

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 288/TT/2013

Coram:

**Shri Gireesh B. Pradhan, Chairperson
Shri A. K. Singhal, Member
Shri A.S. Bakshi, Member**

Date of Hearing : 01.9.2014

Date of Order : 26.9.2014

IN THE MATTER OF

- (i) Approval under Regulation 3(12)(c) of Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2009 and Regulation 24 of Central Electricity Regulatory Commission (Conduct of Business) Regulations, 1999 for commissioning date and
- (ii) 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 from DOCO to 31.3.2014 for tariff block 2009-14 for LILO of 400kV D/C Nathpa Jhakri-Nallagarh (Triple Snowbird) line at Rampur under transmission system associated with Rampur HEP in Northern Region.

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 Deptt.
Govt. of Jammu & 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. TATA Power Distribution Ltd.,
33 kV Sub-station Building,
Hudson Lane, Kingsway Camp,
New Delhi-110 009.
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.

18. Satluj Jal Vidyut Nigam Ltd.
HIMFED Building,
New Shimla-171009

....Respondents

For petitioner : Shri S.S. Raju, PGCIL
Ms. Sangeeta Edwards, PGCIL
Shri Mohd. Mohsin, PGCIL
Shri S.K. Venkatasan, PGCIL
Shri P. Saraswat, PGCIL
Shri Rakesh Prasad, PGCIL

For respondent : Shri R.B. Sharma, Advocate, BRPL
Shri Padamjit Singh, PSPCL

ORDER

In the instant petition, the petitioner, Power Grid Corporation of India Limited (PGCIL) has sought approval for transmission tariff for LILO of 400 kV D/C Nathpa Jhakri-Nallagarh (Triple Snowbird) line at Rampur under transmission system associated with Rampur HEP in Northern Region from DOCO to 31.3.2014 for tariff block 2009-14 under Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations 2009 (2009 Tariff Regulations). The petitioner prayed for grant of provisional tariff as provided under Regulation 5 of the 2009 Tariff Regulations.

2. The petitioner also submitted in the petition that the instant asset is likely to be ready by December, 2013 and it will not be able to charge the asset because of non-readiness of generation, which is not attributable to the petitioner. Hence, the petitioner prayed for approval of the date of commercial operation of the instant asset under Regulation 3(12)(c) of the 2009 Tariff Regulations.

3. The petition was heard on 3.12.2013 for consideration of petitioner's prayer for grant of provisional tariff under Regulation 5 of the 2009 Tariff Regulations. However, provisional tariff was not allowed as Satluj Jal Vidyut Nigam Ltd (SJVNL), the generator and one of the respondents has not filed its reply to the petition. The observations made by the Commission in this regard in its order dated 16.12.2013 are as follows:-

"12. We have considered the submissions of the petitioner and respondents. It is observed that an evacuation system for Rampur HEP was discussed and agreed in the 18th Meeting of the Standing Committee held on 6.6.2005 and as per the Minutes of 29th Standing Committee Meeting held on 29.12.2010, the petitioner has to commission the instant LILO matching with the Rampur HEP. The petitioner has not filed any material to show that the petitioner has been coordinating with the generator as provided in the Agreement entered into with the generator. The petitioner has also not provided the details of the steps taken to match the instant LILO with the commissioning of the Rampur HEP. Further, the generator, SJVNL, though a respondent, has not filed any reply or is represented during the hearing. We would like to hear the generator before we approve the anticipated date of commercial operation of the instant LILO as 1.12.2013 under Regulation 3(12)(c) of the 2009 Tariff Regulations as prayed by the petitioner. We would also like to grant provisional tariff for the instant LILO after arriving at a decision on the date of commercial operation. Accordingly, provisional tariff for the instant LILO is not granted for the time being."

4. SJVNL in its reply dated 11.3.2014 submitted that the petitioner has completed only single circuit LILO of 420 kV Nathpa Jhakri-Nalagarh and the other circuit is not completed due to ROW issue. As regards the progress of the generating station, SJVNL submitted that wet spinning on 2 units of Rampur HEP (RHEP) was carried out between 3.3.2014 to 6.3.2014 and the units were likely to be synchronised with the Grid in March, 2014. SJVNL also submitted that the delay in commissioning of the transmission line by the petitioner is not due to delay in generation but due to delay in getting forest clearance by the petitioner. SJVNL further submitted that the petitioner should be directed to submit the revised anticipated date of commercial operation as the asset has not been commissioned in

December, 2013. In response, the petitioner has submitted in its rejoinder dated 30.4.2014 that the forest clearance was obtained in April, 2013, however, the asset was charged in February, 2014 due to several reasons such as execution of the work in tough hilly terrain, huge volumes of Benching due to steep hilly terrain and stay granted involving Loc AP-10, which was cleared on 22.10.2013. The petitioner also submitted that the LILO of ckt 1 Nathpa Jhakri-Nalagarh at Rampur was put under commercial operation on 1.3.2014 and the second circuit would be commissioned in June, 2014, for which petition shall be filed separately. The petitioner has further submitted vide affidavit dated 1.3.2014 that the LILO of ckt 1 Nathpa Jhakri-Nalagarh (Triple Snowbird) at Rampur was commissioned on 1.3.2014. The petitioner has placed on record the commercial operation certificate of the transmission asset. The petitioner vide affidavit dated 5.9.2014 has submitted that the LILO of ckt 2 Nathpa Jhakri-Nalagarh (Triple Snowbird) at Rampur is anticipated to be commissioned on 1.10.2014.

