stated that as per clause 4 of OA regulation, any user of the transmission/distribution systems entering into open access agreement for a period of two years or more shall be categorized as LTOA user. Further, as per clause 12.4 of OA regulation, the user may renew the LTOA for a further period of 2 years or more on receipt of at least 3 months' notice to the nodal agency before expiry of the open access agreement.
- b. It is stated that the petitioner had initially entered a LTOA agreement for transmission of 5 MW power from their solar power project located at Munipally village and mandal, Sangareddy district under third party sale for the period from 30.01.2014 to 30.03.2016 which was later renewed for

further periods from 31.03.2016 to 30.03.2019, 31.03.2019 to 31.03.2021 and 31.03.2021 to 30.03.2023.

- c. It is stated that the petitioner had submitted LTOA application on 16.11.2022 for renewal of LTOA for a further period from 31.03.2023 to 30.03.2029 for transmission of 5 MW power from their solar power project under third party sale and the same was forwarded to the licensee involved in the transaction that is TGSPDCL on 18.11.2022 for furnishing the technical feasibility.
- d. It is stated that as per clause 10.6 of the OA regulation, LTOA access sought can be allowed in case the system studies conducted in consultation with other agencies involved including other licensees, determine that LTOA access sought can be allowed without further system strengthening. In this case, as there is change in allocation of generated energy from petitioner's solar plant to their scheduled consumer and as the consumer is also drawing power from other open access generator under LTOA, the nodal agency could process the renewal only after the receipt of feasibility from TGSPDCL. Without any information from the other licensee, the nodal agency can neither reject nor return the application of the petitioner.
- e. It is stated that TGSPDCL has furnished the technical feasibility for renewal of LTOA of the petitioner on 25.04.2023. During the process for issuing LTOA renewal approval, TGSLDC had informed that the real time data of the generator is reporting partially to SLDC that is outgoing feeder data is not reporting. Clause 4.6.3 of CERC Indian Electricity Grid Code Regulation 2010 stipulates that all the users connected to the grid should provide recording instruments such as data acquisition system (DAS) for recording dynamic performance of the system. The said clause reads as follows.
  - "4.6.3 System Recording Instruments

Recording instruments such as Data Acquisition System/Disturbance recorder/Event Logging Facilities/Fault Locator (including time synchronization equipment) shall be provided and shall always be kept in working condition in the ISTS for recording of dynamic performance of the system. All Users, STUs and CTU shall provide all the requisite recording instruments and shall always keep them in working condition."

f. It is stated that further as per clause 18.6 of TSERC (State Electricity Grid Code) Regulation 2018, all the generators including captive/cogeneration

plants have to make arrangement to provide online data to the SLDC by installing suitable RTUs/SCADA facility at their cost. Hence, the petitioner was informed on 09.05.2023 to rectify the above for ensuring transmission of real time data to SLDC and obtain clearance from Chief Engineer/SLDC for issuing the LTOA renewal approval. Later, the petitioner has restored the complete DAS and CE/SLDC had issued clearance for the same on 13.06.2023 and the LTOA approval was accorded on 14.06.2023. Therefore, it is stated that the delay in renewal of LTOA approval cannot be attributed to the nodal agency as the rectification of DAS was not completed by the petitioner until 09.06.2023.

g. It is further stated that.

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The RE-DSM TSERC (Forecasting, Scheduling, Deviation Settlement and Related Matters for Solar & Wind generators) Regulation of 2018 being Regulation No.3 of 2018 has come into force from 01.04.2023.

For effective implementation of the same, schedules of all RE generators are necessary, which are now being obtained through Renewable Energy Management Centre (REMC) portal

As per clause No.3.2 of Regulation No.3 of 2018, the regulation is applicable to the generators who are supplying power to DISCOMs or to 3<sup>rd</sup> parties or for captive consumption through open access and selling power within or outside the state with capacity of 5 MW or above.

iv.

