

**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: 29.3.2012

Petition No. 184/TT/2011

IN THE MATTER OF

Approval under Regulation 86 of Central Electricity Regulatory Commission (Conduct of Business) Regulation, 1999 and Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulation, 2009 for determination of combined transmission tariff from anticipated date of commercial operation to 31.3.2014 for assets: (a) 400 kV D/C Bongaigaon TPS- Bongaigaon line along with associated bays; (b) 132 kV D/C Silchar-Badarpur line along with associated bays; (c) 132 kV D/C Silchar-Srikona line along with associated bays; (d) 200 MVA, 400/132 kV ICT at Shilchar S/S along with associated bays; (e) 50 MVAR switchable line reactors for 400 kV D/C Silchar-Palatana at Silchar S/S along with associated bays; and (f) 63 MVAR bus reactor at Silchar S/S along with associated bays, under transmission system associated with Pallatana Gas Based Power Project and Bongaigaon Thermal Power Station in NER for tariff block 2009-14 period.

Petition No. 98/TT/2012

AND IN THE MATTER OF

Approval under Regulation 86 of Central Electricity Regulatory Commission (Conduct of Business) Regulation, 1999 and Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulation, 2004 for determination of provisional transmission tariff from anticipated notional date of commercial operation to 31.3.2014 for assets: (a) 132 kV Silchar-Hailakandi (AEGCL) line along with associated bays; (b) 200 MVA, 400/132 kV, ICT-II at Silchar along with associated bays; (c) 400 kV D/C Pallatana-Surajmaninagar line (charged at 132 kV) along with associated bays; (d) 400 kV Silchar-Purbakanchanbari line (charged at 132 kV) along with associated bays; and

(e) 80 MVAR, 420 kV bus reactor at Bongaigaon along with associated bays, under transmission system associated with Pallatana Gas Based Power Project and Bongaigaon Thermal Power Station in NER for tariff block 2009-14 period.

**AND
IN THE MATTER OF**

Power Grid Corporation of India Limited, Gurgaon

....**Petitioner**

Vs

1. Assam State Electricity Board, Assam
2. Meghalaya Energy Corporation Limited, Shillong
3. Government of Arunachal Pradesh, Itanagar
4. Power and Electricity Department, Government of Mizoram, Aizwal
5. Electricity Department, Government of Manipur, Imphal
6. Department of Power, Government of Nagaland, Kohima
7. Tripura State Electricity Corporation Limited, Agartala
8. ONGC Tripura Power Corporation Limited, New Delhi
9. NTPC Limited, New Delhi

.....**Respondents**

ORDER

In these petitions, the petitioner, Power Grid Corporation of India Limited has sought approval for tariff in respect of its various transmission system in South Eastern Region for the period from 1.4.2009 to 31.3.2014, 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"). Further, the petitioner has requested, to approve provisional tariff as per 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 along 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 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. In exercise of power under Regulation 5(4) of the 2009 regulations, we have decided to grant provisional tariff to the petitioner for its transmission assets mentioned in the cause title of this order pending determination of the final tariff. The details of tariff claimed by the petitioner and provisional tariff awarded by the Commission are given in ***Annexure I to Annexure II*** of this order. While deciding the admissibility of provisional tariff, the Commission has categorized the assets on the basis of the vintage, time overrun, quantum of additional capital expenditure claimed, etc and has applied a reasonable percentage to the annual transmission charges claimed, to arrive at the provisional tariff.

6. With effect from 1.7.2011, the provisional tariff allowed in this order shall be applicable from the date of commercial operation of the transmission system and 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.

7. The provisional transmission charges allowed in this order shall be subject to adjustment as per Regulation 5 (4) of the 2009 regulations.

Sd/-	Sd/-	Sd/-	Sd/-
(M. DEENA DAYALAN) MEMBER	(V.S. VERMA) MEMBER	(S. JAYARAMAN) MEMBER	(Dr. PRAMOD DEO) CHAIRPERSON

Petition No. 184/TT/2011

Combined transmission tariff from anticipated date of commercial operation to 31.3.2014 for assets: (a) 400 kV D/C Bongaigaon TPS- Bongaigaon line along with associated bays; (b) 132 kV D/C Silchar-Badarpur line along with associated bays; (c) 132 kV D/C Silchar-Srikona line along with associated bays; (d) 200 MVA, 400/132 kV ICT at Shilchar S/S along with associated bays; (e) 50 MVAR switchable line reactors for 400 kV D/C Silchar-Palatana at Silchar S/S along with associated bays; and (f) 63 MVAR bus reactor at Silchar S/S along with associated bays, under transmission system associated with Pallatana Gas Based Power Project and Bongaigaon Thermal Power Station in NER for tariff block 2009-14 period.

