

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 14/RP/2016
in
Petition No. 34/TT/2014

Coram:

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

Date of Hearing: 06.04.2016
Date of Order : 31.05.2016

In the matter of

Review of Commission's order dated 31.12.2015 in Petition No. 34/TT/2014 in the matter of approval of transmission tariff for (a) Asset-I: Balance portion of 400 kV D/C Jamshedpur-Baripada Transmission Line and associated bays at Jamshedpur, (b) Asset-II: 2 Nos. 400 kV bays at Durgapur Sub-station under ERSS-I in Eastern Region for tariff period 2014-19.

And in the matter of

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

.....Petitioner

Vs

1. Bihar State Electricity Board
Vidyut Bhawan, Bailey Road
Patna- 800001
2. West Bengal State Electricity Distribution Company Limited
Bidyut Bhawan, Bidhan Nagar,
Salt Lake City, Kolkata-700091
3. Grid Corporation of Orissa Ltd.
Shahid Nagar,
Bhubaneshwar- 751007
4. Damodar Valley Corporation
DVC Tower, Maniktala
Civic Centre, VIP Road,
Kolkata-700054
5. Power Department
Govt of Sikkim,
Gangtok-737101



6. Jharkhand State Electricity Board
Doranda,
Ranchi-834002

.....Respondents

Parties present:

Shri Anand K Ganesan, Advocate, PGCIL
Shri M. M. Mondal, PGCIL
Shri S. K. Venkatesan, PGCIL
Shri Rakesh Prasad, PGCIL
Shri S. S. Raju, PGCIL
Shri Subhash C. Taneja, PGCIL
Shri Pankaj Sharma, PGCIL

Order

This review petition has been made by the review petitioner, Power Grid Corporation of India Ltd. (PGCIL), seeking review of order dated 31.12.2015 in Petition No 34/TT/2014, where in transmission tariff for (a) Asset-I: Balance portion of 400 kV D/C Jamshedpur-Baripada Transmission Line and associated bays at Jamshedpur, (b) Asset-II: 2 Nos. 400 kV bays at Durgapur Sub-station under ERSS-I in Eastern Region was allowed for tariff period 2014-19.

(a) The scope of work covered under the project is as follows:-

Transmission Lines:

- i) 400 kV D/C Durgapur-Jamshedpur line
- i) 400 kV D/C Jamshedpur-Baripada Line
- ii) 400 kV D/C Baripada-Chandaka (Mendhasal) (GRIDCO) line
- iii) 400 kV D/C Re-conductoring of Silliguri- Purnea line with twin INVAR Moose conductor

Sub-stations:

- i) 400/220 kV Jamshedpur Sub-station extension
 - ii) 400/220 kV Durgapur Sub-station extension
 - iii) 400/220/132 kV Baripada Sub-station Extension
 - iv) 400/220 kV Siliguri Sub-station Extension
 - v) 400/220 kV Purnea Sub-station Extension
 - vi) 400/220 KV Chandaka (Mendhasal) Sub-station Extension (Gridco)
- } Re-conductoring of 400 KV bays including dismantling and replacement of equipment and associated works



2. Assets Covered in Petition No. 34/TT/2014

Asset-I: Balance portion of 400 kV D/C Jamshedpur-Baripada Transmission Line

Asset-II: 2 Nos. 400 kV bays at Durgapur Sub-station

3. As per the investment approval, the commissioning schedule of the project was 36 months from the date of investment approval. The investment approval was accorded on 4.10.2006 and the schedule date of commercial operation (SCOD) was 1.11.2009. Against the SCOD, Asset-I was put under commercial operation w.e.f. 1.10.2013 and Asset-II was put under commercial operation w.e.f. 1.2.2014. The total time over-run of 47 months for Asset-I was condoned in order in Petition No. 34/TT/2014 majorly on account of delay in forest clearance and ROW problems.

