

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 225/MP/2014

Coram:

Shri Gireesh B.Pradhan, Chairperson

Shri M. Deena Dayalan, Member

Shri A.K.Singhal, Member

Shri A.S.Bakshi, Member

Date of Hearing : 18.9.2014

Date of Order : 29.9.2014

In the matter of

Petition under Regulation 54 "Power to Relax" and under Regulation 55 "Power to Remove Difficulty" of the CERC (Terms and Conditions of Tariff) Regulations, 2014 read with Regulation 24 and 111 of CERC (Conduct of Business) Regulations, 1999 for relaxation of CERC (Terms and Conditions of Tariff) Regulations, 2014.

And

In the matter of

Power Grid Corporation of India Ltd.
Saudamini, Plot No. 2, Sector-29,
Gurgaon-122 001 (Haryana)

...Petitioner

Parties present:

Ms. Seema Gupta, PGCIL
Shri S.S.Raju, PGCIL
Shri M.M.Mondal, PGCIL

ORDER

The petitioner, Power Grid Corporation of India Limited, has filed this petition for seeking relaxation of Regulation 7 (3) of the Central Electricity Regulatory



Commission (Terms and Conditions of Tariff) Regulations, 2014 (2014 Tariff Regulations) with the following prayers:

"(a) Grant additional 180 days for filing the application for which final tariff order have been issued; and

"(b) Grant 180 days from the date of issuance of final tariff order for filing application for the assets for which tariff orders for the preceding block i.e. 2009-14 are to be issued."

2. The petitioner has submitted that the Commission has notified the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2014 (2014 Tariff Regulations) on 21.2.2014. The petitioner has submitted that tariff filing forms (Transmission and Communication System) were notified at the end of March, 2014 i.e. about 5 weeks after the notification of 2014 Tariff Regulations. Subsequently, the Statement of Reasons for 2014 Tariff Regulations was issued on 24.4.2014 with the intent of explaining the rationale and objective behind 2014 Tariff Regulations to facilitate stakeholders for interpretation of some of the provisions for calculation of tariff. Thereafter, the petitioner is stated to be making best efforts to file the tariff petitions in accordance with 2014 Tariff Regulations.



3. The petitioner has submitted that as per Regulation 7 (3) of the 2014 Tariff Regulations, the due dates for submission of petitions for existing assets was 20.8.2014, being 180 days from 21.2.2014.

4. The petitioner has highlighted the following reasons for its inability to file the tariff petitions within the statutorily stipulated time:

(a) The petitioner was required to modify its system and software to align the same with the requirement of the revised tariff filing forms. The modification in the software application required more than one month time.

(b) Out of more than 400 petitions, orders in about 300 petitions are available and tariff petitions in respect of the assets covered under these petitions could be filed. Out of 300 petitions, the petitioner could file only 65 petitions despite best efforts and 235 petitions are yet to be filed. Moreover, 120 petitions can be filed after the orders for the tariff period 2009-14 are available.

(c) In terms of Regulation 27 of 2014 Tariff Regulations, the petitioner is required to file applications for determination of tariff of the assets commissioned up to the previous tariff control period after clubbing the assets for which single tariff needs to be determined. The petitioner is working out the effective date of commercial operation in respect of the assets in accordance with the regulations.



5. The petitioner has prayed for relaxation of Regulation 7(3) of 2014 Tariff Regulations to grant additional 180 days time for filing the petitions for which final tariff orders have been issued and to grant 180 days from the date of issuance of final tariff orders in respect of the assets for which tariff orders for the period 2009-14 are yet to be issued.

6. During the course of hearing on 18.9.2014, the representative of the petitioner submitted that though all out efforts are being made by the petitioner to file all tariff petitions on time, the petitioner is unable to complete the task within the stipulated time due to reasons beyond its control. He prayed that the Commission may consider to relax the relevant provisions of the regulations and allow additional time to the petitioner to file the tariff petitions.

7. We have considered the submission of the petitioner. 2014 Tariff Regulations were notified in the Gazette of India on 12.3.2014. Regulation 7 (3) of the 2014 Tariff Regulations provides as under:

“(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.”



8. Since the 2014 Tariff Regulations were notified on 12.3.2014, the tariff petitions were required to be filed within 180 days i.e. on or before 11.9.2014. The petitioner has sought extension of time by 180 days for filing the petitions in which orders have already been issued and 180 days from the order of the issue of orders wherein orders are yet to be issued.

9. The petitioner has highlighted the constraints in filing the tariff petitions within the stipulated time. Apart from the fact that the tariff orders in a good number of petitions pertaining to 2009-14 period are yet to be issued, the petitioner is also required to consolidate the detailed information regarding a large number of assets before making the tariff petitions, which involve considerable time. Considering the practical difficulties faced by the petitioner, we are of the view that the petitioner should be allowed additional time to file the tariff petitions.

10. Regulation 54 of the 2014 Tariff Regulations empower the Commission to relax the provisions on its own motion or on an application made by an interested person. In exercise of power under Regulation 54 of the 2014 Tariff Regulations, we relax the Regulation 7 (3) of the 2014 Tariff Regulations and allow the petitioner to file the tariff petitions for 2014-19 as under:

- (a) Tariff petitions for the period 2014-19 shall be filed by the petitioner on or before 31.12.2014 for all assets where final orders for the period 2009-



14 have been issued as on the date of this order. The applicable fees shall be paid along with the petition;

(b) The tariff petitions for the period 2014-19 shall be filed within 120 days from the date of issue of final order for 2009-14 by the Commission. It is clarified that fees for these petitions shall be paid on or before 31.12.2014 on the basis of provisional tariff already determined for 2009-14. Balance fee shall be paid along with the tariff petitions for the period 2014-19.

11. The above clarification shall also apply to generating companies and other transmission licensees whose tariff is determined by the Commission.

12. With the above, the Petition No. 225/MP/2014 is disposed of.

Sd/-
(A.S.Bakshi)
Member

sd/-
(A.K.Singhal)
Member

sd/-
(M. Deena Dayalan)
Member

sd/-
(Gireesh B. Pradhan)
Chairperson

