

CENTRAL ELECTRICITY REGULATORY COMMISSION

NEW DELHI

Petition No. 141/TT/2015

Coram:

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

Date of Order : 3.11.2016

In the matter of:

Approval of transmission tariff for MB TPS (Anuppur)-Jabalpur Pooling Station 400 kV D/C (triple Snowbird) line only under Transmission System for connectivity of MB Power (M.P.) Limited in Western Region for tariff block 2014-19 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.

And in the matter of:

Power Grid Corporation of India Limited
"Soudamini", Plot No. 2, Sector 29
Gurgaon -122001

.....Petitioner

Vs

1. Madhya Pradesh Power Trading Company Limited,
Shakti Bhawan, Rampur,
Jabalpur-482 008
2. MB Power (Madhya Pradesh) Limited,
Corporate Office, 235, Okhla Industrial Estate,
Phase-III, New Delhi-110 020
3. Maharashtra State Electricity Distribution Company Limited,
Prakashgad, 4th Floor,
Andheri (East),
Mumbai-400 052
4. Gujarat Urja Vikas Nigam Limited,
Sardar Patel Vidyut Bhawan,
Race Course Road, Vadodara-390 007



5. Electricity Department, Government of Goa,
Vidyut Bhawan, Panaji,
Near Mandvi Hotel, Goa-403 001
6. Electricity Department,
Administration of Daman and Diu,
Daman-396 210
7. Electricity Department,
Administration of Dadra Nagar Haveli,
U.T., Silvassa-396 230
8. Chhattisgarh State Electricity Board,
P.O. Sunder Nagar, Dangania, Raipur
Chhattisgarh-492 013
9. Madhya Pradesh Audyogik Kendra Vikas Nigam (Indore) Limited,
3/54, Press Complex, Agra-Bombay Road
Indore-452 008

...Respondents

For petitioner: Shri M.G. Ramachandran, Advocate for PGCIL
Shri Mohd. Mohsin, PGCIL
Shri R.P. Padhi, PGCIL
Shri Rakesh Prasad, PGCIL
Ms. Manju Gupta, PGCIL
Ms Sangeeta Edwards, PGCIL

For respondents: Shri Abhijeet Laala, Advocate for M.B. Power (MP) Ltd.
Ms. Molshree Bhatnagar, Advocate for M.B. Power (MP) Ltd.
Shri Abhishek Gupta, M.B. Power (MP) Ltd.
Shri Rajeev Lochan, M.B. Power (MP) Ltd.

ORDER

The instant petition has been filed by Power Grid Corporation of India Limited (PGCIL) seeking approval of transmission charges for MB TPS (Anuppur)-Jabalpur Pooling Station 400 kV D/C (triple Snowbird) line only under Transmission System for connectivity of MB Power (M.P.) Limited in Western Region (hereinafter referred to as "transmission asset") for tariff block 2014-19 from the date of commercial operation to



31.3.2019 based on the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2014 (hereinafter referred to as “the 2014 Tariff Regulations”).

2. As per the Investment Approval dated 5.8.2011, the instant asset was scheduled to be commissioned on 5.8.2013. However, the instant asset was commissioned on 8.8.2014 after a delay of 10 months and 19 days.

3. PGCIL has submitted that the instant asset was ready for use but could not be commissioned due to delay in commissioning of generation by MB Power. PGCIL has submitted that it was not able to provide service for reasons not attributable to itself, its suppliers or contractors. The instant assets qualifies for approval of date of commercial operation as provided under proviso (ii) of Regulation 4(3) of the 2014 Tariff Regulations and accordingly prayed for approval of date of commercial operation as 8.8.2014.

4. MBPL, vide affidavit dated 30.6.2015, has submitted that the COD of the instant asset should not be approved as 8.8.2014 till the petitioner successfully demonstrates the compliance of all the regulatory, statutory and legally pre-conditions etc. for declaration of COD. MBPL has also submitted that the petitioner has not provided requisite metering as per approved scheme and in accordance with statutory requirements. The certificate issued by the Electrical Inspector for the instant asset is not for commencement of supply but for anti-theft charging, which is not valid under Regulation 43 of CEA (Measures relating to Safety and Electric Supply) Regulation 2010. MBPL has further submitted that it is not liable to pay any transmission charges till the time the instant asset serves the intended purpose of dispatch of power from the Generation Project of the respondent under the Long



Term Access granted to it and as such the respondent should not be burdened with any liability in terms of transmission charges but rather the determination, billing and recovery of the transmission tariff is subject to "PoC methodology".

