

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 14/MP/2012

and

I.A. No. 1/2012

Coram:

1. Dr. Pramod Deo, Chairperson
2. Shri S.Jayaraman, Member
3. Shri V.S.Verma, Member
4. Shri M. Deena Dayalan, Member

DATE OF HEARING: 9.2.2012

DATE OF ORDER 15.3.2012

In the matter of

Approval under Central Electricity Regulatory Commission (Grant of Regulatory approval for execution of inter-State Transmission Scheme to Central Transmission utility) Regulations, 2010 read with Central Electricity Regulatory Commission (Grant of Connectivity, Long Term and Medium Term Open Access to inter-State Transmission System and related matters) Regulations, 2009 for grant of regulatory approval for execution of 'Line bays and reactor provisions at Power Grid sub-stations associated with System Strengthening for Western Region and Northern Region'.

And in the matter of

Power Grid Corporation of India Ltd., Gurgaon **Petitioner**

Vs

1. Bihar State Electricity Board, Patna
2. West Bengal State Electricity Board, Calcutta
3. Grid Corporation of Orissa Ltd., Bhubaneswar
4. Damodar Valley Corporation, Calcutta
5. Power Department, Govt. of Sikkim, Gangtok
6. Jharkhand State Electricity Board, Ranchi
7. Assam State Electricity Board, Assam
8. Meghalaya State Electricity Board, Shillong
9. Government of Arunachal Pradesh, Arunachal Pradesh
10. Power & Electricity Deptt., Govt. of Mizoram, Aizwal
11. Electricity Deptt., Govt. of Manipur, Imphal
12. Deptt. of power, Govt. of Nagaland, Nagaland
13. Tripura State Electricity Corp. Ltd., Agartala
14. Rajasthan Rajya Vidyut Prasaran Nigam Ltd., Jaipur



15. Ajmer Vidyut Vitram Nigam Ltd., Rajasthan
16. Jaipur Vidyut Vitran Nigam Ltd., Jaipur
17. Jodhpur Vidyut Vitran Nigam Ltd., Rajasthan
18. Himachal Pradesh State Electricity Board, Shimla
19. Punjab State Electricity Board, Patiala
20. Harayana Power Purchase Centre, Panchkula
21. Power Development Deptt., Govt. of Jammu and Kashmir, Jammu
22. Uttar Pradesh Power Corp. Ltd., Lucknow
23. Delhi Transco Ltd., New Delhi
24. Chandigarh Administration, Chandigarh
25. Uttarakhand Power Corp. Ltd., Dehradun
26. BSES Yamuna Power Ltd., New Delhi
27. BSES Rajdhani Power Ltd., New Delhi
28. North Delhi Power Ltd., New Delhi
29. NDMC, New Delhi
30. North Central Railway, Allahabad
31. Karnataka Power Transmission Corp. Ltd., Bangalore
32. BESCOM, Banglore, Karnataka
33. GESCOM, Gulburga, Karnataka
34. HESCOM, Hubli, Karnataka
35. MESCOM, Mangalore, Karnataka
36. CESC, Mysore, Karnataka
37. Transmission Corp. of Andhra Pradesh Ltd., Hyderabad
38. Eastern Power Distribution Co. of Andhra Pradesh Ltd., Andhra Pradesh
39. Southern Power Distribution Co. of Andhra Pradesh Ltd., Tirupati, Andhra Pradesh
40. Central Power Distribution Co. of Andhra Pradesh Ltd., Hyderabad, Andhra Pradesh
41. Northern Power Distribution Co. of Andhra Pradesh Ltd., Warangal, Andhra Pradesh
42. Kerala State Electircity Board, Thiruvananthapuram
43. Tamil Nadu Electricity Board, Chennai
44. Electricity Deptt., Govt. of Pondicherry, Pondicherry
45. Electricity Deptt., Govt. of Goa, Panji, Goa
46. Madhya Pradesh Tradeco, Jabalpur
47. Madhya Pradesh Audhyogik Kandra Vikas Nigam Ltd., Indore
48. Maharashtra State Electricity Distribution Co. Ltd., Mumbai
49. Gujarat Urja Vikas Nigam Ltd., Baroda
50. Electricity Deptt., Administration of Daman & Diu, Daman
51. Electricity Deptt., Administration of Dadar Nagar Haveli, Silvassa
52. Chhattisgarh State Electricity Board, Chhattisgarh

.....Respondents



The following were present:

1. Shri Prashant Sharma, PGCIL
2. Shri Dilip Rozekar, PGCIL
3. Shri Rakesh Prasad, PGCIL

ORDER

The petitioner, Power Grid Corporation of India Limited has filed this petition seeking regulatory approval under Central Electricity Regulatory Commission (Grant of Regulatory approval for execution of inter-State transmission scheme to Central Transmission utility) Regulations, 2010 read with Central Electricity Regulatory Commission (Grant of Connectivity, Long Term and Medium Term Open Access to inter-State Transmission system and related matters) Regulations, 2009 for execution of 'Line bays and reactor provisions at Power Grid sub-stations associated with System Strengthening for Western Region and Northern Region' (hereinafter referred to as the 'scheme').

