

**CENTRAL ELECTRICITY REGULATORY COMMISSION  
NEW DELHI**

**Petition No. TT/295/2013**

**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 of Transmission Tariff for assets associated with Vindhyachal IV and Rihand III Generation Project (Group-3) in Northern and Western Regions in tariff block 2009-14 period

**And in the matter of**

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

.....**Petitioner**

Vs

1. Madhya Pradesh Power Management Company Ltd.,  
Shakti Bhawan, Rampur  
Jabalpur-482 008.
2. Maharashtra State Electricity Distribution Company Limited,  
Prakashgad, 4th floor  
Andehri (East), Mumbai-400 052.
3. Gujarat Urja Vikas Nigam Ltd.,  
Sardar Patel Vidyut Bhawan,  
Race Course Road, Vadodara-390 007
4. Electricity Department, Government of Goa,  
Vidyut Bhawan, Panaji,  
Near Mandvi Hotel, Goa-403 001



5. Electricity Department,  
Administration of Daman and Diu,  
Daman-396 210
6. Electricity Department,  
Administration of Dadra Nagar Haveli,  
U.T., Silvassa-396 230
7. Chhattisgarh State Electricity Board,  
P.O. Sunder Nagar, Dangania, Raipur  
Chhattisgarh-492 013
8. Madhya Pradesh Audyogik Kendra Vikas Nigam (Indore) Ltd.,  
3/54, Press Complex, Agra-Bombay Road  
Indore -452 008
9. Rajasthan Rajya Vidyut Prasaran Nigam Ltd.,  
Vidyut Bhawan, Vidyut Marg,  
Jaipur- 302 005
10. Ajmer Vidyut Vitran Nigam Ltd.,  
400 kV GSS Building (Ground Floor), Ajmer Road,  
Heerapura, Jaipur.
11. Jaipur Vidyut Vitran Nigam Ltd.,  
400 kV GSS Building (Ground Floor), Ajmer Road,  
Heerapura, Jaipur
12. Jodhpur Vidyut Vitran Nigam Ltd.,  
400 kV GSS Building (Ground Floor), Ajmer Road,  
Heerapura, Jaipur
13. Himachal Pradesh State Electricity Board,  
Vidyut Bhawan, Kumar House Complex Building II,  
Shimla-171 004
14. Punjab State Electricity Board  
The Mall, Patiala-147 001
15. Haryana Power Purchase Centre,  
Shakti Bhawan, Sector-6,  
Panchkula (Haryana)-134 109
16. Power Development Department,  
Govt. of Jammu and Kashmir,  
Mini Secretariat, Jammu

17. UP Power Corporation Ltd.,  
Shakti Bhawan, 14, Ashok Marg,  
Lucknow-226 001
18. Delhi Transco Ltd.,  
Shakti Sadan, Kotla Road,  
New Delhi-110 002
19. BSES Yamuna Power Ltd.,  
BSES Bhawan, Nehru Place,  
New Delhi
20. BSES Rajdhani Power Ltd.,  
BSES Bhawan, Nehru Place,  
New Delhi
21. North Delhi Power Ltd.,  
Power Trading & Load Dispatch Group,  
Cennet Building, Adjacent to 66/11kV Pitampura-3,  
Grid Building, Near PP Jewellers,  
Pitampura, New Delhi-110 034
22. Chandigarh Administration,  
Sector-9, Chandigarh
23. Uttarakhand Power Corporation Ltd.,  
Urja Bhawan, Kanwali Road,  
Dehradun
24. North Central Railway,  
Allahabad
25. New Delhi Municipal Council,  
Palika Kendra, Sansad Marg,  
New Delhi-110 002

.....Respondents

**Counsel/Representative of the petitioner** : Shri S.S. Raju, PGCIL  
Ms. Sangeeta Edward, PGCIL  
Shri B.K. Sahoo, PGCIL

**Counsel/Representative of the respondents:** Shri R.B. Sharma, Advocate, BRPL  
Shri Padamjit Singh, PSPCL

## ORDER

In the instant petition the petitioner, Power Grid Corporation of India Limited (PGCIL) has sought approval for transmission tariff for Elements under transmission System associated with Vindhyachal IV and Rihand III Generation Project in Northern and Western Regions, under Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2009 (hereinafter referred to as "2009 Tariff Regulations"). Further, the petitioner has requested for grant of provisional tariff as per 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

