

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

**Coram: Dr. Pramod Deo, Chairperson
Shri S. Jayaraman, Member
Shri V.S. Verma, Member
Shri M. Deena Dayalan, Member**

Date of Order: 26.9.2012

Petition No. 135/TT/2012

IN THE MATTER OF

Approval under section 61, 62 and 86 (1) (a) of the Electricity Act, 2003 and the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2009 for approval of annual fixed cost and determination of tariff for the licensed transmission business for the financial years 2011-12, 2012-13 and 2013-14.

AND IN THE MATTER OF

Jindal Power Limited, Raigarh, Chhattisgarh

.... Petitioner

Vs.

1. Jindal Power Limited, Raigarh, Chhattisgarh
2. Jindal Steel and Power Limited, Raigarh, Chhattisgarh
3. NTPC Ltd., Korba STPS Stage 1 and 2, Korba District, Chhattisgarh
4. NTPC Ltd., Vindhyachal STPS Stage 1, Sidhi District, Madhya Pradesh
5. NTPC Limited, Kawas Gas Power Station, Surat District, Gujarat
6. NTPC Limited, Gandhar Gas Power Station, Bharuch (Dist), Gujarat
7. Sipat TPS, NTPC Ltd., Sipat, Chhattisgarh
8. Nuclear Power Corporation of India Limited, Surat District, Gujarat
9. Nuclear Power Corporation of India Limited, Thane District, Maharashtra
10. Narmada Control Authority, Indore, Madhya Pradesh
11. Costal Gujarat Power LTD, Gujarat
12. Lanco Power Limited, Gurgaon, Haryana
13. Aryan Coal Beneficiary, Korba, Chhattisgarh
14. CSPDCL, Dangania, Raipur

15. GUVNL, Race Course, Vadodara
16. MSEDCL, Bandra East, Mumbai
17. MP Power Trading Company Limited, Rampur, Jabalpur
18. Goa Electricity Department, Vidyut Bhavan, Panjim
19. Electricity Department, Union Territory of Daman & Diu, Moti Daman, Daman
20. UT of Dadra Nagar and Haveli, Secretariat, Silvassa
21. Power Grid Corporation of India Limited, Chandrapur District, Maharashtra
22. Power Grid Corporation of India Limited, Singrauli District, Madhya Pradesh
23. Power Grid Corporation of India Limited, Sampritinagar, Nagpur
24. Torrent PowerGrid Limited, Ahmadabad, Gujarat
25. Western Region Transmission (Maharashtra) Pvt. Ltd. Gurgaon, Haryana
26. NTPC-SAIL Power Company Private Limited, Durg, Bhilai
27. Ratnagiri Gas and Power Pvt. Ltd, Noida, U.P. (India)
28. Bharat Aluminum Co. Ltd., Korba, Chhattisgarh
29. ESSAR Power MP Limited, Singrauli, Madhya Pradesh
30. ESSAR Power Transmission Company Ltd, Noida, Uttar Pradesh
31. NTPC Ltd., Mauda TPS, District-Nagpur
32. KSK Mahanadi Power Company Ltd., Jubilee Hills, Hyderabad**Respondents**

ORDER

In the instant petition, the petitioner, Jindal Power Limited (JPL) has sought approval of tariff in respect of 400 kV JPL Tamnar-PGCIL Raipur D/C line and 2 Nos. 315 MVA, 400/220 kV transformer along with 4 Nos. of 400 kV bays and 2 number of 220 kV bays for the period from date for 2011-12, 2012-13 and 2013-14, based on the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2009, as amended from time to time (hereinafter referred to as “the 2009 regulations”).

2. Regulation 5 of the 2009 regulations provides as under:-

"Application for determination of tariff. (1) The generating company or the transmission licensee, as the case may be, may make an application for determination of tariff in accordance with Central Electricity Regulatory Commission (Procedure for making of application for determination of tariff, publication of the application and other related matters) Regulations, 2004, as amended from time to time or any statutory re-enactment thereof, in respect of the units of the generating station or the transmission lines or sub-stations of the transmission system, completed or projected to be completed within six months from the date of application.

(2) The generating company or the transmission licensee, as the case may be, shall make an application as per **Appendix I** to these regulations, for determination of tariff based on capital expenditure incurred duly certified by the auditors or projected to be incurred up to the date of commercial operation and additional capital expenditure incurred duly certified by the auditors or projected to be incurred during the tariff period of the generating station or the transmission system:

Provided that in case of an existing project, the application shall be based on admitted capital cost including any additional capitalization already admitted up to 31.3.2009 and estimated additional capital expenditure for the respective years of the tariff period 2009-14:

Provided further that application shall contain details of underlying assumptions for projected capital cost and additional capital expenditure, where applicable.