To supply power to DISCOMs or to 3<sup>rd</sup> parties through open access by any generator, they shall have valid agreement with DISCOM. Hence REMC portal is designed such that, the generators cannot upload their schedules in REMC portal without having a valid agreement with DISCOMs. Any revision in schedules of one generator will lead to revision of DSM charges of all generators.

v. Since the schedules are not available for the generators, who are not having valid agreements, the calculation of DSM charges is not possible. The DSM charges are being calculated for all generators who have uploaded the schedules in the REMC portal.

- h. It is stated that in view of the above, to overcome the above issues, TGTRANSCO decided to issue LTOA renewal approval from prospective date only and to not issue from retrospective date that is from expiry of previous LTOA agreement but was issued with validity from the next day of grant of LTOA approval that is for the period from 15.06.2023 to 14.06.2025 instead of the period from 31.03.2023 to 30.03.2025.
- i. It is stated that in reply to the contention of the petitioner that the delay in the grant of LTOA renewal is wholly attributable to respondents, it is stated that the real time data of the petitioner's solar power project was not reported at SLDC and this respondent requested for rectification of the same for issuing the LTOA renewal approval. The petitioner took a period of 31 days for restoring the real time data transmission to SLDC and submitted compliance to SLDC towards restoration of real time data on 09.06.2023. Hence, the delay on the part of the petitioner in rectifying the DAS for reporting of the real time date cannot be attributed to the respondent.
- j. It is stated that the energy generated from the solar plant of the petitioner is injected into the network of the TGSPDCL in whose area the solar plant is located and thus utilized by only TGSPDCL. The TSTRANSO is the nodal agency for only processing of intrastate LTOA applications and thereby granting the LTOA approvals and does not involve in the energy transactions of the open access users.
- k. It is stated that in the circumstances mentioned above, the action of the TGTRANSCO is perfectly legal and valid. The petitioner has failed to make out a case for seeking the reliefs in this petition. Hence, it is prayed the Commission to dismiss the petition.

4. The respondent No.2 has filed counter affidavit and the averments stated there in are extracted as below:

a. It is stated that as per clause 5 of OA regulation, the nodal agency for processing the LTOA applications is state transmission utility (STU) and for processing STOA applications is state load dispatch center. The relevant clause is reproduced below: -

- *"5. Nodal Agency:*
- 5.1 For all long-term open access transactions, the Nodal Agency for receiving and processing applications shall be the State Transmission Utility (STU)."
- 5.2 For short-term open access transactions, the Nodal Agency for receiving and processing applications shall be the State Load Dispatch Centre (SLDC). The SLDC shall, however, allow short-term open access transactions only after consulting the concerned transmission and/or distribution licensee(s) whose network(s) would be used for such transactions"
- b. It is stated that as per clause 4 of OA regulation, any user of the transmission/distribution systems entering into open access agreement for a period of two years or more shall be categorized as LTOA user. Further, as per clause 12.4 of OA regulation, the user may renew the LTOA for further period of 2 years or more on receipt of at least 3 months' notice to the nodal agency before expiry of the agreement.
- c. It is stated that the petitioner's 5 MW solar power project located at Munipally village and mandal, Sangareddy district was synchronized to the grid on 02.12.2023. The petitioner applied for LTOA as per clause 10.2 of OA regulation and entered into LTOA agreement for the period from 30.01.2014 to 30.03.2016, 31.03.2016 to 30.03.2019, 31.03.2019 to 30.03.2021 and 31.03.2021 to 30.03.2023. At present, this TGSPDCL duly treating the petitioner as a LTOA user had concluded agreement on 06.07.2023 for the period from 15.06.2023 to 14.06.2025.
- It is stated that the petitioner submitted its renewal LTOA application dated
  16.11.2022 to the nodal agency which was forwarded to this respondent on
  18.11.2022 for furnishing the remarks on the said representation.
- e. It is stated that TGSPDCL vide letter dated 12.12.2022 requested the petitioner to submit the documents relating to the latest power quality test (PQT) reports along with latest NABL test reports. However, the petitioner has not submitted the required PQT reports and latest NABL test reports.
- f. It is stated that from the technical feasibility letter submitted by the Superintending Engineer/operations/Sangareddy, it is observed that the PQT of the petitioner's solar power plant was certified by the NABL accredited testing agency on 31.03.2023. After verification of the documents pertaining to the

petitioner's plant, this respondent communicated its technical feasibility to the nodal agency on 25.04.2023 and the nodal agency accorded LTOA approval to the petitioner for the period from 15.06.2023 to 14.06.2025.

