

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. TT/290/2013

Coram:

**Shri Gireesh B. Pradhan, Chairperson
Shri M. Deena Dayalan, Member
Shri A. K. Singhal, Member**

**Date of Hearing: 03.12.2013
Date of Order: 16.12.2013**

In the matter of

Approval under Regulation 86 of Central Electricity Regulatory Commission (Conduct of Business) Regulations, 1999 and Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2009 for determination of Transmission Tariff of 400kV D/C Chamera Pooling Station-Jalandhar T/L alongwith bays and Line Reactor at Jalandhar under Transmission System associated with Chamera-III HEP for tariff block 2009-14 in Northern Region

And in the matter of

Power Grid Corporation of India Limited,
"Saudamani", Plot No.2,
Sector-29, Gurgaon -122 001.

.....**Petitioner**

Vs

1. Rajasthan Rajya Vidyut Prasaran Nigam Ltd.,
Vidyut Bhawan, Vidyut Marg,
Jaipur- 302 005.
2. Ajmer Vidyut Vitran Nigam Ltd.,
400 kV GSS Building (Ground Floor), Ajmer Road,
Heerapura, Jaipur.
3. Jaipur Vidyut Vitran Nigam Ltd.,
400 kV GSS Building (Ground Floor), Ajmer Road,
Heerapura, Jaipur.
4. Jodhpur Vidyut Vitran Nigam Ltd.,
400 kV GSS Building (Ground Floor), Ajmer Road,
Heerapura, Jaipur.



5. Himachal Pradesh State Electricity Board,
Vidyut Bhawan, Kumar House Complex Building II,
Shimla-171 004.
6. Punjab State Electricity Board
The Mall, Patiala-147 001.
7. Haryana Power Purchase Centre,
Shakti Bhawan, Sector-6,
Panchkula (Haryana)-134 109.
8. Power Development Department,
Govt. of Jammu and Kashmir,
Mini Secretariat, Jammu.
9. Uttar Pradesh Power Corporation Ltd.,
Shakti Bhawan, 14, Ashok Marg,
Lucknow-226 001.
10. Delhi Transco Ltd.,
Shakti Sadan, Kotla Road,
New Delhi-110 002.
11. BSES Yamuna Power Ltd.,
BSES Bhawan, Nehru Place,
New Delhi.
12. BSES Rajdhani Power Ltd.,
BSES Bhawan, Nehru Place,
New Delhi.
13. HOG (PMG)
TATA Power Delhi Distribution Ltd.,
33kV Substation Building,
Hudson Lane, Kingsway Camp,
North Delhi-110 009.
14. Chandigarh Administration,
Sector-9, Chandigarh.
15. Uttarakhand Power Corporation Ltd.,
Urja Bhawan, Kanwali Road,
Dehradun.
16. North Central Railway,
Allahabad.

17. New Delhi Municipal Council,
Palika Kendra, Sansad Marg,
New Delhi-110 002.

18. Lanco Green Power Pvt. Ltd.,
Lanco House, 141, Avenue 8,
Banjara Hills, Hyderabad-500 034.

19. PTC India Ltd.,
2nd Floor, NBCC Tower,
15, Bhikaji Cama Place,
New Delhi-110 066

.....**Respondents**

Counsel/Representatives of the Petitioner : Shri S.S Raju, PGCIL
Ms. Sangeeta Edwards, PGCIL
Shri Mohd. Mohsin, PGCIL
Shri M.M. Mondal, PGCIL
Shri B.K. Sahoo, PGCIL

Counsel/Representative of the Respondents : Shri Padmajit Singh, PSPCL
Shri R.B.Sharma, Advocate for
BRPL

ORDER

In the instant petition the petitioner, Power Grid Corporation of India Limited (PGCIL) has sought approval for transmission tariff for 400 kV D/C Chamera Pooling Station-Jalandhar T/L alongwith bays and Line Reactor at Jalandhar under Transmission System associated with Chamera-III HEP for tariff block 2009-14 in Northern Region. Further, the petitioner has requested to approve provisional tariff as per Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2009 (hereinafter referred to as "2009 Tariff Regulations"), pending determination of final tariff.



2. Regulation 5 of the 2009 Tariff 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.

X X X X

(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 Tariff 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 Tariff Regulations. Regulation 5(1) of the 2009 Tariff 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 Tariff Regulations provides that the application shall be made as per Appendix to the 2009 Tariff Regulations.

4. The petitioner has made the application as per the Appendix to the 2009 Tariff 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 petition was heard on 3.12.2013 for consideration of the petitioner's prayer for allowing provisional tariff. During the hearing, the representative of the petitioner submitted that the petitioner has complied with the requirements specified in Regulation 5 of the 2009 Tariff Regulations for granting provisional tariff and prayed that 95% of the Annual Transmission Charges claimed may be allowed as provisional tariff as provided in the said Regulation. He further submitted that the asset covered in the instant petition was commissioned on 1.4.2013 against the schedule commissioning of 1.8.2011 and hence there is a time over-run of 19 months. The time over-run was mainly on account of delay in forest clearance. The completion cost is within the approved Revised Cost Estimate (RCE).

6. The representative of PSPCL has submitted that the petitioner should have coordinated with the Forest Department as provided under section 38 of the Electricity

Act, 2003 to avoid delay. The delay of 19 months is attributable to the petitioner and it should not be condoned and as such the beneficiaries should not be burdened with the cost related to the time over-run. He further submitted that there is cost over-run and the petitioner has not submitted proper justification for the cost over-run and hence the cost over-run should not be allowed and the original apportioned approved cost must be considered for the purpose of provisional tariff and the RCE must not be taken into consideration.

7. The representative of BRPL has submitted that there is a huge cost over-run and time over-run and hence these aspects should be taken into consideration while allowing the provisional tariff.

8. The representative of petitioner has clarified that delay was mainly due to forest clearance and it is beyond the control of the petitioner and hence the time over-run should be condoned. The Commission directed the petitioner to submit the detailed justification for the cost escalation. The petitioner, vide affidavit dated 5.12.2013, has submitted the justification for the cost escalation.

9. We have considered the submissions of the petitioner and the respondents. After carrying out preliminary prudence check of the Annual Fixed Charges claimed by the petitioner and taking into consideration the time and cost over-run, which shall be looked into at the time of final tariff, the Commission has decided to grant the following amount of provisional tariff in the matter:-

(₹ in lakh)

Asset	DOCO	Annual transmission charges claimed for the year 2013-14	Annual transmission charges allowed for the year 2013-14
400kV D/C Chamera Pooling Station-Jalandhar T/L alongwith bays and Line Reactor at Jalandhar	1.4.2013	6102.09	5186.78

10. The petitioner has prayed that the provisional tariff allowed in the matter shall be shared by PTC/Lanco till it becomes part of the regional system and thereafter by all the beneficiaries. Accordingly, the provisional tariff allowed in this order shall be borne by PTC/Lanco till it becomes part of the regional system and thereafter 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.

11. The provisional transmission charges allowed in this order shall be subject to adjustment as per Regulation 5(3) of the 2009 Tariff Regulations.

Sd/-

(A. K. Singhal)
Member

Sd/-

(M. Deena Dayalan)
Member

Sd/-

(Gireesh B. Pradhan)
Chairperson