(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. Reply to the petition has been filed by M.P. Power Management Company Limited (MPPMCL), Respondent No.1. MPPMCL has submitted, vide its affidavit dated 2.12.2013, that sufficient time has not been provided to study and file a detailed reply. MPPMCL has also submitted that tariff has been claimed on the basis of anticipated

date of commercial operation and if the assets are not commissioned as anticipated and commissioned during the next tariff period, then it would require revision of the provisional tariff allowed herein. MPPMCL has submitted that the petition may be listed only after the instant assets are commissioned. As regards provisional tariff, MPPMCL has submitted that no irreparable damage would be caused to the petitioner if provisional tariff is not allowed at present.

6. 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 there is time over-run of 12 months in Asset-I, and 13 months each in Assets II and III. The main reason for time over-run is delay in forest clearance. The line is passing through the reserve forest of Uttar Pradesh and Madhya Pradesh. The proposal for forest clearance in UP portion was moved on 26.8.2010 and forest authorities of UP gave clearance only on 8.1.2013, whereas the proposal for forest clearance in MP portion was moved on 22.7.2011 and the forest authorities of MP gave clearance only on 11.6.2013.

7. The representative of PSPCL, Respondent No. 14 submitted that, under section 38 of the Electricity Act, 2003, it is the duty of the petitioner, as Central Transmission Utility, to ensure development of an efficient, co-ordinated and economical system of

inter-State transmission lines for smooth flow of electricity from generating stations to the load centres. In case of Asset-2, the sub-station at Rihand end of the line is of NTPC and in case of Asset-3, one end is with Sasan Power while the other end is with the petitioner, and in both the cases, there is lack of co-ordination between PGCIL and these entities. In case of Asset-III, i.e., 765 kV D/C Sasan- Vindhyachal pooling station Transmission Line, for example, the two 765 kV lines, i.e. Sasan to Satna-I and II were earlier commissioned by the petitioner but the 240 MVAR bus reactor at Sasan and 240 MVAR line reactors at Sasan for Satna line-I and Satna line-2 have not been commissioned till date. The net result is that there is very high voltage problem due to which only one out of the two Sasan-Satna lines can operate at a time and the other circuit has to be kept switched off due to high voltage. As a result, the transmission charges of both the circuits, Sasan-Satna-I and II would be claimed by the petitioner whereas only one out of the two lines can operate at a time. He requested the petitioner to co-ordinate and ensure the commissioning of (a) 765/400 kV ICTs along with all the works relating to 765 kV Sub-stations and line bays at Rihand, and (b) 765 kV bus reactor at Sasan and 765 kV line reactor at Sasan in case of Asset-III.

8. The learned counsel for BRPL, Respondent No. 20, submitted that the beneficiaries should not be penalized for delay in forest clearance. He requested the Commission to disallow IDC and IEDC.

9. We have considered the submissions made by the petitioner and the respondents. We direct the petitioner to give the actual status of the commissioning of the three assets. The reasons for delay given by the petitioner and the submission of the respondents will be considered at the time of determination of final tariff. After carrying out a preliminary prudence check of the Annual Fixed Charges claimed, the Commission has decided to grant the following provisional tariff to the petitioner:-

(₹ in lakh)

Particulars	Anticipated DOCO/DOCO	Annual transmission charges claimed for the year 2013-14	Annual transmission charges allowed for the year 2013-14
Asset I: 765 kV S/C Satna-Gwalior & Satna S/S and line reactor	1.12.2013	3413.19	2901.21
Asset II: 765 kV D/C Rihand III-Vindhyachal Pooling Station T/L	1.1.2014	543.22	461.74
Asset III: 765 kV S/C Sasan-Vindhyachal Pooling Station T/L	1.1.2014	66.81	56.79

10. The provisional tariff allowed in this order shall be applicable from the date of commercial operation (DOCO) 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, as amended from time to time.

11. The provisional transmission charges allowed in this order shall be subject to the condition that the assets are commissioned and actually utilized by ensuring that the line bays and equipment at both the ends of the lines concerned are completed and

commissioned so that the lines commissioned actually give the benefits envisaged and 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**