- g. It is stated that the power quality test pertaining to the petitioner's solar power plant was declared satisfactory only on 31.03.2023 and the petitioner in spite of receiving the letter from this respondent on 12.12.2022 has neither furnished any reply nor submitted the PQT reports as sought by this respondent. Admittedly, the petitioner delayed in getting the power quality test conducted and as a result of which there was a delay in processing the application for LTOA. Therefore, the petitioner cannot attribute the said delay to this respondent.
- h. It is stated that this respondent vide letter dated 25.04.2023 has furnished the technical clearance for the open access transaction of the petitioner's plant for the period from 31.03.2023 to 30.03.2025. Subsequently, the nodal agency, the Chief Engineer/Comml and RAC/TGTRANSCO has granted the LTOA approval for the period from 15.06.2023 to 14.06.2023. Accordingly, this respondent as a prerequisite for concluding the LTOA agreement has addressed the petitioner vide letter dated 16.06.2023 requesting to tender the demand draft towards security deposit of wheeling charges equivalent to 2 months as per wheeling tariff order and LC towards the imbalance in supply and consumption of electricity calculated for 10 days energy charges.
- It is stated that it is evident that the petitioner plant's real time data is not reporting at SLDC and the nodal agency has requested for rectification of the same for issuing the LTOA renewal approval. However, the petitioner took a period of 31 days for restoring the real time data transmission to the SLDC/TGTRANSCO and placed the compliance in respect of reporting of real time transmission data to SLDC/TGTRANSCO vide letter dated 09.06.2023. The inordinate delay on the part of the petitioner in rectifying the issue of reporting of the real time Data (Data Acquisition System) cannot be attributed to this respondent.
- j. It is stated that, the delay in execution of the LTOA agreement was attributable to the petitioner alone as the petitioner is obligated to submit the latest power

quality test reports and NABL test reports which were received by this respondent in the month of April after the petitioner conducting the PQT on 31.03.2023. Further the delay on account of rectifying the DAS is also attributable to the petitioner itself.

k. It is stated that the averments and allegations made in the petition that are not specifically dealt with herein may be deemed to have been denied by this respondent. The petitioner may be put to strict proof of the same. It is, therefore, prayed the Commission to dismiss the petition with costs.

6. The petitioner has filed a rejoinder to the counter of the respondent No.1 and the averments of it are extracted below:

- a. It is stated that the petitioner is by way of the instant rejoinder responds to the unsubstantiated arguments presented by the TGTRANSCO which find no merit in either law or fact.
- b. It is stated that the respondent speaks about the procedure to be followed by the TGTRANSCO under OA regulation. In the present case, the petitioner had sought for LTOA renewal on 16.11.2022, which is three months in advance prior to the expiry of their LTOA, providing the respondents with ample time to approve the LTOA under the OA regulation. Consequently, the TGTRANSCO has forwarded the petitioner's application to the TGSPDCL for approval of technical feasibility on 18.11.2022. Thereafter, the TGSPDCL had furnished the technical feasibility for renewal of LTOA of the petitioner only on 25.04.2023. The delay in approving the LTOA renewal request by the petitioner was predominantly due to the delayed issuance of technical feasibility by the TGSPDCL after approximately 4 months' from the date of the petitioner's application. The TGTRANSCO delay ensued from the TGSPDCL's tardiness in providing technical feasibility, causing a consequential delay in the approval process.
- c. It is stated that the TGSPDCL assertion that the petitioner has failed to comply with the clause 18.6 of Regulation No.4 of 2018, wherein the petitioner is required to provide with suitable RTUs/SCADA facility. It is unfettered fact that at the time of synchronization of the plant, the petitioner had complied with the relevant provisions by providing the necessary equipment, whereas, due to fault

