

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. TT/34/2014

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**

In the matter of

Approval of provisional transmission charges for **Asset I:** Balance Portion of 400 kV D/C Jamshedpur-Baripada Tr. Line and associated bays at Jamshedpur (DOCO: 1.10.2013), **Asset II:** 02 Nos. 400 kV bays at Durgapur S/s (DOCO: 1.2.2014) under ERSS-I in Eastern Region for tariff block 2009-14 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, 2009.

And in the matter of

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

.....**Petitioner**

Vs

1. Bihar State Electricity Board
Vidyut Bhawan, Bailey Road
Patna-800 001.
2. West Bengal State Electricity Distribution Company Ltd.
Bidyut Bhawan, Bidhan Nagar
Block DJ, Sector-II, Salt Lake City
Kolkata-700 091.
3. Grid Corporation of Orissa Ltd.
Shahid Nagar, Bhubaneswar-751 007
4. Damodar Valley Corporation
DVC Tower, Maniktala
CIVIC Centre, VIP Road
Kolkata-700 054.



5. Power Department
Govt. of Sikkim
Gangtok-737 101
6. Jharkhand State Electricity Board
In Front of Main Secretariat
Doranda
Ranchi-834 002.

.....**Respondents**

For petitioner : Shri S.S. Raju, PGCIL
Ms. Seema Gupta, PGCIL
Shri M.M. Mondal, PGCIL
Shri S.K. Venkatesan, PGCIL

For respondents: None

ORDER

In the instant petition, the petitioner, Power Grid Corporation of India Limited, (PGCIL) has sought approval for transmission tariff for **Asset I:** Balance Portion of 400 kV D/C Jamshedpur-Baripada Transmission Line and associated bays at Jamshedpur (DOCO: 1.10.2013), **Asset II:** 02 Nos. 400 kV bays at Durgapur S/s (DOCO: 1.2.2014) under ERSS-I in Eastern Region for tariff block 2009-14 period, under Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2009 (hereinafter referred to as "2009 Tariff Regulations"). Further, the petitioner has requested for grant of provisional tariff as per Regulation of 5 of the 2009 Tariff Regulations, pending determination of final transmission 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.

(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 transmission 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 along 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 01.04.2009 for the year 2009-10.

(ii) SBI Base Rate as on 01.07.2010 plus 350 basis points for the Page 2 of 6 year 2010-11.

(iii) Monthly average SBI Base Rate from 01.07.2010 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.”

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. During the hearing on 12.6.2014, the representative of the petitioner requested to grant provisional tariff as determination of final tariff would take some time. After carrying out a preliminary prudence check of the Annual Fixed Charges claimed and taking into consideration the time 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	DOCO	Annual transmission charges claimed for the year 2013-14	Annual transmission charges allowed for the year 2013-14
Asset I: Balance Portion of 400 kV D/C Jamshedpur-Baripada Tr. Line and associated bays at Jamshedpur	1.10.2013	440.05	278.90
Asset II: 02 Nos. 400 kV bays at Durgapur S/s under ERSS-I	1.2.2014	38.54	32.76

6. 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.

7. 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

