

**CENTRAL ELECTRICITY REGULATORY COMMISSION  
NEW DELHI**

**Petition No. TT/300/2013**

**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 of 400kV D/C Agra-Sikar line alongwith bays under System Strengthening Scheme in Northern Region for Sasan and Mundra UMPPs for 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. 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. UP 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. 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.
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

.....**Respondents**

## ORDER

In the instant petition the petitioner, Power Grid Corporation of India Limited (PGCIL) has sought approval of transmission tariff for 400kV D/C Agra-Sikar line alongwith bays under System Strengthening Scheme in Northern Region for Sasan and Mundra UMPPs for tariff block 2009-14 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.

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(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 as per the Investment Approval the instant assets are scheduled to be commissioned in 32 months from the date of Investment Approval, i.e. by September

2012. However, Asset-I is anticipated to be commissioned on 1.1.2014 after a delay of 16 months and Asset-II has been commissioned on 1.8.2013, after a delay of 11 months. He also submitted that there is cost over-run. He further submitted that the petitioner has complied with the requirements specified in Regulation 5 of the 2009 Tariff Regulations for granting provisional tariff. He requested to allow 95% of the Annual Transmission Charges claimed as provisional tariff as provided in the said Regulations.

6. The representative of PSPCL, Respondent No. 6, submitted that as per the Investment Approval, the scheme includes the Agra-Sikar 400 kV D/C Quad line, Sikar-Jaipur 400 kV D/C line, line reactors of Agra-Sikar line at both ends and Bus reactor at Sikar. The petitioner has filed the instant petition seeking transmission tariff for Agra-Sikar line without commissioning the Sikar-Jaipur line. The transmission system is incomplete and the actual benefits of the system would accrue only after completion of Agra-Sikar-Jaipur line and the benefits from the Agra-Sikar line get reduced due to non-commissioning of the Sikar-Jaipur line. He submitted that the petitioner has claimed transmission charges for 2 nos. of line bays at Sikar end for the Agra line without commissioning the transmission line. The beneficiaries have not consented to operate the line reactors at Sikar as Bus reactors and the Investment Approval does not envisage operation of the line reactors at Sikar as Bus reactor. Further, the petitioner has not given justification for operating the line reactors as Bus reactors, in addition to the existing 80 MVAR Bus reactor. He requested the Commission to direct the petitioner to submit data to show that the 80 MVAR Bus reactor and the 2X50 MVAR line reactors

at Sikar are simultaneously in service to control the high voltage at Sikar. He also requested the Commission to direct the petitioner to submit the petitioner's Board approval for operating the line reactors as bus reactors at Sikar. He also requested to grant only 80% provisional tariff claimed by the petitioner as the Sikar-Jaipur line has not been commissioned and also not to grant provisional tariff for the 2 nos. line bays and the line reactors at Sikar for the period for which the Agra-Sikar line is not commissioned. The representative of PSPCL also submitted that the cost of PLCC for the 400 kV bays at Sikar for the Agra-Sikar line may not be considered for the purpose of provisional tariff as the PLCC equipment cannot be commissioned without the commissioning of the line.

7. We have considered the submissions made by the petitioner and PSPCL. It is observed that there is 80 MVAR Bus reactor at Sikar and as such we do not find any reason for the petitioner to operate the 2X50 MVAR line reactors as Bus reactors. Though the petitioner has submitted that 2X50 MVAR line reactors are used as Bus reactors to control the high voltage, no evidence has been submitted by the petitioner that there is high voltage problem and there is a requirement to operate the line reactors as Bus reactors. Further, the petitioner has not filed any approval of its Board to use the line reactors as Bus reactors and as such we are not inclined to grant any provisional tariff to the 2 nos. 50 MVAR line reactors and the 2 nos. of 400 kV line bays. However, tariff for the 2X50 MVAR reactors for the period of use as Bus reactors shall be considered at the time of allowing final tariff, subject to the petitioner submitting sufficient justification. After carrying out a preliminary prudence check of the Annual

Fixed Charges claimed and taking into consideration the cost and time over-run and the submissions made by the petitioner and respondents, following provisional tariff is being allowed:-

(₹ in lakh)

<b>Asset</b>	<b>Anticipated DOCO</b>	<b>Annual transmission charges claimed for the year 2013-14</b>	<b>Annual transmission charges allowed for the year 2013-14</b>
Asset-I:400kV D/C Quad Agra-Sikar line	1.1.2014	2110.32	1793.77

8. 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.

9. 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