in the DAS, the TGTRANSCO had directed the petitioner to rectify the same. Further, the Regulation No.4 of 2018 stipulates, that the user of network shall provide all necessary equipment for facilitating the SLDC to furnish real time reports for effective operation of the state grid in coordination with the regional grid. Further, at any point of time during the subsistence of LTOA or while filing of the renewal application by the petitioner, the TGTRANSCO had indicated that the DAS was not functioning properly, only after the inordinate delay in granting technical feasibility, the TGTRANSCO had notified the petitioner of the same. Therefore, the TGTRANSCO is debarred from holding the petitioner at fault for delay in rectifying the defect in the DAS system. It is crucial to highlight that neither Regulation No.4 of 2018 nor OA regulation empowers the TGTRANSCO to impede the grant of LTOA based on aforesaid frivolous objections. Therefore, for the period between issuance of technical feasibility that is 25.04.2023 to grant of LTOA that is 14.06.2023, the TGTRANSCO is accountable for inordinate delay in approving the LTOA.

- d. It is stated that it is an undeniable fact that the TGSPDCL benefits from the injected units into the grid, and therefore, bears responsibility for compensating the petitioner for the energy injected during the delay in approving the LTOA.
- e. It is stated that the petitioner, however, the delay in granting the LTOA by the respondents has been duly substantiated with evidence provided in the petition and the petitioner has a legitimate claim for the reliefs prayed for in the present petition.
- f. It is stated that accordingly, the petitioner prays the Commission to consider the merits of the petition and grant the reliefs sought.

7. The petitioner has filed a rejoinder to the counter of the respondent No.2 and the averments are extracted below:

- a. It is stated that the petitioner is by way of the instant rejoinder responds to the unsubstantiated arguments presented by the TSSPDCL which find no merit in either law or fact.
- b. It is stated that the TGSPDCL states that on 12.12.2022, they have requested the petitioner to place the NABL test reports. It is pertinent to mention here that,

under clause 18.4 of Central Electricity Authority (Installation and Operation of Meters) Regulation, 2006 and amendments thereon, states as follows:

"14. In regulation 18 of the said regulations,-

c.

- (i) in sub-regulation (1), for clauses (b) and (c), the following shall be substituted, namely: -
  - (b) All Interface Meters shall be tested on-site using accredited test laboratory for routine accuracy testing at least once in five years and recalibrated if required. Provided that these meters shall also be tested whenever the energy and other quantities recorded by the meter are abnormal or inconsistent with electrically adjacent meters.
     (c) Testing and calibration of Interface Meters shall be carried out in the presence of the representatives of the supplier and buyer by giving the advance notice to the other party regarding the date of testing;"
- It is stated that by the aforesaid provision under the regulation, the petitioner is required to comply with the NABL testing only once in five years. In the present case, the petitioner had submitted the NABL test reports to the 2<sup>nd</sup> respondent on 09.03.2021 and as recently as 22<sup>nd</sup> October, 2021, the petitioner had also furnished the power quality report. When, the petitioner had complied with the requirements under the regulation, the TGSPDCL is disentitled once again direct the petitioner from complying with the same. Further, even considered if the petitioner is required to be complied with the power quality requirements, the TGSPDCL should have called upon the petitioner within one year from the previous power quality report that is on or before 22.10.2022 or even subsequently on 22.10.2023. Further, at any point of time during the subsistence of LTOA, the TGSPDCL has never intimated the petitioner for furnishing the power quality reports and when, the TGSPDCL itself has abrogated from it duty, holding the petitioner at fault in furnishing the report is clearly uncalled for. Therefore, any exercise undertaken by the TGSPDCL is clearly contrary to the requirements under CEA Regulation, 2006 or OA regulation. Any delay if placing power quality report by the petitioner on 31.03.2023 is wholly attributed to the TGSPDCL, but for which, the petitioner cannot be held to be at fault.
- d. It is stated that as the petitioner, categorically answered all the objections raised by the TGTRANSCO in its reply to the TGTRANSCO. However, the delay in granting the LTOA by the respondents has been duly substantiated with