1. The annual transmission charges claimed by the petitioner for the period 2009-14 are as given under:-

Combined Asset	Anticipated DOCO/DOCO	₹ in lakh)		
		2011-12	2012-13	2013-14
(a) 400 kV D/C Bongaigaon TPS-Bongaigaon Line alongwith associated bays (b) 132 kV D/C Silchar-Badarpur line alongwith associated bays (c) 132 kV D/C Silchar-Srikona line alongwith associated bays (d) 200 MVA, 400/132kV ICT at Shilchar S/S alongwith associated bays (e) 50 MVAR switchable line reactors for 400 kV D/C Silchar-Paltana at Silchar S/S alongwith associated bays (f) 63 MVAR bus reactor at Silchar S/S along with associated bays.	1.1.2012	747.35	3102.15	3114.11

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

Combined Asset	Anticipated DOCO/DOCO	(₹ in lakh)		
		2011-12 (pro-rata)	2012-13	2013-14
(a) 400 kV D/C Bongaigaon TPS-Bongaigaon Line (b) 132 kV D/C Silchar-Badarpur line (c) 132 kV D/C Silchar-Srikona line (d) 200 MVA, 400/132kV ICT at Shilchar S/S (e) 50 MVAR switchable line reactors for 400 kV D/C Silchar-Paltana at Silchar S/S alongwith associated bays (f) 63 MVAR bus reactor at Silchar S/S along with associated bays.	1.1.2012	672.615	2791.94	2802.70

Petition No. 98/TT/2012

Provisional transmission tariff from anticipated notional date of commercial operation to 31.3.2014 for assets: (a) 132 kV Silchar-Hailakandi (AEGCL) line along with associated bays; (b) 200 MVA, 400/132 kV, ICT-II at Silchar along with associated bays; (c) 400 kV D/C Pallatana-Surajmaninagar line (charged at 132 kV) along with associated bays; (d) 400 kV Silchar-Purbakancharbari line (charged at 132 kV) along with associated bays; and (e) 80 MVAR, 420 kV bus reactor at Bongaigaon along with associated bays, under transmission system associated with Pallatana Gas Based Power Project and Bongaigaon Thermal Power Station in NER for tariff block 2009-14 period.

1. The annual transmission charges claimed by the petitioner for the period 2009-14 are as given under:-

Asset	Anticipated DOCO/DOCO	₹ in lakh)	
		2012-13	2013-14
Asset-1 132 kV Silchar-Hailakandi (AEGCL) along with associated bays	1.4.2012	344.91	388.74
Asset-2 200 MVA, 400/132kV, ICT-II at Silchar along with associated bays	1.4.2012	455.69	467.43
Asset -3 400 kV D/C Pallatana-Surajmaninagar line along with associated bays	1.7.2012	983.83	1331.96
Asset-4 400 kV Silchar-Purbamancharbari line (charged at 132 kV) alongwith associated bays	1.7.2012	2923.04	3979.67
Asset-5 80 MVAR, 420 kV Bus Reactor at Bongaigaon alongwith associated bay	1.7.2012	125.89	173.79

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

Asset	Anticipated DOCO/DOCO	(₹ in lakh)	
		2012-13	2013-14
Asset-1 132 kV Silchar-Hailakandi (AEGLC) along with associated bays	1.4.2012	310.42	349.87
Asset-2 200 MVA, 400/132kV, ICT-II at Silchar along with associated bays	1.4.2012	410.12	420.69
Asset -3 400 kV D/C Pallatana-Surajmaninagar line (charged at 132 kV) along with associated bays	1.7.2012	885.45	1198.76
Asset-4 400 kV Silchar-Purbamancharbari line (charged at 132 kV) alongwith associated bays	1.7.2012	2630.74	3581.70
Asset-5 80 MVAR, 420 kV Bus Reactor at Bongaigaon alongwith associated bay	1.7.2012	113.30	156.41