

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 49/RP/2016

Coram:

**Shri A.S. Bakshi, Member
Dr. M.K. Iyer, Member**

Date of Order : 14.10.2016

In the matter of:

Review under Section 94 of Electricity Act, 2003 read with Regulation 103 of the Central Electricity Regulatory Commission (Conduct of Business) Regulations, 1999 read with Order 47, Rule 1 of Code of Civil Procedure, 1908 of order dated 30.5.2016 in Petition No. 248/TT/2015.

And in the matter of:

Power Grid Corporation of India Ltd.
'SAUDAMINI', Plot No-2,
Sector-29, Gurgaon -122 001 (Haryana).

.....**Petitioner**

Versus

1. Madhya Pradesh Power Trading Company Ltd.
Shakti Bhawan, Rampur, Jabalpur-482008
2. Maharashtra State Electricity Distribution Co. Ltd.
Hongkong Bank Building 3rd Floor,
M.G. Road, Fort, Mumbai- 400001
3. Gujarat Urja Vikas Nigam Ltd.
Sardar Patel Vidyut Bhawan,
Race Course Road
Vadodara- 390007
4. Electricity Department
Govt. of Goa,
Vidyut Bhawan, Panaji- 403001



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5. Electricity Department
Administration of Daman & Diu,
Daman- 396210
6. Electricity Department
Administration of Dadra Nagar Haveli,
U.T., Silvassa- 396230
7. Chhattisgarh State Electricity Board
P.O Sunder Nagar, Dangania, Raipur
Chhattisgarh-492013
8. Madhya Pradesh Audyogik Kendra Vikas Nigam (Indore) Ltd.
3/54, Press Complex, Agra-Bombay Road
Indore-452008

.....**Respondents**

For petitioner : Shri M. G. Ramachandran, Advocate, PGCIL
Ms. Poorva Saigal, Advocate, PGCIL
Ms. Anushree Bardhan, Advocate, PGCIL
Shri Jasbir Singh, PGCIL
Shri S.S. Raju, PGCIL
Shri Rakesh Prasad, PGCIL
Shri S.K. Venkatesan, PGCIL
Shri M.M. Mondal, PGCIL

For respondents : None

Interim Order

The instant review petition has been filed by Power Grid Corporation of India (PGCIL) seeking review of order dated 30.5.2016 in Petition No. 248/TT/2015, wherein the transmission tariff for **Asset-I**: 765 kV D/C Solapur-Aurangabad Transmission Line along with 2 x 240MVAR Switchable Line Reactor with associated bays at Solapur Sub-station (COD: 7.10.2015) and **Asset-II**: 2 x 240 MVAR Switchable Line Reactor along with associated bays at Aurangabad Sub-station (Anticipated COD: 15.3.2016)



Interim order in Petition No. 49/RP/2016

associated with Inter-Regional System Strengthening Scheme for Western Region and Northern Region (Part-A) (hereinafter referred to as “Scheme”) for the 2014-19 tariff period was allowed.

2. The Scheme was approved by the Board of petitioner’s company vide Investment Approval (IA) dated 23.10.2013 and the assets included in the Scheme were scheduled to be commissioned within 36 months from the date of IA. Asset-I was commissioned on 7.10.2015 and Asset-II was anticipated to be commissioned in October, 2016. As there was delay in commissioning of Asset-II, the Commission directed PGCIL to file a separate petition for Asset-II and accordingly, tariff was allowed only for Asset-I, i.e. 765 kV D/C Solapur- Aurangabad Transmission Line along with 2 x 240MVAR Switchable Line Reactor with associated bays at Solapur Sub-station (hereinafter referred to as “asset”) in Petition No.248/TT/2015.

3. The petitioner claimed additional return of 0.5% for the asset as it was commissioned within 24 months from the date of IA, which is within the 40 months of timeline specified in the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2014 (hereinafter referred to as “2014 Tariff Regulations”) for becoming eligible for additional return on equity of 0.5%. However, the same was not allowed as the RPC certificate filed by the review petitioner did not clear state completion of the asset within the time specified in the 2014 Tariff Regulations will benefit the system operation in the regional/national grid.



4. The review petitioner has submitted that the petitioner's prayer for additional RoE of 0.5% for the instant asset was disallowed in order dated 30.5.2016, though relevant documents were placed on record in the main petition. The review petitioner has further submitted that the petitioner at the time of filing of original petition has submitted the WRPC certificate dated 15.3.2016 specifically referring to proviso (iii) of Regulation 24(2) of the Tariff Regulations. The review petitioner has further submitted that disallowance of additional RoE is an error apparent on the face of record and needs to be rectified in review.

5. During the hearing on 5.10.2016, learned counsel for the review petitioner submitted that the petitioner's claim for additional RoE was disallowed on the basis that the WRPC certificate submitted by the petitioner did not clearly state that the early commissioning of the transmission asset would be beneficial to the system. The learned counsel further submitted that the petitioner vide affidavit dated 15.3.2016 has submitted the necessary WRPC certificate which has been specifically referring that the instant transmission assets were commissioned as per the proviso (iii) of the Regulation 24(2) of the 2014 Tariff Regulations. The learned counsel further submitted that the issuance of the certificate is not in the hands of the petitioner. The learned counsel further submitted that the review petitioner has again submitted the revised WRPC certificate dated 13.6.2016 certifying that the transmission elements of the petitioner's project have been commissioned within the timeline specified and the element will be beneficial for system operation in Regional/National grid and accordingly prayed for the admittance of



the review petition filed by the petitioner. The learned counsel submitted that the review petitioner has complied with proviso (iii) of Regulation 24(2) of 2014 Tariff Regulations and requested to allow of additional RoE.

6. We have considered the submission of the review petitioner. We admit the review petition and issue notice to the respondents. PGCIL is directed to serve a copy of the petition on the beneficiaries and the parties are directed complete the pleadings by 21.10.2016.

7. The review petition shall be listed on 24.10.2016 for final hearing.

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

sd/-
(A.S. Bakshi)
Member

