CENTRAL ELECTRICITY REGULATORY COMMISSION NEW DELHI

Petition No. 91/TT/2012

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 : 16.02.2015

In the matter of:

Approval of transmission tariff from DOCO to 31.3.2014 for combined assets of transmission system associated with Parbati-III-HEP Northern Region for tariff block 2009-14 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 (Haryana).

.....Petitioner

Vs

- Rajasthan Rajya Vidyut Prasaran Nigam Ltd., Vidyut Bhawan, Vidyut Marg, Jaipur- 302 005.
- Ajmer Vidyut Vitran Nigam Ltd., 400 kV GSS Building (Ground Floor), Ajmer Road, Heerapura, Jaipur.
- Jaipur Vidyut Vitran Nigam Ltd., 400 kV GSS Building (Ground Floor), Ajmer Road, Heerapura, Jaipur.
- Jodhpur Vidyut Vitran Nigam Ltd., 400 kV GSS Building (Ground Floor), Ajmer Road, Heerapura, Jaipur.

- 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 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.
- 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 M. M. Mondal, PGCIL Shri S. K. Venkatesan, PGCIL Shri S.S Raju, PGCIL Ms. Seema Gupta, PGCIL
For respondent	:	Shri Padamjit Singh, PSPCL Ms. Megha Bajpeyi, BRPL

<u>ORDER</u>

This petition has been filed by Power Grid Corporation of India Limited (PGCIL) seeking approval of transmission tariff for combined assets of transmission system associated with Parbati-III-HEP Northern Region (hereinafter referred to as "transmission assets" for tariff block 2009-14, based on the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2009, (hereinafter referred to as "the 2009 Tariff Regulations").

2. The petitioner has claimed transmission tariff for Asset I: LILO of 400 kV Parbati-II-Koldam ckt-I at Parbati Pooling point along with associated bays, Asset-II: LILO of 400 kV Parbati-II-Koldam ckt-II at Parbati Pooling point along with associated bays and LILO of 400 kV Parbati-III-Koldam at Parbati Pooling point along with associated bays, Asset-III: 400 kV D/C Parbati Pooling Point-Amritsar Line along with associated bays and Asset-IV: 80 MVAR Bus Reactor Parbati at Pooling Point along with associated bays with the anticipated date of commercial operation as 1.9.2012. The petitioner, vide affidavit dated 19.12.2013, has submitted that Assets II to IV were

commissioned on 1.8.2013. Asset-I was commissioned on 1.4.2014, during the 2014-19 tariff period and the petitioner has accordingly filed a separate petition as per the 2014-19 Tariff Regulations. As a result, transmission tariff for the remaining three assets is required to be determined in the instant petition. The details of the remaining three assets and their date of commercial operation are as follows:-

Srl. No.	Assets	Scheduling commissioning	Actual commissioning	Time over-run
1	Asset-I: 400 kV D/C Parbati- Amritsar T/L alongwith associated bays at both ends		1.8.2013	42 months
2	Asset-II: LILO of 2 nd ckt. Of Parbati-II–Koldam T/L at Pooling Station along with associated bays and LILO at Parbati-III	1.2.2010	1.8.2013	42 months
3	Asset-III: 400 kV 80 MVAR Bus Reactor at Parbati Pooling Station along with associated bays		1.8.2013	42 months

3. It has been brought to our notice that the Koldam Switchyard at Parbati

III HEP has not been commissioned as on 1.8.2013. Hon'ble Appellate

Tribunal for Electricity (APTEL) in its judgement dated 2.7.2012 in Appeal No.

123/2011 has held as follows:-

"20. Summary of our findings:

According to Tariff Regulations, the COD of a transmission line shall be achieved when the following conditions are met.

i) The line has been charged successfully,

- ii) its trial operation has been successfully carried out, and
- iii) it is in regular service.

The above conditions in the case of 400 kV Barh-Balia line were not fulfilled on 01.07.2010, the date on which COD was declared by the Respondent no.1. Merely charging of the line from one end without the switchgear, protection and metering arrangements being ready at the other end, even if not in the scope of works of the transmission license, would not entitle the line for declaration of commercial operation."

4. In the instant case the switchyard at Koldam has not been commissioned and accordingly, Asset-II, i.e. LILO of 2nd ckt. of Parbati-II-Koldam T/L at Pooling Station along with associated bays cannot be put into trial operation without the corresponding switchyard at Koldam as held by APTEL in the above said judgement. The petitioner has neither prayed for declaration of the date of commercial operation of Asset-II under Regulation 3(12)(c) of the 2009 Tariff Regulations nor disclosed the fact that the portion of LILO has not been put to use. We are of the view that the transmission tariff for Asset-II should not be allowed at this stage and should be allowed only after the commissioning of Asset-II as per the procedure laid down by APTEL in the said judgement. Consequently, tariff for Asset I and III shall be dealt with in the instant petition.

5. The petitioner was directed vide letter dated 1.1.2015 to furnish separate capital cost of Assets-I and III along with the capital expenditure from the date of commercial operation to 31.3.2014 and the revised tariff forms. However, the petitioner vide affidavit dated 5.1.2015 has submitted the combined tariff forms for the Assets-I, II and III. The petitioner has not filed the information in the manner sought in the letter dated 1.1.2015. As a last opportunity, the petitioner is directed to submit the information as called for by 3.3.2015 with an advance copy to the respondents.

6. The petitioner is directed to submit the details of working of Income tax rate for grossing up Return on Equity as per Regulation 25 of the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2014. The petitioner is also directed to submit the treatment of Deferred Tax Liability in the Book of Account during control period of 2014-19 for the assets capitalized after 1.4.2014.

7. If the required information is not filed by 3.3.2015, the Commission will proceed to dispose of the petition as considered appropriate.

sd/-sd/-sd/-(A. S. Bakshi)
Member(A. K. Singhal)
Member(M. Deena Dayalan)
Member(Gireesh B. Pradhan)
Chairperson