(3) In case of the existing projects, the generating company or the transmission licensee, as the case may be, shall continue to provisionally bill the beneficiaries or the long-term customers with the tariff approved by the Commission and applicable as on 31.3.2009 for the period starting from 1.4.2009 till approval of tariff by the Commission in accordance these regulations:

Provided that where the tariff provisionally billed exceeds or falls short of the final tariff approved by the Commission under these regulations, the generating company or the transmission licensee, as the case may be, shall refund to or recover from the beneficiaries or the transmission customers, as the case may be, within six months with simple interest at the following rates for the period from the date of provisional billing to the date of issue of the final tariff order of the Commission:

- (i) SBI short-term Prime Lending rate as on 1.4.2009 for the year 2009-10.*
- (ii) SBI Base Rate as on 1.7.2010 plus 350 basis points for the year 2010-11.*
- (iii) Monthly average SBI Base Rate from 1.7.2010 to 31.3.2011 plus 350 basis points for the year 2011-12.*
- (iv) Monthly average SBI Base Rate during previous year plus 350 basis points for the year 2012-13 and 2013-14.*

Provided that in cases where tariff has already been determined on the date of issue of this notification, the above provisions, to the extent of change in interest rate, shall be given effect to by the parties themselves and discrepancy, if any, shall be corrected at the time of truing up.

(4) Where application for determination of tariff of an existing or a new project has been filed before the Commission in accordance with clauses (1) and (2) of this regulation, the Commission may consider in its discretion to grant provisional tariff upto 95% of the annual fixed cost of the project claimed in the application subject to adjustment as per proviso to clause (3) of this regulation after the final tariff order has been issued:

Provided that recovery of capacity charge and energy charge or transmission charge, as the case may be, in respect of the existing or new project for which provisional tariff has been granted shall be made in accordance with the relevant provisions of these regulations.”

3. As per Regulation 5(4) of the 2009 regulations, the Commission may in its discretion grant provisional tariff if an application has been filed under Regulation 5(1)

and (2) of the 2009 regulations. Regulation 5(1) of the 2009 regulations provides that the application for tariff should be made in accordance with the Central Electricity Regulatory Commission (Procedure for making of application for determination of tariff, publication of the application and other related matters) Regulations, 2004 (hereinafter referred to as "2004 regulations"). Regulation 5(2) of 2009 regulations provides that the application shall be made as per Appendix to the 2009 regulations.

4. The petitioner has made the application as per the Appendix to the 2009 regulations. The petitioner has also complied with the requirements of 2004 regulations, such as service of the copy of the application on the beneficiaries, publication of notice and web hosting of the application, etc.

5. The date of commercial operation of the transmission system is prior to 1.4.2009. However, the petitioner was granted licence by this Commission on 9.5.2011. Accordingly, the tariff is being determined in respect of the transmission system from 9.5.2011 till 31.3.2014.

6. The petitioner has claimed the following annual transmission charges as per the petition:-

(₹ in lakh)

Asset	2011-12	2012-13	2013-14
400 kV JPL Tamnar-PGCIL Raipur D/C line and 2 Nos. 315 MVA, 400/220 kV transformer along with 4 No.s of 400 kV bays and 2 number of 220 kV bays	5234.00	5721.00	5578.00

7. After prudence check, provisional annual transmission charges for the period 2009-14 in respect of the transmission assets are allowed as under:-

(` in lakh)

Asset	2011-12	2012-13	2013-14
400 kV JPL Tamnar-PGCIL Raipur D/C line and 2 Nos. 315 MVA, 400/220 kV transformer along with 4 No.s of 400 kV bays and 2 number of 220 kV bays	4263.61*	4660.32	4543.83

* To be applicable on pro-rata basis for the period from 9.5.2011 till 31.3.2014

8. The provisional tariff allowed in this order shall be recovered on monthly basis in accordance with Regulation 23 and shared by the beneficiaries in accordance with Regulation 33 of the 2009 regulations from 9.5.2011 till 3.6.2011 and with effect from 1.7.2011, the billing, collection and disbursement of the transmission charges shall be governed by the provisions of Central Electricity Regulatory Commission (Sharing of Inter-State Transmission Charges and Losses) Regulations, 2010, as amended from time to time.

9. The provisional transmission charges allowed in this order shall be subject to adjustment as per of Regulation 5 of the 2009 regulations.

Sd/-
(M. Deena Dayalan)
Member

Sd/-
(V.S. Verma)
Member

Sd/-
(S. Jayaraman)
Member

Sd/-
(Dr. Pramod Deo)
Chairperson