

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 210/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:

Approval of transmission tariff of **Asset-I:** 2 nos. 400 kV line bays alongwith 1x63 MVAR (Fixed) line Reactor at Chaibasa Sub-station, (COD: 19.6.2016), **Asset-II:** 1x63 MVAR (Fixed) line Reactor at Chaibasa Sub-station, (COD: 27.10.2016), **Asset-III:** 2 nos. 400 kV line bays alongwith 2x50 MVAR (Fixed) line Reactor at Ranchi 765/400 kV Sub-station, (COD: 17.10.2016), **Asset-IV:** 2 nos. 400 kV line bays at Kharagpur Sub-station (Anticipated COD: 30.11.2016) and **Asset-V:** 2 nos. 400 kV bays at Purulia Sub-station, (Anticipated COD: 31.3.2017) under Eastern Region Strengthening Scheme VII (ERSS VII) 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. Bihar State Power (Holding) Company Limited,
(Formerly Bihar State Electricity Board-BSEB),
Vidyut Bhawan, Bailey Road,
Patna-800 001
2. West Bengal State Electricity Distribution Company Limited,
Bidyut Bhawan, Bidhan Nagar,
Block DJ, Sector-II, Salt Lake City,
Kolkata-700 091



3. Grid Corporation of Orissa Limited,
Shahid Nagar,
Bhubaneswar-751 007
4. Damodar Valley Corporation,
DVC Tower, Maniktala, Civic Centre,
VIP Road, Kolkata-700 054
5. Power Department,
Govt. of Sikkim, Gangtok-737 101
6. Jharkhand State Electricity Board,
In front of Main Secretariat,
Doranda, Ranchi-834 002
7. Sterlite Power Grid Ventures Limited,
F-1, Mira Corporate Suits,
1 & 2 Mathura Road, Ishwar Nagar,
New Delhi-110065

.....Respondents

For petitioner : Shri Mukesh Bhakar, PGCIL
Shri Rakesh Prasad, PGCIL
Shri S.K. Venkatesan, PGCIL
Shri M.M. Mondal, PGCIL

For respondents : None

ORDER

The petitioner, Power Grid Corporation of India Limited (PGCIL) has filed this petition for approval of the transmission tariff of **Asset-I**: 2 nos. 400 kV line bays alongwith 1x63 MVAR (Fixed) line Reactor at Chaibasa Sub-station, **Asset-II**: 1x63 MVAR (Fixed) line Reactor at Chaibasa Sub-station, **Asset-III**: 2 nos. 400 kV line bays alongwith 2x50 MVAR (Fixed) line Reactor at Ranchi 765/400 kV Sub-station, **Asset-IV**: 2 nos. 400 kV line bays at Kharagpur Sub-station and **Asset-V**: 2 nos. 400 kV bays at Purulia Sub-station, under Eastern Region Strengthening Scheme VII (ERSS VII) 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 details and the elements covered in the instant petition are as follows:-

Particulars	Name of the Asset	Scheduled COD	Anticipated/actual COD
Asset-I	2 nos. 400 kV line bays alongwith 1x63 MVAR (Fixed) line Reactor at Chaibasa Sub-station	23.3.2017	19.6.2016 (Actual)
Asset-II	1x63 MVAR (Fixed) line Reactor at Chaibasa Sub-station		27.10.2016 (Actual)
Asset-III	2 nos. 400 kV line bays alongwith 2x50 MVAR (Fixed) line Reactor at Ranchi 765/400 kV Sub-station		17.10.2016 (Actual)
Asset-IV	2 nos. 400 kV line bays at Kharagpur Sub-station		30.11.2016 (Anticipated)
Asset-V	2 nos. 400 kV bays at Purulia Sub-station		31.3.2017 (Anticipated)

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. We now consider the petitioner's prayer for grant of AFC under Regulation 7(7) of the 2014 Tariff Regulations. 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 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 2016-17 and 2017-18 in terms of proviso (i) of Regulation 7(7) of the 2014 Tariff Regulations as given in para 8 of this order.



7. Further, it is observed that Asset-III and Asset-V is not/shall not be put to use on account of non-commissioning of down-stream/up-stream connected transmission system. Therefore, the tariff for Asset-III and Asset-V is not allowed in this order.

8. 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)		
	2016-17 (pro-rata)	2017-18	2018-19
Asset-I	294.42	473.88	554.45
Asset-II	84.35	174.11	181.58
Asset-III	252.44	599.68	640.70
Asset-IV	140.03	316.61	333.65
Asset-V	1.56	624.91	706.11

B. Annual transmission charges allowed are as below:-

Assets	(₹ in lakh)	
	2016-17 (pro-rata)	2017-18
Asset-I	168.52	271.24
Asset-II	38.55	79.57
Asset-IV	111.44	251.96

9. 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.

10. The Commission directed the petitioner to submit the following information on affidavit with a copy to the respondents by 30.12.2016:-

- a) CEA certificate under Regulation 43 of CEA (Measures Related to Safety & Electricity Supply) Regulations, 2010 for the instant assets;
- b) Detailed reasons for cost variation alongwith documentary evidence as per Form-5 item wise and RCE duly approved, if any;
- c) Colored single line diagram alongwith up-stream/down-stream network details for Kharagpur, Chaibasa, Ranchi and Purulia Sub-stations;
- d) RLDC Certificate for completion of trial operation for Asset-II to Asset-V and to clarify reasons for submitting scheduled date of commissioning as 1.4.2017 instead of 23.3.2017;
- e) Actual COD of Asset-IV and Asset-V;
- f) Clarify whether the transmission assets are in use or not;
- g) For working out the final tariff furnish Auditors' Certificates with revised tariff forms, where there is change in COD of the assets as compared to that submitted in the petition;
- h) Documents in support of repayment schedules (as per Form-9C) of SBI loan deployed for instant assets;
- i) Form-4A "Statement of Capital Cost" as per book of accounts, separately on accrual basis and cash basis alongwith statement of capital liabilities in gross block;
- j) Form-9 (Details of allocation of corporate loans to various transmission elements) in respect of each asset;
- k) Computation of interest during construction (IDC) along with editable soft copy in Excel format with links for instant assets for period upto actual/anticipated COD;



11. The additional information sought above is in terms 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.

12. The parties are directed to complete the pleadings by 27.1.2017. The matter shall be listed on 7.2.2017.

sd/-
(M.K. Iyer)
Member

sd/-
(A.S. Bakshi)
Member

sd/-
(A.K. Singhal)
Member

sd/-
(Gireesh B. Pradhan)
Chairperson