5. The matter was heard on 1.9.2014 for consideration of the petitioner's prayer for grant of provisional tariff as provided under Regulation 5 of the 2009 Tariff Regulations. The representative of the petitioner submitted that LILO of ckt 1 Nathpa Jhakri-Nalagarh (Triple Snowbird) at Rampur has been commissioned on 1.3.2014 and requested to grant provisional tariff. He further submitted that the second circuit is anticipated to be commissioned on 1.10.2014, i.e. during the 2014-19 tariff period.

6. The learned counsel for BRPL submitted that all the three conditions laid down by Hon'ble APTEL in its judgement dated 2.7.2012 in Appeal No.123/2011 for declaration of commercial operation should be satisfied while declaring the

commercial operation of the instant asset. The representative of PSPCL submitted that there is no coordination between the petitioner and the generator in the instant case and the petitioner has not submitted any documents to show that it was coordinating with the generator. He further submitted that the description of the asset does not speak of the Circuit Breakers and hence it is presumed that they are being provided by SJVNL.

7. We have considered the submissions made by the petitioner and the respondents. As per the minutes of the 29th meeting of Standing Committee on Transmission System Planning of Northern Region held on 29.12.2010, it was agreed that LILO of ckt 1 Nathpa Jhakri-Nalagarh (Triple Snowbird) at Rampur would be commissioned matching with the commissioning schedule of Rampur HEP. SJVNL vide its letter dated 31.10.2013 has stated that the commissioning date of the first unit was revised to February, 2014 and remaining units to April, 2014. SJVNL in its reply dated 11.3.2014 has submitted that the anticipated COD of the RHEP units was submitted to the Commission vide affidavit dated 17.10.2013 and 3.3.2014 in its petition for determination of generation tariff. It is noticed that in affidavit dated 3.3.2014, SJVNL has indicated the commissioning schedule of Unit I of RHEP as 23.3.2014. Further, SJVNL in its affidavit dated 11.3.2014 submitted that in the first week of March 2014, wet spinning on two units of RHEP has been made successfully and 2 units were likely to be synchronised with the Grid in the month of March, 2014. However by the submissions of the petitioner and SJVNL, it cannot be clearly concluded that the switch yard of RHEP was ready to declare the date of commercial operation of LILO of NJHEP-Nalagarh ckt-I on 1.3.2014 in line with findings of Hon'ble APTEL in Appeal No. 127/2011. The petitioner is directed to file

an affidavit that the conditions of Regulation 3 (12) (c) of 2009 Tariff Regulation have been complied with in this case in terms of the judgement of the Hon'ble APTEL in Appeal No. 123/2011, which will be taken into consideration at the time of final tariff. However, for inclusion of asset in POC, we provisionally approve the date of commercial operation of the transmission asset as 1.3.2014 and allow the provisional tariff, which will be effective from that date. It is however clarified that the generating company shall bear the transmission charges till the COD of the Unit I of RHEP in accordance with Regulation 8(16) of the Sharing Regulations.

8. Regulation 5 of the 2009 Tariff Regulations provides as follows:-

"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.

(3) In case of the existing projects, the generating company or the transmission licensee, as the case may be, shall continue to provisionally bill the beneficiaries or the long-term customers with the tariff approved by the Commission and applicable as on 31.3.2009 for the period starting from 1.4.2009 till approval of tariff by the Commission in accordance these regulations;

Provided that where the tariff provisionally billed exceeds or falls short of the final tariff approved by the Commission under these regulations, the generating company

or the transmission licensee, as the case may be, shall refund to or recover from the beneficiaries or the transmission customers, as the case may be, within six months with simple interest at the following rates for the period from the date of provisional billing to the date of issue of the final tariff order of the Commission:

- (i) SBI short-term Prime Lending rate as on 1.4.2009 for the year 2009-10.
- (ii) SBI Base Rate as on 1.7.2010 plus 350 basis points for the year 2010-11.
- (iii) Monthly average SBI Base Rate from 1.7.2010 to 31.3.2011 plus 350 basis points for the year 2011-12.
- (iv) Monthly average SBI Base Rate during previous year plus 350 basis points for the year 2012-13 and 2013-14.

Provided that in cases where tariff has already been determined on the date of issue of this notification, the above provisions, to the extent of change in interest rate, shall be given effect to by the parties themselves and discrepancy, if any, shall be corrected at the time of truing up.

(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.”

9. 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.

10. 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. Hence, we are inclined to grant provisional tariff under Regulation 5 of the 2009 Tariff Regulations.

11. The annual transmission charges claimed by the petitioner and allowed are given hereunder:-

Asset	DOCO	₹ in lakh	
		Tariff claimed for the year 2013-14	Provisional tariff allowed for the year 2013-14
LILO of ckt 1 Nathpa Jhakri-Nalagarh (Triple Snowbird) at Rampur	1.3.2014	21.33	8.20

12. 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. However, RHEP shall bear the transmission charges from 1.3.2014 till COD of the Unit-I as per Regulation 8(6) of the Sharing Regulations.

13. 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.S. Bakshi)
Member

sd/-
(A. K. Singhal)
Member

sd/-
(Gireesh B. Pradhan)
Chairperson