

**CENTRAL ELECTRICITY REGULATORY COMMISSION  
NEW DELHI**

**Petition No. 183/TT/2016**

**Coram:**

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

**Date of Order : 1.12.2016**

**In the matter of:**

Approval of transmission tariff of Assets (3 nos.) under Sikkim Generation Projects-Part-B in Eastern Region from actual COD to 31.3.2019 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  
"Saudamini", Plot No.2,  
Sector-29, Gurgaon -122 001

**.....Petitioner**

**Vs**

1. Gati Infrastructure Chuzachen Limited,  
1-7-293, MG Road, 268, Udyog Vihar,  
Phase-IV, Secunderabad,  
Andhra Pradesh-500 003
2. Gati Infrastructure Bhasmay Power Limited,  
1-7-293, MG Road, 268, Udyog Vihar,  
Phase-IV, Secunderabad,  
Andhra Pradesh-500 003
3. PTC India Limited,  
2<sup>nd</sup> Floor, NBCC Tower, 15, Bhikaji Cama Palace,  
New Delhi



4. Lanco Energy Private Limited,  
Plot No. 397, 2<sup>nd</sup> Floor, Udyog Vihar, Phase-III,  
Gurgaon, Haryana-122 016
5. Dans Energy Private Limited,  
5<sup>th</sup> Floor, DLF Building No. 8, Tower C,  
DLF Cyber City Phase-II,  
Gurgaon, Haryana-122 002
6. Jai Power Corporation Limited,  
405-406, Raja House, 30-31, Nehru Place,  
New Delhi-110 019
7. Madhya Bharat Power Corporation Limited,  
NH-31-A, Golitar, Singtam,  
Gangtok-737 134, Sikkim
8. Bihar State Power (Holding) Company Limited,  
(Formerly Bihar State Electricity Board-BSEB),  
Vidyut Bhawan, Bailey Road,  
Patna-800 001
9. West Bengal State Electricity Distribution Company Limited,  
Bidyut Bhawan, Bidhan Nagar,  
Block DJ, Sector-II, Salt Lake City,  
Kolkata-700 091
10. Grid Corporation of Orissa Limited,  
Shahid Nagar,  
Bhubaneswar-751 007
11. Damodar Valley Corporation,  
DVC Tower, Maniktala, Civil Centre,  
VIP Road, Kolkata-700 054
12. Power Department,  
Govt. of Sikkim, Gangtok-737 101
13. Jharkhand State Electricity Board,  
In front of Main Secretariat,  
Doranda, Ranchi-834 002

.....Respondents

**For petitioner** : Shri Mukesh Bhakar, PGCIL  
Shri Rakesh Prasad, PGCIL



Shri S.K. Venkatesan, PGCIL  
Shri M.M. Mondal, PGCIL

**For respondents** : Ms. Molshree Bhatnagar, Advocate for LANCO

**ORDER**

The petitioner, Power Grid Corporation of India Limited (PGCIL) has filed this petition for approval of the transmission tariff for Assets (3 nos.) under Sikkim Generation Projects-Part-B in Eastern Region in accordance with the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2014 (hereinafter referred to as "the 2014 Tariff Regulations"). The petitioner has also prayed for allowing 90% of the Annual Fixed Charges claimed, in terms of proviso (i) of Regulation 7(7) of the 2014 Tariff Regulations.

2. The tariff for different elements of the project "Sikkim Generation Projects-Part-B in Eastern Region" has been claimed by the petitioner in Petition Nos. 292/TT/2013, 118/TT/2014, 530/TT/2014, 230/TT/2015, 268/TT/2015 and 68/TT/2016. The details of the elements covered in the instant petition are as follows:-

<b>Particulars</b>	<b>Name of the Asset</b>	<b>Scheduled COD</b>	<b>Actual COD as on the date of petition</b>
Asset-I	220 kV D/C Rangpo-New Melli line and associated bays at Rangpo and New Melli alongwith one no. 220 kV Bus Coupler bay each at Rangpo and New Melli	1.12.2013	21.5.2015
Asset-II	1 no. 31.5 MVAR Bus Reactor (1 <sup>st</sup> ) at New Melli and associated bay		31.1.2016
Asset-III	1 no. 31.5 MVAR Bus Reactor (2nd) at New Melli and associated bay		21.3.2016



3. During the hearing on 17.11.2016, the representative of the petitioner 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 assets.