evidence provided in the petition and the petitioner has a legitimate claim for the reliefs prayed for in the present petition. Accordingly, the petitioner prays the Commission to consider the merits of the petition and grant the reliefs sought, as the petitioner has a rightful claim for the requested reliefs.

8. The Commission has heard the parties and also considered the material available to it. The submissions made by the parties on various dates are extracted for ready reference.

#### Record of proceedings dated 15.11.2023:

"..... The counsel for petitioner stated that the counter affidavit has not been received by him. The representative of the respondents stated that insofar as DISCOM is concerned, the counter affidavit had already been filed. The counsel for petitioner stated that the counter affidavit in respect of TSTRANSCO is also required to be filed. The Commission has observed that the counter affidavit of the DISCOM may be made available to the counsel for petitioner and the counter affidavit on behalf of TSTRANSCO shall be filed within a period of two weeks and thereafter, the counsel for petitioner may file the rejoinder, if any within two weeks thereafter or by the date of hearing. In these circumstances, the matter is adjourned."

## Record of proceedings dated 14.12.2023:

"..... The counsel for petitioner stated that he is filing rejoinder to the counter affidavits of the respondents today. Therefore, he sought adjournment for making submissions in the matter. The representative of the respondents stated that the rejoinders being filed by the petitioner are received today only and therefore, the matter may be adjourned for hearing to any other date. In these circumstances, the matter is adjourned."

#### Record of proceedings dated 11.01.2024:

"..... The counsel for petitioner stated that the petition is filed for considering the LTOA date contrary to the request made by the petitioner. The petitioner had availed LTOA in the year 2014 and later got extension in 2017, 2019 and 2021. The issue pertains to further extension in 2023, wherein the nodal agency had changed the start date of LTOA to another date other than the date when earlier permission expired at its discretion, thereby causing a loss to the petitioner towards the energy injected into the grid.

The counsel for petitioner stated that the petitioner had applied for renewal of the LTOA on 16.11.2022 by way of notice that is three months prior to the expiry of the existing LTOA permission on 31.03.2023.

The counsel for the petitioner stated that the application would fall under the window for the month of November, 2022 under the Regulation No.2 of 2005 and the nodal agency should convey its acceptance within a month of closure of the window that is by 31.12.2022. However, the feasibility report was made available on 25.04.2023 for the LTOA commencing from 31.03.2023 to 30.03.2025 with a delay of 134 days from the date of application and 89 days beyond the approval date of 31.12.2022. Ultimately on 14.06.2023, the LTOA was approved. In the meantime, the TSTRANSCO had addressed letters on 09.05.2023 regarding real time data reflection to SLDC, on 23.05.2023 reiterating the issue of compliance of real time date as also 13.06.2023 accepting the real time data. All these letters have been replied by the petitioner from time to time.

The counsel for the petitioner further stated that the LTOA was signed after seven months of the application made by the petitioner in November 2022. Setting out these facts, he stated that the Act, 2003 provides for nondiscriminatory open access under Section 2(17), yet the licensees are creating hindrances and delaying the permission for open access. It is his case that in massive grid a capacity of 5.00 MW would not make any difference, however, the licensees have delayed the approval of LTOA and thereby caused loss to the petitioner.

The counsel for the petitioner stated that the petitioner had made an application for a period of 6 years however, the period is limited to 2 years only. The provision in the Regulation No.2 of 2005 as adopted by the Commission would envisage that the LTOA would be for a period of 2 years or 'more' but strangely the nodal agency had limited the approval for 2 years only instead of allowing the same for the life period of the plant. This is nothing but violating the Act and regulations in force.