2. The petitioner has made following prayers in this petition:

"(a) Grant regulatory approval for taking up implementation of indentified transmission systems at Encl-3 as decided by Empowered Committee for transmission of power from IPPs/LTA application who have been granted LTA;

(b) Grant approval for inclusion of the assets for which the transmission charges are to be recovered through the Point of Connection charge methodology or any other sharing mechanism notified by CERC from time to time; and

(c) Grant approval for inclusion of system under the TSA approved by the CERC."



3. In Interlocutory Application No. 1/2012, the petitioner has prayed for issue of necessary order on urgent basis, permitting the petitioner to go ahead with the execution of the Agreement for implementation of the transmission system as mentioned or prayed in the main petition.

4. The petitioner has submitted that to facilitate power transfer from various upcoming IPP projects in Chhattisgarh, Odisha, Jharkhand, Madhya Pradesh, State sector projects in West Bengal and Krishnapattnam UMPP and other generating projects in Southern Region, various transmission lines of high capacity transmission corridor have been earmarked by Empowered Committee on transmission for implementation through tariff based bidding process. The petitioner has further submitted that transmission system under "System Strengthening common for WR and NR" was discussed and agreed in the 29th and 30th Standing Committee meeting in Western Region held on 10.9.2009 and 8.7.2010, respectively. The scheme was also discussed in 11th and 14th Western Regional Power Committee meeting held on 25.9.2009 and 19.8.2010, respectively.

5. The petitioner has further submitted that the system strengthening for Western Region and system strengthening common for Western Region and Northern Region to connect transmission line being developed under Tariff Based Competitive Bidding Route, the development of associated line bays and reactive compensation for termination at Power Grid sub-



station was agreed by the constituents of Eastern Region, Western Region and Northern Region in 18th Eastern Regional Power Committee meeting held on 1.7.2011 at Ranchi, 18th Western Regional Power Committee meeting held on 1.10.2011 at Ahmedabad and 24th Northern Regional Power Committee meeting held on 11.11.2011 at Mahabaleshwar, respectively. It has been further submitted that in the 27th meeting of Empowered Committee on Transmission, the members of the committee have desired that transmission scheme shall be implemented by the Power Grid.

6. It has submitted by the petitioner that as per the decision taken in the 27th meeting of Empower Committee on Transmission held 6.9.2011, it was decided that completion date for the Power Grid scope of work should be the same as per the corresponding transmission line indicated to successful bidder at the time of award of project and once Power Grid has completed its scope of work they should be entitled for tariff even if the associated transmission line is delayed. The identified Transmission System under "System strengthening for WR" and "System strengthening for WR and NR" in which line bays and reactor provisions at Power Grid sub-station is also associated, are given in the table below:

S.No.	Transmission system	No of bays and reactors
	Scheme-I Details of line bays and reactor provision at Power Grid sub-station associated with system strengthening for Western Region	



1.	765 kV Jabalpur pooling sub-station (Extn) For 765 kV S/C Jabalpur pool-Bhopal transmission line (i) Line bays (ii) 240 MVAR Switchable line reactor	1 no 1 no
2.	765 kV Indoor sub-station (Extn) For 765 kV S/C Bhopal-Indore transmission line (i) Line bay (ii) 240 MVAR line reactor	1 no 1 no
3.	765 kV Aurangabad sub-station (Extn) For 765 kV Aurangabad-Dhule transmission line Line bay	1 no
4.	765 kV Vadodara (GIS) sub-station (Extn) For 765 kV S/C Dhule-Vadodara line (i) Line bay (ii) 240 MVAR line reactor	1 no 1 no
Scheme-II: Details of line bays and reactor provision at Power Grid sub-station associated with system strengthening common for Western Region and Northern Region		
1.	765 kV Dharamjaygarh sub-station (Extn) For 765 kV Dharamjaygarh Jabalpur pool line (i) Line bays (ii) 330 MVAR Switchable line reactor	2 2
2.	765 kV Jabalpur pooling sub-station (Extn) For 765 kV D/C Dharmajaygarh-Jabalpur pool line (i) Line bays (ii) 240 MVAR Swtichable line reactor	2 2

	For 765 kV S/C Jabalpur pool-Bina line (i) Line bay (ii) 240 MVAR Swtichable line reactor	1 1
3.	765/400 kV S/C Jabalpur sub-station (Extn) For 765 kV S/C Jabalpur pool-Bina line (i) Line bays (ii) 240 MVAR line reactor	 1 1

7. The Commission has specified the Central Electricity Regulatory Commission (Grant of Regulatory Approval for execution of Inter-State Transmission Scheme to Central Transmission Utility) Regulations, 2010. Regulation 3 of the said regulations provides as under:

"(1) These regulations shall apply to:

(i) an ISTS Scheme proposed by Central Transmission Utility, for which generators have sought long-term access as per the Central Electricity Regulatory Commission (Grant of Connectivity, Long-Term Access and Medium-Term Open Access to the Inter-State Transmission and Related Matters) Regulations, 2009, and for which consultation with Central Electricity Authority and beneficiaries if already identified has been held for setting up the ISTS Scheme, but for which Power Purchase Agreements with all the beneficiaries have not been signed on the date of application.

