

**CENTRAL ELECTRICITY REGULATORY COMMISSION  
NEW DELHI**

**Petition No. 232/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 : 29.12.2016**

**In the matter of:**

Approval of transmission tariff for Main SCADA EMS System-5 assets under project-“Expansion/Upgradation of SCADA/EMS System of SLDCs of Eastern Region” from 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,  
(erstwhile Bihar State Electricity Board),  
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. Jharkhand State Electricity Board,  
In front of Main Secretariat,  
Doranda, Ranchi-834 002
5. Damodar Valley Corporation,  
DVC Tower, Maniktala  
Civic Centre, VIP Road,  
Kolkata-700 054
6. Power Department,  
Govt. of Sikkim, Gangtok-737 101

.....Respondents

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

**For respondents** : Shri R.B. Sharma, Advocate for BSP(H)CL

### **ORDER**

The petitioner, Power Grid Corporation of India Limited (PGCIL) has filed this petition for approval of the transmission tariff for Main SCADA EMS System-5 assets under project-“Expansion/Upgradation of SCADA/EMS System of SLDCs of Eastern Region” from COD to 31.3.2019 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 of the elements covered in the petition are as follows:-



Particulars	State	Name of the Asset	COD		Delay
			Scheduled	Actual	
Asset-I	DVC	Main SCADA EMS System of SLDCs	5.7.2015	8.1.2016	6 months
Asset-II	Sikkim				
Asset-III	BSPTCL				
Asset-IV	JUSNL			31.3.2016	9 months
Asset-V	DVC Main Control Central (Howrah)				

3. The details of capital costs claimed by the petitioner are as under:-

(₹ in lakh)

Particulars	Approved apportioned cost	Cost as on COD	Projected capital expenditure			Estimated completion cost
			2015-16	2016-17	2017-18	
Asset-I	545.75	312.18	-	186.10	-	498.28
Asset-II	499.50	267.81	47.18	109.69	-	424.68
Asset-III	881.28	530.93	87.24	141.37	-	759.54
Asset-IV	515.90	332.35	51.37	111.23	-	494.95
Asset-V	516.85	296.81	-	116.25	60.00	473.06
<b>Total</b>	<b>2959.28</b>	<b>1740.08</b>	<b>185.79</b>	<b>664.64</b>	<b>60.00</b>	<b>2650.51</b>

4. During the hearing on 15.12.2016, the representative of the petitioner submitted that the unrecovered charges of existing ULDC SCADA EMS system retained by it, which are presently being recovered considering 15 years of project life, may be allowed to be recovered through accelerated depreciation matching with the commissioning schedule of the new SCADA EMS system. He further requested to grant Annual Fixed Charges (AFC) in terms of proviso (i) of Regulation 7(7) of the 2014 Tariff Regulations in respect of the instant assets.

5. 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. 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.

6. 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.

7. After carrying out preliminary prudence check of the AFC claimed by the petitioner and taking into consideration the time 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 8 of this order.

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



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

(₹ in lakh)

Assets	2015-16 (pro-rata)	2016-17	2017-18	2018-19
Asset-I	13.57	75.43	90.54	87.59
Asset-II	12.65	68.79	76.87	74.37
Asset-III	25.19	128.41	137.57	133.01
Asset-IV	15.53	81.63	89.44	86.54
Asset-V	0.15	67.04	81.91	84.88

B. Annual transmission charges allowed are as below:-

(₹ in lakh)

Assets	2015-16 (pro-rata)	2016-17	2017-18
Asset-I	10.86	60.34	72.43
Asset-II	10.12	55.03	61.50
Asset-III	20.15	102.73	110.06
Asset-IV	12.42	65.30	71.55
Asset-V	0.12	53.63	65.53

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 16.1.2017:-

a) ERLDC certificate in support of commissioning of instant assets;



- b) Detailed breakup of optical fibre length under investment approval covered and claimed in various petitions;
- c) Explain whether the existing SCADA system is being replaced or existing system is being expanded with reference to indication in the Investment Approval which indicates "Expansion/Upgradation of SCADA/EMS system of SLDCs of Eastern Region". In case the existing system is being expanded explain the treatment of existing SCADA system;
- d) Investment Approval duly signed by Company Secretary;
- e) Details of replaced asset (i.e. Date of capitalization of replaced asset, gross block, accumulated depreciation till the date of replacement.) alongwith the petition nos. in which the tariff of the replaced assets are claimed;
- f) Detailed reasons for time over-run and chronology of the activities along with documentary evidence, as per the format below:-

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

- g) 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 for initial spares, as on COD is adjusted in estimated additional capital expenditure;
- h) Details of incidental expenditure incurred (IEDC) up to COD;
- i) Documents in support of Repayment Schedule for SBI Loans;
- j) Reconcile the difference between the loan amount mentioned in IDC computation statement and Form-9C and Form-12B as these are not matching for SBI loan; and
- k) Linkage of present petition with Petition No. 188/MP/2014, if any. If so the details thereof.

11. The 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 13.2.2017. The matter shall be listed on 21.2.2017. The Commission also directed the petitioner and the respondents to file the information within the specified dates.

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

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

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

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