The counsel for the petitioner stated that with the changing the date of approval, the petitioner had lost energy which is injected into the grid to the tune of 14,23,430 units. Since the nodal agency and the licensee have caused delay and also changed the start date of LTOA, the petitioner had injected the energy non-gratuitously and thus, attracted Section 70 of the Indian Contract Act, 1872. The said energy has to be banked and accounted for sale as and when the petitioner provides the schedule for its consumption through its consumers or pay for the same at the pooled cost rate as provided in the regulations.

The counsel for petitioner sought the prayers mentioned in the petition be accepted.

The representative of the respondents stated that the petitioner had not complied with the requirement of the regulations and procedure as set out by the nodal agency as also the distribution licensee and thereby it itself caused delay, thus, no fault lies on the respondents. The petitioner being aware of the requirements to be complied with while making the application has ostensibly did not choose to enclose the requisite information for consideration. The nodal agency as well as the licensee were not at fault and as and when the information was sought, which was provided thereof, the application was considered by them. The petitioner cannot allege the lapses on the part of the nodal agency as well as distribution licensee as they have strictly followed the procedure as set out in the Act and regulations. In fact, the nodal agency and distribution licensee hastened the process of approving the application by communicating expeditiously the deficiencies in the application as also the lack of information with other authorities so as to conclude the agreement for long term open access.

The representative of the respondents would endeavour to state that the nodal agency did not deviate from the stipulations in the Act and regulations and no information extraneous to the provisions has been sought. As soon as the application is complete in all respects, the approval was accorded for LTOA. If the delay is there, it is on the part of the petitioner only for which the

respondents are not liable for compensate for the alleged loss. The petitioner is not entitled to any relief as prayed for.

The counsel for the petitioner stated that the respondents have acted contrary to the Act and regulations and attempted to frame their own set of rules and regulations by requiring the petitioner to file fresh application or to submit the information which is either in their possession only or could have been asked well in advance as was done earlier. All the actions were within their knowledge, yet they acted contrary to the provisions of requiring the information or documentation as required. Interestingly the procedure for renewal of LTOA has been deviated by them, which is contrary to the earlier renewal in the years 2017, 2019 and 2021. The respondents have no authority to frame their own procedures causing hardship to the petitioner.

The counsel for the petitioner stated that nothing precluded the nodal agency and the licensee to inform and comply with the procedure as set out in the regulations read with the provisions of the Act, 2003. Significantly, the understanding with regard to long term open access period as provided in the regulation is misconceived. The provision emphatically makes it clear that the LTOA shall be for a period of two years or 'more' and cannot be limited to two years only. The petitioner being a solar project would be available for further period and as such applied for a period of 6 years. The same has been negated by limiting the LTOA to two years only without any reasons. As such, the petitioner is entitled to the reliefs as prayed for.

Having heard the argument of the parties, the matter is reserved for orders. The parties are at liberty to file written submissions within one week that is the respondents shall file written submissions within a week from today and if required the petitioner will file its written submissions within a week thereafter."

9. The core issue raised in the present petition is with reference to renewal of LTOA upon conclusion of the earlier period and payment of charges for the energy injected into the grid during the interregnum period after the end of the earlier LTOA agreement and commencement of the subsequent of the LTOA agreement.

10. From the facts set out by the parties it is abundantly clear that the petitioner followed the applicable regulations to the extent required. However, the respondents are failed to comply with the regulations and there is much left to be desired in the matter. In as much as the petitioner followed the regulation and applied for renewal of the LTOA agreement for further period of 19 years that is the life of the plant. However, such renewal application did not find acceptance at the hands of the respondents for the reason that they had communicated a separate letter in November,2022 purporting to provide for the generation capacity being similar on generation side as well as consumer side also, it should be within the CMD of the consumer and in case of the

CMD being the less than the plant capacity of the open access generator then the open access will be allowed up to CMD only.

