CENTRAL ELECTRICITY REGULATORY COMMISSION NEW DELHI

Coram:

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

Date of hearing: 12.06.2014 Date of Order: 19.06.2014

Petition No. TT/105/2014

In the matter of

Approval of transmission charges for (i) 400 kV (Quad) Ranchi (old)-Ranchi (New)-I Ckt II transmission line along with associated bays at Ranchi (old) and Ranchi (New); (ii) 400 kV D/C (Quad) Ranchi (old)-Ranchi (New)-II transmission line along with associated bays at Ranchi (Old) and Ranchi (New); (iii) 765/400 kV, 3x500 MVA ICT I at along with associated bays at 765 kV Ranchi (New) Sub-station in Western Region for 2014-19 tariff period under Regulation 86 of Central Electricity Regulatory Commission (Conduct of Business) Regulations, 1999 and Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2014.

And in the matter of

Petition No. TT/110/2014

Approval of transmission charges for 2x315, 400/220 kV GIS S/S at Kala in UT of D&NH alongwith 315 MVA, 400/220 kV ICT-I & ICT-II, 80 MVAR, 420 kV Bus Reactor alongwith LILO of one circuit of 400 kV D/C Vapi-Navi Mumbai Transmission Line in Western Region for 2014-19 tariff period under Regulation 86 of Central Electricity Regulatory Commission (Conduct of Business) Regulations, 1999 and Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2014.

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

.....Petitioner

Vs



- Madhya Pradesh Power Management Company Ltd., Shakti Bhawan, Rampur Jabalpur-482 008.
- Maharashtra State Electricity Distribution Company Limited, Prakashgad, 4th floor Andehri (East), Mumbai-400 052.
- 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.Respondents

For petitioner : Shri S.S. Raju, PGCIL

Ms. Seema Gupta, PGCIL Shri M.M. Mondal, PGCIL Shri S.K. Venkatesan, PGCIL

Shri P. Sarswat, PGCIL

Ms. Sangeeta Edwards, PGCIL

For respondents: None



ORDER

In these petitions, the petitioner, Power Grid Corporation of India Limited (PGCIL) has sought approval for transmission tariff for various transmission elements in Western Region for the 2014-19 tariff period under Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2014 (hereinafter referred to as "2014 Tariff Regulations") and has further prayed for grant of 90% of the annual fixed charges for the purpose of inclusion in the PoC charges under Regulation 7(7) of the 2014 Tariff Regulations.

2. Regulation 7 of the 2014 Tariff Regulations provides as under:-

"7. Application for determination of tariff:

- (1) The generating company may make an application for determination of tariff for new generating station or unit thereof in accordance with the Procedure Regulations, in respect of the generating station or generating units thereof within 180 days of the anticipated date of commercial operation.
- (2) The transmission licensee may make an application for determination of tariff for new transmission system including communication system or element thereof as the case may be in accordance with the Procedure Regulations, in respect of the transmission system or elements thereof anticipated to be commissioned within 180 days from the date of filing of the petition.
- (3) In case of an existing generating station or transmission system including communication system or element thereof, the application shall be made not later than 180 days from the date of notification of these regulations based on admitted capital cost including any additional capital expenditure already admitted up to 31.3.2014 (either based on actual or projected additional capital expenditure) and estimated additional capital expenditure for the respective years of the tariff period 2014-15 to 2018-19.
- (4) The generating company or the transmission licensee, as the case may be, shall make an application as per **Annexure-I** of 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 as the case may be:



Provided that the petition shall contain details of underlying assumptions for the projected capital cost and additional capital expenditure, wherever applicable.

- (5) If the petition is inadequate in any respect as required under **Annexure-I** of these regulations, the application shall be returned to the generating company or transmission licensee as the case may be, for resubmission of the petition within one month after rectifying the deficiencies as may be pointed out by the staff of the Commission.
- (6) If the information furnished in the petition is in accordance with the regulations and is adequate for carrying out prudence check of the claims made, the Commission shall consider the suggestions and objections, if any, received from the respondents within one month from the date of filing of the petition and any other person including the consumers or consumer associations. The Commission shall issue the tariff order after hearing the petitioner, the respondents and any other person specifically permitted by the Commission.
- 7. In case of the new projects, the generating company or the transmission licensee, as the case may be, may be allowed tariff by the Commission based on the projected capital expenditure from the anticipated COD in accordance with Regulation 6 of these regulations:

Provided that:

(i) the Commission may grant tariff upto 90% of the annual fixed charges claimed in respect of the transmission system or element thereof based on the management certificate regarding the capital cost for the purpose of inclusion in the POC charges in accordance with the CERC (Sharing of Inter State Transmission charges and losses), Regulation, 2010 as amended from time to time:

XXXX"

3. As per the first proviso to Regulation 7(7) of the 2014 Tariff Regulations, the Commission may grant tariff upto 90% of the annual fixed charges for inclusion in the POC charges, if an application has been filed under Regulation 7(1) and (4) of the 2014 Tariff Regulations. Regulation 7(1) of the 2014 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 7(4) of 2014 Tariff Regulations provides that the application shall be made as per Annexure-I to the 2014 Tariff Regulations.



