

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 164/TT/2013

Coram:

**Shri Gireesh B. Pradhan, Chairperson
Shri M. Deena Dayalan, Member
Shri A. K. Singhal, Member
Smt. Neerja Mathur, Member (EO)**

**Date of hearing: 04.03.2014
Date of Order : 12.03.2014**

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 Combined Assets for transmission system associated with Augmentation of Transformation capacity (Part-1) in Northern and Eastern Regions 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 Power Corporation Ltd.,
Thermal Shed T-1A,
Patiala.
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**

For Petitioner : Shri S.S. Raju, PGCIL
Ms. Sangeeta Edwards, PGCIL
Shri M.M. Mondal, PGCIL
Shri S.K. Venkatesan, PGCIL
Shri P. Saraswat, PGCIL

For Respondents : Shri R.B. Sharma, Advocate, BRPL

ORDER

In the instant petition, Power Grid Corporation of India Limited (PGCIL) has sought approval for transmission tariff for Combined Assets for transmission system associated with Augmentation of Transformation capacity (Part-1) in Northern and Eastern Regions for tariff block 2009-14 period, under 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 transmission tariff.

2. The instant transmission system consists of Asset-I: 1X315 MVA, 400/220kV transformer at Nalagarh, Asset-II: 1X315 MVA, 400/220kV transformer at Abdullahpur, Asset-III: 1X500 MVA, 400/220kV transformer at Amritsar and Asset-IV: 4X105 MVA, 400/220kV single phase transformers at Kishenpur. Provisional tariff in case of assets anticipated to be commissioned during the 3rd quarter of 2013, i.e. Assets-I, II and III, were granted provisional tariff vide order dated 9.9.2013. Provisional tariff in case of Asset-IV was not granted as it was anticipated to be commissioned on 1.1.2014, during the 4th quarter of 2013. During the hearing on 4.3.2014, the representative of the

petitioner has requested to grant provisional tariff in case of Asset-IV also, since determination of final tariff is going to take some time.

3. The representative of BRPL, Respondent No. 12, has submitted that the initial spares claimed in the petition are much above the norms provided under Regulation 8 of the 2009 Tariff Regulations and the initial spares may be allowed as per the 2009 Tariff Regulations.

4. We have considered the submissions of the petitioner. Under the PoC regime, the tariff is required to be included in the Yearly Transmission Charges before the start of every quarter. Therefore, there is a requirement to grant provisional tariff for Asset-IV so that it is included in the PoC charges. Accordingly, we have decided to grant provisional tariff in case of Asset-IV.

5. 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.”

6. 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.

7. 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.

8. After carrying out a preliminary prudence check of the Annual Fixed Charges claimed by the petitioner, the Commission has decided to grant the following provisional tariff in case of Asset-IV.

(₹ 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-IV: 4X105 MVA, 400/220kV single phase transformers at Kishenpur	1.1.2014	126.12	113.51

9. 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.

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

sd/-

sd/-

sd/-

sd/-

(Neerja Mathur)
Member (EO)

(A. K. Singhal)
Member

(M. Deena Dayalan)
Member

(Gireesh B. Pradhan)
Chairperson