10. The petitioner applied for open access renewal on 16.11.2022. In terms of the regulation the petitioner is entitled to open access permission within one month of closure of window that is 31.12.2022, as the closure of window would have happened on 30.11.2022. Assuming that the said date is inappropriate, the petitioner is entitled to LTOA permission from the expiry of the earlier agreement that is 30.03.2023.

11. The petitioner sought to rely on the then subsisting regulation on open access and also the solar policy notified by the GoTG. In terms of the regulation the petitioner claimed that it is entitled to the renewal of LTOA for a period beyond 2 years and as such it has made application for the same. The respondents did not allow open access in terms of the regulation and only granted 2 years extension. However, such extension was commenced beyond the expiry of the early period of LTOA and it resulted in energy generated being injected into the grid being not accounted of either in favour of the consumers of the petitioner or not paying for the energy so injected by the licensee. This period is identified as 31.03.2023 to 14.06.2023 which has to be settled by the distribution licensee.

12. In the instant case the petitioner earnestly applied for renewal of the LTOA. The respondents further delayed the grant of LTOA in the name of ascertaining the feasibility for providing the same. After receipt of application the licensee realised that there are deficiencies in the application which have to complied with the deficiencies identified by the licensee were hither to have to be complied even for the renewal of LTOA. After receipt of application the distribution licensee informed the petitioner that it requires PQT reports and NABL test reports for ABT metering. This letter came to be issued on 18.04.2023.

13. The petitioner submitted the documents as per its submission, yet the application of the petitioner for extension of LTOA was not considered by the nodal agency on 31.12.2022 which is one month from the closure of window or subsequently also. From the pleadings it is noticed that the feasibility report was available to the nodal agency only on 25.04.2022. The licensees have committed a delay of 115 days even to issue feasibility report on the expiry of one month period after closure of the

window. Further to delay the process of according the LTOA, the SLDC reported about non availability of real time data on 09.05.2023 that is after the subsisting LTOA agreement expired on 30.03.2023. The SLDC ought to have noticed or did not notice the conveyance of the real time data prior to 09.05.2023. It is strange to note that the LTOA agreement was subsisting prior to the said date of SLDC seeking information and it had no occasion to monitor that the data was partially reporting. The actions of the respondents in communicating their requirements for according renewal of fresh consideration of the application of LTOA seem to be afterthoughts to delay the grant of the same.

14. It is appropriate to notice that the petitioner was very prompt in responding to the letters issued by the respondents and also providing the information as desired by them. The extension or allowing of LTOA is not new to the respondents or there are changes in the application that is adding of new consumers or deleting of existing consumers thereby changing of exit points for the power injected into the grid in respect of petitioner generation. Therefore, the Commission is not inclined to subscribe to the contentions that there is delay and laxity on part of the petitioner.

15. The petitioner has claimed charges for the energy injected into the grid in the interregnum period from the date of expiry of the earlier LTOA agreement while entering fresh LTOA after a gap of two and half months. In this regard the petitioner has identified the number of units. The licensees have neither stopped the petitioner from generating power on and after completion of the LTOA agreement till the fresh permission is accorded nor are considering the same for payment whilst such a request made by the petitioner to adjust the same to consumers of the petitioner.

16. The petitioner also stated that if the licensee is not inclined to allocate the power injected into grid to the consumers of the petitioner, then they should have paid for the same at pooled cost in terms of the regulation of the Commission. It is also contended by the petitioner that it has not undertaken any gratuitous act and is entitled to payment of charges for the energy injected into the grid. In this context the petitioner is seeking to rely on Section 70 of the Indian Contract Act,1872 (Contract Act). The Commission is of the view that the injection of energy into the grid is neither gratuitous nor voluntary as long as the licensees informed the generators that they have to stop production when the term of LTOA has expired. The licensees cannot take the energy injected

into the grid free of cost having not informed the generator to stop production of energy. By this method they cannot unjustly enrich at the cost of the generator.