4. Petitioners submission in Petition No. 34/TT/2014 with respect to Asset-II is as follows:-

5. In the 14th ERPC meeting dated 11.6.2010 it was decided that 400 kV Durgapur-Jamshedpur transmission line may be terminated by DVC's DSTPP-Andal Project as a dedicated line till the resolution of ROW dispute & completion of Durgapur Andal portion of the line. Further, in 18th ERPC meeting dated 1.7.2011 it was ratified by ERPC that till the portion of the line (400kV D/C Durgapur-Jamshedpur) between Durgapur (PG) - DSTPP(DVC) gets completed, the line may be terminated at DSTPP(DVC) so as to form DSTPP(DVC)-Jamshedpur 400kV D/C line and the same may be included in the regional scheme. Based on the decision of ERPC as stated above, both the circuits of 400 KV Durgapur-Jamshedpur transmission line terminated at Andal (DSTPP) and have been covered under Petition No. 185/TT/2011. COD of both these circuits along with associated bays at Jamshedpur have been declared w.e.f. 1.5.2012. Meanwhile the



petitioner completed the major construction works of 2 numbers of bays at Durgapur Sub-station.

6. In 1st, 2013 Standing Committee meeting on power system planning in Eastern Region held on 5.1.2013, the following have been agreed.

- a) Final configuration of line may be modified as DSTPP (DVC) — Jamshedpur 400 KV D/C line, instead of Durgapur (PG)-Jamshedpur 400 KV D/C line.
- b) Dismantling of tower / structures erected between DSTPP (DVC) and Durgapur(PG) and kept as regional store.
- c) Utilization of 2 no. 400 KV line bays at Durgapur (PG) for future line.

7. In 26th ERPC meeting dated 17.1.2014 it was decided and agreed to allow the petitioner to declare 2 numbers of bays at Durgapur under ERSS-I as an asset of Eastern Region. In view of the above the petitioner has submitted that this 2 numbers of 400 kV bays at Durgapur Sub-station qualifies for consideration as per the second proviso to Regulation 3 (12) (c) of the 2009 Tariff Regulations.

8. Regulation 3 (12) (c) of the 2009 Tariff Regulations is reproduced below:-

“(c) in relation to the transmission system, the date declared by the transmission licensee from 0000 hour of which an element of the transmission system is in regular service after successful charging and trial operation:

Provided that the date shall be the first day of a calendar month and transmission charge for the element shall be payable and its availability shall be accounted for, from that date:

Provided further that in case an element of the transmission system is ready for regular service but is prevented from providing such service for reasons not attributable to the transmission licensee, its suppliers or contractors, the Commission may approve the date of commercial operation prior to the element coming into regular service.”

9. In this regard the Commission vide its letter dated 6.11.2015 sought how the 2 numbers of 400 kV line bays at Durgapur (PG) are being utilized, to which the petitioner replied that it is ready for use and will be utilized for future line, and requested the



Commission to approve the COD and transmission tariff of the Asset-II in accordance with Regulation 3 (12) (c) of the 2009 Tariff Regulations. Taking into consideration the above submissions of the petitioner, the Commission in order dated 31.12.2015 in Petition No. 34/TT/2015 took a view that the COD and tariff of 2 numbers of 400 kV line bays at Durgapur cannot be approved. The relevant extract of the order is as below:-

“It is observed that the petitioner has claimed commissioning of the bays prior to commissioning of line for which it shall be used. The petitioner has not submitted any details of line for which the two numbers of bays will be utilized. The petitioner vide affidavit dated 13.11.2015 submitted that in the ERPC meeting it was decided and agreed to allow the petitioner to declare two numbers of bays at Durgapur under ERSS-I as an asset of Eastern Region. However, the Commission observed that in the 24th ERPC minutes of meeting the Members have only noted the same and also in 26th ERPC meeting it was held that members may discuss and decide the same. Further, the Commission observed that similar case has been dealt in order dated 15.12.2015 in Petition No. 33/TT/2013 wherein the Commission has not approved the COD of two bays at Fatehpur and one bay at Agra claimed by the petitioner as there was difference in COD of bays and associated transmission line. The COD of bays was prior to COD of associated transmission line. The Commission approved the COD of bay on the same date as COD of the transmission line. Hence we are not inclined to approve COD and transmission tariff of Asset-II (2 nos. of 400 kV Bays at Durgapur Sub-station).”