5. MB Power (Madhya Pradesh) Limited has also filed Interlocutory Application No.21/IA/2016 seeking directions and for calling for records/information from information from PGCIL under Sections 94(1)(b) and 94(1)(c) of Electricity Act, 2003 in the instant petition. The IA No.21/IA/2016 in Petition No. 141/TT/2015 was disposed with a direction to PGCIL to file its reply on interrogatories and MBPL to file its rejoinder. The Commission further held that it will proceed to pass the final order in Petition No.141/TT/2015 taking into consideration the submissions of the petitioner and MBPL with respect to the interrogatories.

6. During the hearing on 28.7.2016, the representative of the petitioner submitted that though all the work related to the instant asset was completed and it was commissioned on 8.8.2014, it is not getting any tariff. He prayed for grant of Annual Fixed Charges (AFC) in terms of proviso (i) of Regulation 7(7) of the 2014 Tariff Regulations in respect of the instant asset.

7. We have considered the submissions of the petitioner and the respondent, MBPL. Grant of final tariff in this matter is likely to take some time and as such, the Commission has decided to grant AFC in terms of Regulation 7(7) of the 2014 Tariff Regulations. The petitioner has claimed the date of commercial operation of the instant asset as 8.8.2014 and the same is disputed by MBPL. It is observed that MBPL has commissioned its generating station on 20.5.2015. Pending the decision regarding the date of commercial operation of the instant asset, tariff is allowed



under Regulation 7(7) of the 2014 Tariff Regulations on provisional basis considering the date of commercial operation of the instant asset as 20.5.2015.

8. As per proviso (i) of Regulation 7(7) of the 2014 Tariff Regulations, the Commission may grant tariff upto 90% of the AFC of the transmission system or element thereof for the purpose of inclusion in POC charges in accordance with the Central Electricity Regulatory Commission (Sharing of Inter State Transmission charges and losses), Regulations, 2010 (2010 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 the 2014 Tariff Regulations provides that such an application shall be filed as per Annexure-I of these regulations.

9. The petitioner has made the applications as per Annexure-I of the 2014 Tariff Regulations. The petitioner has also complied with the requirements of 2014 Regulations, such as service of the copy of the application on the beneficiaries, publication of notice and web hosting of the application, etc. The issues raised by MBPL will be considered at the time of final hearing.

10. After carrying out preliminary prudence check of the AFC claimed by the petitioner and taking into consideration the time over-run in case of instant asset, which shall be looked into in detail at the time of issue of final tariff, the Commission has decided to allow tariff for the instant assets in terms of proviso (i) of Regulation



7(7) of the 2014 Tariff Regulations as given in para 11 of this order for the years 2015-16 and 2016-17.

11 Annual transmission charges claimed by the petitioner are as follows:-

(₹ in lakh)						
Asset	COD claimed	2014-15	2015-16	2016-17	2017-18	2018-19
MB TPS (Anuppur)- Jabalpur Pooling Station 400 kV D/C (triple Snowbird) line	8.8.2014	4481.60	7021.54	7040.09	6931.92	6738.29

Annual transmission charges allowed in terms of Regulation 7(7) of the 2014 Tariff Regulations are as follows:-

(₹ in lakh)				
Asset	Provisional COD	2014-15	2015-16	2016-17
MB TPS (Anuppur)- Jabalpur Pooling Station 400 kV D/C (triple Snowbird) line	20.5.2015	NA	4865.20	5632.07

12. The AFC allowed is provisionally applicable from 20.5.2015.

sd/-
(M.K. Iyer)
Member

sd/-
(A.S. Bakshi)
Member

sd/-
(A.K. Singhal)
Member

sd/-
(Gireesh B. Pradhan)
Chairperson