17. The sequence of the events and the actions taken by the licensees including the nodal agency appear to be intended to thwart the process of compliance of provision of Act, 2003 with reference to open access as provided thereof. The nodal agency ought to have renewed the LTOA agreement from the day it had expired and not from the day of their choice as it is not a case of fresh permission, but it is only a continuation of existing permission. The nodal agency or the licensees cannot frame any procedure or guideline at their whims and fancies and require the generators to comply the same contrary to the subsisting provisions of the Act, 2003 and regulations made thereof.

18. The acts of the nodal agency supported by the licensees and SLDC do not confirm to be provisions of the Act, 2003 and the regulations subsisting as on the date further reference to Regulation No.2 of 2018 and steps taken thereof are either irrelevant or inappropriate to the facts in issue. The core issue in the petition does not relate to the aspects of forecasting and scheduling, but relates to allowing open access on long term basis and for paying charges for the energy injected into the grid thus the said contentions would not support the action of the nodal agency. It is also strange on the part of the nodal agency to state that the LTOA was subsisting till fresh extension was given and denying that it should have allowed by 31.03.2023 both the aspects do not run together. If the LTOA was subsisting, the nodal agency ought not to have asked for filing of fresh application. Having done so it is bound to comply the regulation if there was no system requirement as provided in the subsisting regulation.

19. This leaves the Commission to the irresistible understating that the respondents undertook interpretation of their own choice and also allowed open access at their choice dates instead of continuing the existing LTOA. This has resulted on not accounting for energy injected into the grid from 31.03.2023 to 14.06.2023.

20. Another contention raised by the respondent No.2 that due to injection of energy by the petitioner's power plant that it had to suffer a loss of deviation charges for deviations in schedule and payment of fixed charges to the generators who are

coal based and had to be backed down and the energy so injected is thrusted on them without consent and or their knowledge. This argument is preposterous to be made in the context of present day, scenario of having DAS. Soon after expiry of LTOA agreement, nothing prevented the licensee from stopping the generator to generate further. Having allowed the generator to generate and now contending that it has been thrusted upon them resulting in deviation charges and payment of fixed charges is nothing short of unbecoming of itself in the teeth of technological improvement.

21. The commission is of the view that in the absence of any extension or modification of the grid system the petitioner ought to have been continuing with open access on and from the day when the previous LTOA expired. Having not done so the distribution licensee has to pay for the energy injected into the grid as the petitioner has supplied to it non gratuitously and sold to the end consumer duly collecting the necessary tariff as specified by the Commission.

22. In these circumstances the prayer sought by the petitioner in this petition is allowed in the following terms-

- i) The petitioner's 5 MW solar project is entitled to long term open access from 31.03.2023 and accordingly, TGSPDCL is directed to amend the existing LTOA agreement dated 06.07.2023 to reflect the start date of the agreement as 31.03.2023 instead of 15.06.2023.
- ii) TGSPDCL is directed to settle the energy injected into the grid by the petitioner's 5 MW solar project between 31.03.2023 to 14.06.2023.
- iii) TGSPDCL is directed to treat the energy injected that is 14,23,430 units during the period from 31.03.2023 to 14.06.2023 as deemed to have been banked in line with Telangana State Electricity Regulatory Commission (Interim Balancing and Settlement Code for Open Access Transactions) Third Amendment Regulation, 2017.
- iv) In alternative, the TGSPDCL is directed to provide compensation to the petitioner for 14,23,430 units of energy injected into the grid between 31.03.2023 and 14.06.2023 at the average pooled power purchase cost as determined by the Commission for the FY 2023-24 in line with Telangana State

Electricity Regulatory Commission (Interim Balancing and Settlement Code for Open Access Transactions) Third Amendment Regulation, 2017."

23. The petition is disposed in terms of the directions in paragraph 22, but in the circumstances without any costs.

This Order is corrected and signed on this the 14th day of October, 2024.<br/>Sd/-Sd/-Sd/-(BANDARU KRISHNAIAH)(M. D. MANOHAR RAJU)<br/>MEMBER(T. SRIRANGA RAO)<br/>CHAIRMAN

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