

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. TT/307/2013

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 for (1) 765/400 kV, 3*500 MVA ICT-2 at Raigarh PS (Near Tamnar) alongwith with associated bays, (2) 765/400 kV, 3*500 MVA ICT-3 at Raigarh PS (Near Tamnar) alongwith with associated bays and (3) 765 kV S/C Champa Pooling Station-Dharamjaygarh S/S T/L & Bays at Dharamjaygarh S/S only under Establishment of pooling stations at Champa & Raigarh (near Tamnar) for IPP Generation Projects in Chhattisgarh (Set "B"/ WR1-IPPB) in Western Region 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. 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. Uttar Pradesh 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

26. Karnataka Power Transmission Corporation Ltd. (KPTCL),
Kaveri Bhavan, Bangalore-560 009
27. Transmission Corporation of Andhra Pradesh Ltd. (APTRANCO),
Vidyut Soudha,
Hyderabad-500 082
28. Kerala State Electricity Board (KSEB),
Vaidyuthi Bhavanam,
Pattom, Thiruvananthapuram-695 004
29. Tamil Nadu Generation and Distribution Corporation Ltd. (TANGEDCO)
NPKRR Maaligai, 800, Anna Salai,
Chennai-600 002
30. Electricity Department, Government of Pondicherry,
Pondicherry-605 001
31. Eastern Power Distribution Company of Andhra Pradesh Ltd. (APEPDCL),
APEPDCL, P&T Colony,
Seethmmadhara, Vishakhapatnam,
Andhra Pradesh
32. Southern Power Distribution Company of Andhra Pradesh Ltd. (APSPDCL),
Srinivasasa Kalyana Mandapam Backside,
Tiruchanoor Road, Kesavayana Gunta,
Tirupati-517 501
33. Central Power Distribution Company of Andhra Pradesh Ltd. (APCPDCL),
Corporate Office, Mint Compound,
Hyderabad-500 063
34. Northern Power Distribution Company of Andhra Pradesh Ltd. (APNPDCL),
Opp. NIT Petrol Pump,
Chaitanyapuri, Kazipet,
Warangal-506 004
35. Bangalore Electricity Supply Company Ltd. (BESCOM),
Corporate Office, K. R. Circle,
Bangalore-560 001
36. Gulbarga Electricity Supply Company Ltd. (GESCOM),
Station Main Road, Gulbarga.
Karnataka

37. Hubli Electricity Supply Company Ltd. (HESCOM),
Navanagar, PB Road,
Hubli, Karnataka.
38. MESCOM Corporate Office,
Paradigm Plaza, AB Shetty Circle,
Mangalore-575 001
39. Chamundeswari Electricity Supply Corporation Ltd. (CESC),
927, L J Avenue, Ground Floor,
New Kantharaj Urs Road,
Saraswatipuram, Mysore-570 009
40. R. K. M. Power Ltd.,
147, Gitanjali Nagar, Avanti Vihar,
Sector-I, Raipur-492 004
41. Athena Chhattisgarh Power Pvt. Ltd.,
7-1-24 B Block, 5th Floor, "Roxana Towers",
Greenlands, Begumpet,
Hyderabad-500 016
42. Jindal Power Limited,
Post Box No.-16,
Kharsia Road, Raigarh-496 001
43. SKS Power Generation (Chhattisgarh) Ltd.,
501 B, Elegant Business Park,
Andheri Kurla Road,
J. B. Nagar, Andheri (E),
Mumbai-400 059
44. Korba West Power Co. Ltd.,
2nd Floor, Centrum Plaza, Golf Course Road,
Sector-53, Gurgaon-122 002
45. KSK Mahanadi Power Company Ltd.,
8-2/293/82/A/431/A, Road No. 22, Jubilee Hills,
Hyderabad-500 033
46. Visa Power Ltd.,
HUL Building, 2nd Floor,
9, Shakespeare Sarani,
Kolkata-700 071

47. D. B. Power Ltd.,
Plot No.-813, Phase-V,
Udyog Vihar, Gurgaon-122 016

48. TRN Energy Pvt. Ltd., 4735/22, Ground Floor,
Prakashdeep Building, Ansari Road,
Darya Ganj, New Delhi-110 002

.....**Respondents**

Counsel/Representative of the petitioner : Shri S.S. Raju, PGCIL
Shri Mohd. Mohsin, PGCIL
Shri M.M. Mondal, PGCIL

Counsel/Representative of the respondents: Shri R.B. Sharma, Advocate, BRPL
Shri Mohan Menon, Advocate, ACPL

ORDER

In the instant petition the petitioner, Power Grid Corporation of India Limited (PGCIL) has sought approval for transmission tariff for (a) 765/400 kV, 3*500 MVA ICT-2 at Raigarh PS (Near Tamnar) alongwith with associated bays, (b) 765/400 kV, 3*500 MVA ICT-3 at Raigarh PS (Near Tamnar) alongwith with associated bays and (c) 765 kV S/C Champa Pooling Station- Dharamjaygarh S/S T/L & Bays at Dharamjaygarh S/S only under Establishment of pooling stations at Champa & Raigarh (near Tamnar) for IPP Generation Projects in Chhattisgarh (Set "B"/ WR1-IPPB) in Western Region for tariff block 2009-14 period, in accordance with the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2009 (hereinafter referred to as "The 2009 Tariff Regulations"). Further, the petitioner has requested for grant of provisional tariff as per the 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 and Jaipur Vidyut Vitran Nigam Limited (JVVNL), Respondent No.11. 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. JVVNL, vide its affidavit dated 25.10.2013, has submitted that the instant petition has been filed on the basis of anticipated date of commercial operation and any change in the date of commercial operation would require change in the provisional tariff allowed. The MVA capacity approved in the scope of work does not match with the capacity considered in the petition. There is cost over-run in the instant case and the capital cost should be allowed after detailed examination. Additional Return on Equity of 0.5% should not be allowed as the petition is filed on the basis of anticipated date of commercial operation. O&M charges should be allowed as per the norms specified in the 2009 Tariff Regulations.

7. 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 assets covered in the instant petition are anticipated to be commissioned within the scheduled time period and there is no time over-run. He also requested to allow additional Return on Equity of 0.5% as



the assets were commissioned within the timeline specified in the 2009 Tariff Regulations. There is a marginal cost over-run in case of Asset-III.

8. We have considered the submissions made by the petitioner and the respondents. As regards the claim of the petitioner for 0.5% additional return on equity, it is clarified that the claim will be decided after the actual commissioning of the transmission assets.

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

(₹ in lakh)

Particulars	Anticipated DOCO	Annual transmission charges claimed for the year 2013-14	Annual transmission charges allowed for the year 2013-14
Asset-I: 765/400 kV, 3*500 MVA ICT-2 at Raigarh PS (Near Tamnar) alongwith with associated bays,	1.12.2013	256.00	217.60
Asset-II: 765/400 kV, 3*500 MVA ICT-3 at Raigarh PS (Near Tamnar) alongwith with associated bays	1.1.2014	214.46	182.29
Asset-III: 765 kV S/C Champa Pooling Station- Dharamjaygarh S/S T/L & Bays at Dharamjaygarh S/S	1.2.2014	365.95	311.06

10. The provisional tariff allowed in this order shall be applicable from the date of commercial operation (DOCOP) 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 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