4. 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), Regulation, 2010. 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.

5. We have considered the submissions of the petitioner. The petitioner has made the applications as per Annexure-I of 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.

6. After carrying out preliminary prudence check of the AFC claimed by the petitioner and taking into consideration the time over-run and cost over-run in case of the instant assets, 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 for 2015-16, 2016-17 and 2017-18 in terms of proviso (i) of Regulation 7(7) of the 2014 Tariff Regulations as given in para 7 of this order.

7. The details of the tariff claimed by the petitioner and tariff allowed by the Commission are as under:-

A. Annual transmission charges claimed by the petitioner are as under:-

Assets	(₹ in lakh)			
	2015-16 (pro-rata)	2016-17	2017-18	2018-19
Asset-I	1982.95	2826.31	3190.91	3150.63
Asset-II	36.09	237.47	251.31	248.31
Asset-III	6.27	235.73	252.93	249.90

B. Annual transmission charges allowed are as below:-

Assets	(₹ in lakh)		
	2015-16 (pro-rata)	2016-17	2017-18
Asset-I	894.78	1275.34	1439.86
Asset-II	24.06	158.29	167.52
Asset-III	4.16	156.33	167.74

8. The AFC allowed in this order shall be applicable from the date of commercial operation 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. Further, the transmission charges allowed in this order shall be subject to adjustment as per Regulation 7(7) of the 2014 Tariff Regulations.



9. The Commission directed the petitioner to submit the following information on affidavit with a copy to the respondents by 12.12.2016:-

- a) CEA certificate under Regulation 43 of CEA (Measures Related to Safety & Electricity Supply) Regulations, 2010 for instant assets;
- b) Details of time over-run and chronology of the activities along with documentary evidence, as there is a delay in completion of the instant assets, covered in this petition, as per the format as under:-

Asset	Activity	Period of activity				Reason(s) for delay along with reference to supporting document
		Planned		Achieved		
		From	To	From	To	

- c) Detailed reasons for cost variation of 77.29%, 20.01% and 20.63% in case of Asset-I, Asset-II and Asset-III respectively;
- d) Colored single line diagram clearly indicating assets covered in the instant petition and status of upstream/downstream system;
- e) RCE duly approved, if any;
- f) Clarify whether entire liability pertaining to initial spares has been discharged as on COD, if not, year wise details of liability discharged and undischarged separately and whether the undischarged liability as on COD for initial spares is adjusted in estimated additional capital expenditure;
- g) Details of undischarged liabilities as on COD and actual discharge of such liabilities by payments made during 2014-19 for instant assets and duly certified by Auditors;
- h) Confirm if any asset has been decapitalised/replaced/not put to use on commissioning of instant assets. If yes, details of de-capitalised/replaced asset (i.e. date of capitalisation of replaced asset, gross block, accumulated depreciation till date of replacement) alongwith petition numbers in which tariff of the replaced assets were claimed; and
- i) Explain the reason for absence of “total amount of loan figure” in gross loan amount indicated in Form-12B and reconcile the difference in loan amount as on COD as mentioned in Form-9C, Form-12B and IDC. Loan wise reconciliation statement of gross loan between Form-9C, Form 12B and IDC calculation for



instant assets as on COD alongwith revised Form 12B indicating the total loan amount in respect of the instant assets.

10. The parties are directed to complete the pleadings by 30.12.2016. The matter shall be listed on 3.1.2017.

sd/-  
**(M.K. Iyer)**  
Member

sd/-  
**(A.S. Bakshi)**  
Member

sd/-  
**(A.K. Singhal)**  
Member

sd/-  
**(Gireesh B. Pradhan)**  
Chairperson