(ii) an ISTS Scheme for system strengthening / up-gradation , identified by Central Transmission Utility to enable reliable, efficient, co-ordinated and economical flow of electricity within and across the region for which consultation with Central Electricity Authority and beneficiaries if identified has been held.

(2) These regulations shall not apply to ISTS Scheme, for which all the beneficiaries respective, STU have signed Bulk Power Transmission Agreement to share the transmission charges"

8. The Commission vide its order dated 31.5.2010 in Petition No. 233/2009 had observed as under:

"I. HCPTC-IX : Corridor for transfer of power to NR/WR

26. With regard to the physical progress of HCPTC-IX, the Petitioner has submitted as under:

"This corridor has been proposed to facilitate transfer of power from various IPP's located in the coal belt of Chhattisgarh, Orissa and imported coal based generation projects in coastal Tamil Nadu & Andhra Pradesh. The HCPTC-IX primarily envisages establishment of 765 kV S/c corridor from Jabalpur pooling station upto Sonipat via Orai and Bulandhshar in addition to minor strengthening. This HCPTC is for transferring power to NR and WR. The petitioner has assessed that, based on physical progress, out of 17198 MW LTA from these IPPs, allocation to NR is 5015 MW. Hence there is a requirement of transmission capacity of 5000 MW from WR to NR. Transmission Capacity of 5100 MW is planned in other HCPTC Schemes between WR and NR through Gwalior-Jaipur 765 kV S/C (in HCPTC-I) and Champa-Kurukshetra +/- 800 kV HVDC bipole (in HCPTC-V). It is seen that the transfer capacity barely meets the transmission requirement and the system would face constraints in evacuation of power. The 765 kV corridor would enhance the power transmission capacity by 2100 MW.

27. We agree with the Petitioner that the transmission capacity planned being just enough to carry power to NR, without any redundancy, whatsoever, the additional 765 kV corridor would be needed to enhance the capacity by 2100 MW. We are satisfied that HCPTC-IX may be taken up for implementation, however, commissioning of the elements shall be phased out keeping in view the progress of generating units. 28. From the foregoing discussion, we are satisfied that there is a pressing need for developing the nine HCPTC in order to harness the generation projects and bring the power to the load centres. Next we consider the prayer of the Petitioner for regulatory approval to these transmission corridors....."

41. Based on the affidavits submitted by the project developers of IPPs and on the spot assessment by CTU, the progress of IPPs at different stages of implementation is satisfactory and utilization level of proposed HCPTC at the time of their progressive commissioning is expected to be sufficient. Moreover, the project developers of IPPs have signed and submitted Bank guarantee in many cases. Hence, we accord regulatory approval for execution of the nine nos. of HCPTCs proposed



by CTU as per the project scope as mentioned in Annexures -I to IX of this order. As for HCPTC-VIII for IPPs in Srikakulam area, we direct that the work on the corridor may be initiated only after signing the BPTA and submission of BG by the IPPs.

42. The petitioner is directed to ensure that the proposed transmission projects for which regulatory approval has been granted are executed within the time frames matching with the commissioning schedules of the IPPs so that the beneficiaries are not burdened with higher IDC. The Petitioner has also prayed for ensuring recovery of its capital investment by way of evolving alternate methodology. We would like to clarify for the benefit of all concerned that the transmission charges and its sharing by the constituents will be determined by the Commission in accordance with the applicable regulations on terms and conditions of tariff as specified by the Commission from time to time."

9. It is noted that the regulatory approval has been sought for bays and reactors which are located in the existing/under construction substations of POWERGRID for which the regulatory approval was accorded vide our order dated 31.5.2010 in the Petition No. 233/2009. As the bays and reactors are integral parts of the transmission lines for which regulatory approval has already been granted, no separate regulatory approval is required for the bays and reactors. However, the bays and reactors shall be executed as per the prevalent policy of Ministry of Power, Government of India.

10. Petition No. 14/MP/2012 and I.A. No. 1/2012 are disposed of in terms of the above order at the admission stage.

Sd/-
(M Deena Dayalan)
Member

sd/-
(VS Verma)
Member

sd/-
(S Jayaraman)
Member

sd/-
(Dr Pramod Deo)
Chairperson

