

**CENTRAL ELECTRICITY REGULATORY COMMISSION  
NEW DELHI**

**Petition No. 67/TT/2015**

Subject: Approval of transmission tariff for combined Asset-I: HVDC Portion, combined Asset-II: AC Portion from anticipated COD 1.3.2015 to 31.3.2019 under the transmission system associated with "North East–Northern/Western Interconnector–I Project" in North Eastern, Northern & Western Region.

Date of Hearing : 5.7.2016.

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

Petitioner : Power Grid Corporation of India Limited (PGCIL)

Respondents : NTPC Limited and 10 others

Parties present : Shri Sanjay Sen, Sr. Advocate, PGCIL  
Mrs Swapna Seshadri, Advocate, PGCIL  
Shri Jasbir Singh, PGCIL  
Shri Amit Bhagava, PGCIL  
Shri V. Chandra Seghal, PGCIL  
Shri Amit Kumar Chauhan, PGCIL  
Shri H.K. Mallick, PGCIL  
Shri S.K. Venkatesan, PGCIL  
Shri S.S. Raju, PGCIL  
Shri Rakesh Prasad, PGCIL  
Shri M.M. Mondal, PGCIL  
Shri Vivek Kumar Singh, PGCIL  
Shri H.K. Mallik, PGCIL  
Shri M.K. Adhikary, AEGCL  
Shri K. Giswami APDCL  
Shri H.M. Sharma, APDCL  
Shri Umakanta Sahu, GRIDCO  
Shri S.K. Agarwal, Advocate, Rajasthan Discoms



Shri S.P. Das, Adcocate, Rajasthan Discoms  
Ms. Shikha Saloni, Rajathan Discoms  
Ms, Shreeja. R.S.,KSEBL  
Ms. Sheena M. Daniel, KSEBL  
Shri Raj Kumar Mehta, Advocate, GRIDCO  
Shri Himanshu Andley, Advocate, GRIDCO  
Shri K.V.S. Baba, NLDC, POSOCO  
Shri S.S. Barbanada, NLDC, POSOCO  
Shri N. Nallarasan, NLDC, POSOCO

### **Record of Proceedings**

Learned senior counsel for the petitioner submitted that there is time over-run of 29 months in case of instant assets due to RoW issues. He submitted that Commission in its order dated 26.5.2016 in Petition No. 259/TT/2015 condoned the time over-run in case of other assets covered in the same corridor and he requested to condone the time over-run in case of the instant assets and allow IDC and IEDC. He also prayed for socializing the cost of the project and stated that his submissions are same as considered by the Commission in order dated 8.1.2016 in the instant case and he has nothing more to add.

2. The learned counsel of GRIDCO submitted that the beneficiaries for whom the system was created and conceptualized are beneficiaries of Northern, Western and North-Eastern Regions and passing on burden of HVDC link charges to all DICs will go against 3rd amendment to the Central Electricity Regulatory Commission (Sharing of inter-state Transmission Charges and Losses) Regulations, 2015 as well as Electricity Policy. He further submitted that as per Sharing Regulations, every designated ISTS Customer (DIC) has the liability to pay the transmission charges for the system as per "Actual Usage" and as per Regulation 11(4) of Sharing Regulations, only 10% of the YTC shall be recovered through 'Reliability Support Charge'. He submitted that the respondent is already paying approximately ₹300 lakh per month as 'Reliability Support Charge' and imposing more than 10% burden on DICs other than immediate beneficiaries in NR, NER and WR is contrary to the Sharing Regulations. He submitted that there is no basis for burdening on the DICs in this regard and for any remote benefit, 10% reliability support charge is already being paid and as such, other DICs cannot be equated at par with immediate beneficiaries for whom HVDC line is created. He further submitted that the issue was also discussed in 20th Standing Committee Meeting on Power System Planning (SCMPSP) of Northern region 22.4.2006 where the beneficiaries of Northern Region and Northern-Eastern Regions agreed to bear the tariff of the instant assets.

3. The learned counsel of Rajasthan Discoms submitted that they accept 'socializing the cost' of the instant assets.



4. The representative of KSEB has submitted that they have already filed their reply vide affidavit dated 18.4.2016. She further submitted that the beneficiaries of Southern Region were never consulted at any stage of the planning process of the subject transmission system. She submitted that it adopts the submissions made by GRIDCO. She requested time to file a detailed reply.

5. The representative of AEGCL submitted that they used to pay ₹1800 lakh as transmission charges earlier and after the inclusion of the transmission charges of the instant assets in PoC they are paying ₹3780 lakh. He submitted that a petition has already been filed by them against the order dated 8.1.2016, wherein AFC was granted for the instant assets under Regulation 7(7) of the 2014 Tariff Regulations.

6. The representative of APDCL submitted that the generating stations related to instant assets have not been commissioned. As such, the transmission charges for the instant assets should be borne by those generators who have not commissioned their assets.

7. The learned senior counsel for the petitioner clarified that amendments to the Sharing Regulations were made to take care of the HVDC systems by taking into account the existing Talcher-Kolar and other HVDC lines. He further submitted that only 62% of the transmission charges are only recovered at present and they are put to financial difficulties.

8. In response to a query of the Commission regarding steps taken for funding the project from Ministry of Power, learned senior counsel for the petitioner submitted that the petitioner is expediting the process and is negotiating for one time funding by Ministry of Power and has also sought funding through clean energy fund and it may take one year.

9. The Commission directed the petitioner to file the following information, on affidavit by 29.7.2016 with a copy to the respondents:-

- 1) Correct documents in support of Interest Rates for Foreign loans: Supplier's Credit Agricole (SEK) & Supplier's Credit Agricole (EUR), and Domestic Loans: SBI (2012-13, 9.55%), SBI (2014-15, 9.55%) & Proposed Loan (2015-16, 8.40%). If there is any default in interest payment on loan, petitioner is required to provide the details;
- 2) Documents in support of exchange rates of all the foreign loans mentioned in Form-9C of Asset-I; and
- 3) Revised Form 14 (Other income generated) and Form-15 (actual cash expenditure) in respect of all the assets, if any.



10. The Commission directed the respondents to file their reply by 5.8.2016 with an advance copy to the petitioner who shall file its rejoinder, if any, by 12.8.2016. The Commission further observed that no extension of time shall be granted for any reason whatsoever. In case no information is filed within the due date, the matter shall be considered based on the available records.

11. Subject to the above, order in the petition was reserved by the Commission.

By order of the Commission

sd/-  
(T. Rout)  
Chief (Law)