- 4. The petitioner has made the application as per the Annexure-I to the 2014 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. During the hearing on 12.6.2014, the representative of the petitioner requested to grant tariff in terms of provisions of Regulation 7(7) of the 2014 Tariff Regulations for inclusion in the PoC charges under the Central Electricity Regulatory Commission (Sharing of Inter-State Transmission Charges and Losses) Regulations, 2010, as amended from time to time (hereinafter referred to as "Sharing Regulations").
- 6. The details of annual transmission charges claimed by the petitioner and the tariff awarded by the Commission under Regulation 7(7) of the 2014 Tariff Regulations are given *Annexure I* to *Annexure II* of this order.
- 7. The 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 Sharing Regulations.

sd/- sd/- sd/-

(A. K. Singhal) (M. Deena Dayalan) (Gireesh B. Pradhan)
Member Member Chairperson

Annexure-I

Petition No. TT/105/2014

Approval of transmission charges for (i) 400 kV (Quad) Ranchi (old)-Ranchi (New)-I Ckt II transmission line along with associated bays at Ranchi (old) and Ranchi (New); (ii) 400 kV D/C (Quad) Ranchi (old)-Ranchi (New)-II transmission line along with associated bays at Ranchi (Old) and Ranchi (New); (iii) 765/400 kV, 3x500 MVA ICT I at along with associated bays at 765 kV Ranchi (New) Sub-station in Western Region for 2014-19 tariff period under Regulation 86 of Central Electricity Regulatory Commission (Conduct of Business) Regulations, 1999 and Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2014.

1. Annual transmission charges claimed by the petitioner are as follows:-

(`in lakh)

Asset	DOCO	2014-15	2015-16	2016-17	2017-18	2018-19
(i) 400 kV (Quad)	1.4.2014	7726.56	8574.83	8757.36	8546.78	8339.23
Ranchi (old)-Ranchi						
(New)-I Ckt II						
transmission line along						
with associated bays at						
Ranchi (old) and Ranchi						
(New); (ii) 400 kV D/C						
(Quad) Ranchi (old)-						
Ranchi (New)-II						
transmission line along						
with associated bays at						
Ranchi (Old) and						
Ranchi (New); (iii)						
765/400 kV, 3x500						
MVA ICT I at along with						
associated bays at 765						
kV Ranchi (New) Sub-						
station						



Annual transmission charges allowed in terms of under Regulation 7(7) of the
 2014 Tariff Regulations are as under:-

(`in lakh)

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Asset	DOCO	2014-15	2015-16	2016-17	2017-18	2018-19
(i) 400 kV (Quad)	1.4.2014	4977.69	5524.17	5641.76	5506.10	5372.39
Ranchi (old)-Ranchi						
(New)-I Ckt II						
transmission line along						
with associated bays at						
Ranchi (old) and Ranchi						
(New); (ii) 400 kV D/C						
(Quad) Ranchi (old)-						
Ranchi (New)-II						
transmission line along						
with associated bays at						
Ranchi (Old) and						
Ranchi (New); (iii)						
765/400 kV, 3x500						
MVA ICT I at along with						
associated bays at 765						
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And in the matter of

Approval of transmission charges for 2x315, 400/220 kV GIS S/S at Kala in UT of D&NH alongwith 315 MVA, 400/220 kV ICT-I & ICT-II, 80 MVAR, 420 kV Bus Reactor alongwith LILO of one circuit of 400 kV D/C Vapi-Navi Mumbai Transmission Line in Western Region for 2014-19 tariff period under Regulation 86 of Central Electricity Regulatory Commission (Conduct of Business) Regulations, 1999 and Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2014.

1. Annual transmission charges claimed by the petitioner are as follows:-

(`in lakh)

Asset	DOCO	2014-15	2015-16	2016-17	2017-18	2018-19
2x315, 400/220 kV GIS	1.4.2014	2576.51	2793.82	2847.70	2841.70	2838.67
S/S at Kala in UT of						
D&NH alongwith 315						
MVA, 400/220 kV ICT-I						
& ICT-II, 80 MVAR, 420						
kV Bus Reactor						
alongwith LILO of one						
circuit of 400 kV D/C						
Vapi-Navi Mumbai						
Transmission Line						

Annual transmission charges allowed in terms of under Regulation 7(7) of the
 2014 Tariff Regulations are as under:- (`in lakh)

Asset	DOCO	2014-15	2015-16	2016-17	2017-18	2018-19
2x315, 400/220 kV GIS	1.4.2014	2061.21	2235.06	2277.66	2273.36	2270.94
S/S at Kala in UT of						
D&NH alongwith 315						
MVA, 400/220 kV ICT-I						
& ICT-II, 80 MVAR, 420						
kV Bus Reactor						
alongwith LILO of one						
circuit of 400 kV D/C						
Vapi-Navi Mumbai						
Transmission Line						