

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 206/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 : 23.12.2016

In the matter of:

Determination of transmission tariff from CODs to 31.3.2019 for Asset I: 1 No. 1x500 MVA ICT at 400/220 KV Subhasgram Sub-station along with the associated bays and 2 Nos. of 220 kV equipped line bays at 400 KV Subhasgram Sub-station and Asset II: Shifting of 2x50 MVAR line Reactor from Patna end of 400 kV Kahalgaon/Barh – Patna D/C line to Balia end of 400 kV Patna-Balia D/C line under transmission system for “Eastern Region Strengthening Scheme – VIII” in Eastern 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.

And in the matter of:

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

.....Petitioner

Vs

1. Bihar State Power (Holding) Company Limited
(Formerly Bihar State Electricity Board),
Bidyut Bhawan, Bailey road,
Patna-800 001, Bihar



2. West Bengal State Electricity Distribution Company Ltd.
Bidyut Bhawan, Bidhan Nagar Block DJ
Sector-II, Salt Lake City
Calcutta-700 091.
3. Grid Corporation of Orissa Ltd.
Shahid Nagar, Bhubaneswar-751 007.
4. Jharkhand State Electricity Board
In Front of Main Secretariat Doranda,
Ranchi-834 002.
5. Damodar Valley Corporation
DVC Tower, Maniktala Civic Centre,
VIP Road Calcutta-700 054.
6. Power Department, Government of Sikkim,
Gangtok- 737 101

.....**Respondents**

For petitioner : Shri S.K. Venkatesan, PGCIL
Shri K.K. Jain, PGCIL
Shri Rakesh Prasad, PGCIL
Shri M.M. Mondal, PGCIL
Shri S.S. Raju, PGCIL
Shri Jasbir Singh, PGCIL

For respondents : Shri R.B. Sharma, Advocate, BRPL

ORDER

The petitioner, Power Grid Corporation of India Limited (PGCIL) has filed the instant petition for determination of tariff for **Asset I:** 1 No. 1x500 MVA ICT at 400/220 KV Subhasgram Sub-station along with the associated bays and 2 Nos. of 220 kV equipped line bays at 400 KV Subhasgram Sub-station and **Asset II:** Shifting of 2x50 MVAR line Reactor from Patna end of 400kV Kahalgaon/Barh-Patna D/C line to



Baliaend of 400kV Patna-Balia D/C line under Transmission System for “Eastern Region Strengthening Scheme-VIII” 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 for inclusion in PoC mechanism. The details of the elements covered in the instant petition are as follows:-

Name	Scheduled COD	Actual COD	Delay
Asset I: 1 No. 1x500 MVA ICT at 400/220 KV Subhasgram Sub-station along with the associated bays and 02 Nos. of 220 kV equipped line bays at 400 KV Subhasgram Sub-station.	26.4.2015	29.1.2015	NIL
Asset II: Shifting of 2x50 MVAR line Reactor from Patna end of 400kV Kahalgaon/Barh – Patna D/C line to Balia end of 400kV Patna-Balia D/C line		11.2.2016	9 months 15 days

3. The matter was heard on 6.12.2016, 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 asset.

4. It is observed that the petitioner has claimed tariff earlier for Asset I: 1 No. 1x500 MVA ICT at 400/220 KV Subhasgram Sub-station along with the associated bays and 02 Nos. of 220 kV equipped line bays at 400 KV Subhasgram Sub-station in Petition No.475/TT/2014. Certain information was sought w.r.t to Asset I from the petitioner. As the same was not submitted by the petitioner, the final tariff was not allowed in the said



petition and the tariff was allowed under Regulation 7(7) of the 2014 Tariff Regulations vide order dated 15.4.2015 with direction to file a fresh petition. The relevant portion of the order is extracted as under:-

“Since the petitioner has not submitted adequate information in respect of Asset-I despite the direction of the Commission, the application is found to be inadequate to the extent of determination of Asset-I. Therefore, the instant petition is admitted for the determination of Asset-II and Asset-III. The petitioner shall file a separate petition for Asset-I. However, the tariff allowed, vide order dated 15.4.2015, for the Asset-I for the purpose of billing of PoC shall remain applicable as the Asset is already commissioned as on 29.1.2013.”

5. The petitioner has filed the present petition for Asset I as well as other asset. From submissions of the petitioner in the instant petition, it is observed that Asset I has not been put into use as the downstream assets, being executed by WBSETCL, have not been commissioned. Since, Asset I has not been put to use, we are not inclined to grant AFC under Regulation 7(7) of the 2014 Tariff Regulation as prayed by the petitioner and the tariff allowed vide order 15.4.2015 for Asset I is withdrawn. The petitioner is directed to remove tariff allowed from the computation of PoC charges.

6. 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.

7. 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.

8. After carrying out preliminary prudence check of the AFC claimed by the petitioner and taking into consideration the time and cost over-run in case of Asset II, which will be considered at the time of grant of final tariff, the Commission has decided to allow tariff in terms of proviso (i) of Regulation 7(7) of the 2014 Tariff Regulations as given in para 9 of this order for the years 2015-16, 2016-17 and 2017-18.

9. 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 follows:-

(₹ in lakh)			
Asset-II	2015-16 (pro-rata)	2016-17	2017-18
	8.79	95.69	116.04

B. Annual transmission charges allowed are given below:-

(₹ in lakh)			
Asset-II	2015-16 (pro-rata)	2016-17	2017-18
	7.03	76.55	92.83

10. The Annual Fixed Charges 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.

11. The petitioner is directed to submit the information sought vide RoP dated 17.11.2016 on affidavit with an advance copy to respondents by 2.1.2017.

12. The Commission directed the respondents to file their reply by 9.1.2017 with an advance copy to the petitioner who shall file its rejoinder, if any by 27.1.2017. The



information sought above is in term of the Commission's order dated 6.5.2016 in Petition No. 8/SM/2016 which has not been filed by the petitioner. The petitioner shall ensure that the above information is filed within the due date mentioned. In case, no additional information is filed within the said date, the matter shall be placed before the Commission for necessary orders.

13. The matter shall be listed on 7.2.2017.

-sd-
(Dr. M.K. Iyer)
Member

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(A.S. Bakshi)
Member

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(A.K. Singhal)
Member

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(Gireesh B. Pradhan)
Chairperson

