

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Coram:

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

**Date of hearing: 09.10.2014
Date of Order : 24.12.2014**

Petition No. 227/TT/2014

And in the matter of

Approval of transmission tariff for Asset-I: 765 kV Line bays & 3x80 MVAR Switchable line reactor at 765 kV Jabalpur Pooling Sub-station (for 765 kV S/C Jabalpur- Bhopal line), Asset-II: 765 kV Line bays & 3x80 MVAR line reactor at 765 kV Indore Sub-station (for 765 kV S/C Bhopal-Indore line), and Asset-III: Extension of 765 kV Aurangabad Sub-station for 765 kV S/C line bay under "Line Bays and Reactor Provision at Power Grid Sub-Stations associated with System Strengthening for Western Region" 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 from DOCO to 31.3.2019.

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

.....**Petitioner**

Vs

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



3. 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.
9. Sterlite Technologies Limited,
C2, Mira Corporate Suits, 2nd Floor,
Okhla Crossing, Mathura Road, Ishwar Nagar,
New Delhi-110066.

.....Respondents

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

For respondents: None

ORDER

In the instant petition, the petitioner, Power Grid Corporation of India Limited (PGCIL), has sought approval of transmission tariff for three assets under “Line Bays and Reactor Provision at Power Grid Sub-Stations associated with System Strengthening for Western Region” for 2014-19 tariff period, under the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2014 (hereinafter referred to as "2014 Tariff Regulations"). The petitioner has also prayed for allowing 90% of the Annual Fixed Charges (AFC) claimed from the date of commercial operations to 31.3.2019 as provided under proviso (i) of Regulation 7(7) of the 2014 Tariff Regulations. The details of the assets covered in the petition are as follows:-

Srl. No.	Asset	Name of the Asset	Scheduled DOCO	DOCO
1	Asset-I	765 kV Line bays & 3x80 MVAR Switchable line reactor at 765 kV Jabalpur Pooling Sub-station (for 765 kV S/C Jabalpur- Bhopal line)	23.3.2014	15.9.2014 (Anticipated)
2	Asset-II	765 kV Line bays & 3x80 MVAR line reactor at 765 kV Indore Sub-station (for 765 kV S/C Bhopal-Indore line)	23.3.2014	15.8.2014 (Anticipated)
3	Asset-III	Extension of 765 kV Aurangabad Sub-station for 765 kV S/C line bay	23.3.2014	29.5.2014

2. The petition was heard on 9.10.2014. During the hearing, the representative of the petitioner submitted that the assets covered in the petition are being commissioned, matching with the commissioning schedule of the transmission system being executed by Sterlite Grid Ltd., and requested for approval of the dates of commercial operation of the assets under Regulation 4(3) (ii) of the 2014 Tariff Regulations. The representative of the petitioner further submitted that Asset-III was commissioned on 29.5.2014 and the

status of the commissioning of Asset-I and Asset-II would be filed. Accordingly, the petitioner vide affidavit dated 14.11.2014 has submitted that Assets-I and II have been commissioned on 20.10.2014 and 5.10.2014 respectively.

3. As per proviso (i) to Regulation 7(7) of the 2014 Tariff Regulations, the Commission may grant tariff up to 90% of the AFC of the transmission system for the purpose of inclusion in POC charges, in accordance with the Central Electricity Regulatory Commission (Sharing of Inter State Transmission charges and losses), Regulation, 2010 (hereinafter "Sharing Regulations"). Regulation 7(2) 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. We have considered the submissions made by the petitioner. There is time over-run in case of all the three assets. After carrying out a preliminary prudence check of the AFC claimed by the petitioner in this matter and taking into consideration the time over-

run, which shall be looked into in detail at the time of final tariff, the Commission has decided to allow tariff for the years 2014-15 and 2015-16 in terms of proviso (i) of Regulation 7(7) of the 2014 Tariff Regulations. As regards the petitioner's request to approve the date of commercial operation of the asset under Regulation 4(3)(ii) of the 2014 Tariff Regulations, it is clarified that the date of commercial operation of the assets has been provisionally accepted for the purpose of granting tariff under proviso (i) of Regulation 7(7) of the 2014 Tariff Regulations and the issue shall be decided at the time of determination of final tariff.

6. Annual transmission charges claimed by the petitioner:-

(₹ in lakh)

Assets	DOCO	2014-15	2015-16	2016-17	2017-18	2018-19
Asset I	15.9.2014 (Anticipated)	460.46	908.30	929.26	923.23	906.72
Asset II	5.8.2014 (Anticipated)	329.17	589.69	638.38	644.30	630.48
Asset III	29.5.2014	166.20	255.39	253.77	252.24	250.94

7. Annual transmission charges allowed is as follows:-

(₹ in lakh)

Assets	DOCO (Actual)	2014-15	2015-16
Asset I	20.10.2014	302.08	726.64
Asset II	5.10.2014	204.77	471.752
Asset III	29.5.2014	132.96	204.312

8. The tariff allowed in this order shall be applicable from the dates of commercial operation of the transmission assets and the billing, collection and disbursement of the

transmission charges shall be governed by the provisions of Sharing Regulations, as amended from time to time. The transmission charges allowed in the order shall be subject to adjustment as per Regulation 7(7) of the 2014 Tariff Regulations.

sd/-

(A.S. Bakshi)
Member

sd/-

(A. K. Singhal)
Member

sd/-

(M. Deena Dayalan)
Member

sd/-

(Gireesh B. Pradhan)
Chairperson