10. The petitioner submitted that in Petition No. 34/TT/2014 Commission observed that in the 24th ERPC minutes of meeting the members have only noted and also in 26th ERPC meeting it was held that members may discuss and decide to allow the petitioner to declare two number of bays at Durgapur under ERSS-I as an asset of Eastern Region. The Commission proceeded on the basis that there was no agreement in the ERPC meetings to allow the petitioner to declare commissioning and commercial operation of two bays at Durgapur on 1.2.2014 which was before the date of commissioning of the line.

11. The petitioner submitted that the Commission also observed that similar case has been dealt in order dated 15.12.2015 in Petition No. 33/TT/2013 wherein the Commission has not approved the COD of two bays at Fatehpur and one bay at Agra as there were differences in COD of bays and associated transmission line. The COD of



bays were prior to COD of associated transmission line. Therefore, the Commission did not approve the COD of 2 number of unutilized bays at Durgapur in view of the above two reasons.

12. During the hearing on 6.4.2016, the learned counsel for the petitioner reiterated the submissions and the prayers made in the petition.

13. The petitioner sought review of the order dated 31.12.2015 in Petition No. 34/TT/2014 on following grounds:-

- a. The petitioner has submitted that the Commission has not fully noted the minutes of the 26th ERPC meeting wherein the members have in fact concurred to declare the two line bays under commercial operation.
- b. With regard to approval of COD for the bays at Fatehpur in order in Petition No. 33/TT/2013, the petitioner submitted that the concurrence from the beneficiaries was not there in respect of the bays at Fatehpur.

14. The petitioner submitted that in terms of the second proviso of Regulation 3 (12) (c), the transmission assets of the petitioner can be taken as under commercial operation even if regular service is not possible for reasons not attributable to the petitioner. In the instant case there is an agreement by all the beneficiaries for the specific purpose to ensure early commissioning of the bays and avoid addition of interest during construction. The petitioner has also submitted new information i.e. the relevant extracts from the 27th TCC and ERPC minutes of meeting wherein it has been recorded that the 2 numbers of 400 kV bays at Durgapur Sub-station have been declared under commercial operation.



15. The petitioner has not submitted any details of line for which the two numbers of bays will be utilized. From the submissions of the petitioner it is observed that it will be used for future line, this means the line for which it will be used is not yet planned/finalized. The Commission in its order dated 15.12.2015 in Petition No. 33/TT/2013 has not approved the COD of two bays at Fatehpur and one bay at Agra claimed by the petitioner as there was difference in COD of bays and associated transmission line based on underlying principle of utilization of the assets.

16. In the instant case, it is not certain that whether the 2 number of bays will be utilized or not as there is no certainty of lines. The petitioner has not submitted any document in support of the future utilization of the bays along in the review petition. Since it is not yet clear that whether the bays will be utilized or not. In the above circumstances, it would not be possible to assure the utilization of assets even after approval of COD without commissioning of lines. The approval of COD under second proviso of Regulation 3(12) of 2009 Tariff Regulation is at the discretion of the Commission. It would not be appropriate to invoke this provision for the assets whose utilization is not predictable by the petitioner. It would not be appropriate to burden the consumers by approving the COD and allowing transmission charges of the 2 number of unutilized bays. As such, there is no error apparent on record.

17. Heard the representative of the petitioner on 'admission'. We reject the petitioners review petition and issue notice to the respondents.

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

Sd/-
(A.S. Bakshi)
Member

