

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Coram:

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

**Date of Hearing: 20.01.2015
Date of Order : 25.01.2016**

Petition No. 278/TT/2015

In the matter of

Approval of transmission tariff for Assets (11 nos.) under "Eastern Region Strengthening Scheme - III (ERSS-III)" in Eastern Region under Regulation 86 of Central Electricity Regulatory Commission (Conduct and Business) Regulation, 1999 and Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulation, 2014 from anticipated COD to 31.3.2019.

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 Power (Holding) Company Ltd
(formerly Bihar State Electricity Board -BSEB)
Vidyutbhavan, bailey road, Patna – 800 001
2. West Bengal State Electricity Distribution Company
Bidyutbhawan, bidhannagar
Block dj, sector-ii, saltlakecity
Calcutta - 700 091
3. Grid Corporation of Orissa Ltd.
Shahidnagar, Bhubaneswar - 751 007
4. Damodar Valley Corporation
DVC tower, maniktala
Civic centre, vip road, Calcutta - 700 054



5. Power department
Govt. Of Sikkim, Gangtok - 737 101
6. Jharkhand State Electricity Board
In front of main secretariat
Doranda, ranchi - 834002
7. Jharkhand Urja Sancharan Nigam Ltd.
Engineering Building,H.E.C.,
Dhurwa, Ranchi-834004
8. Odisha Power Transmission Corporation Ltd.(OPTCL)
Acharya Nagar, Bhubaneshwar,
Odisha 751013

For Petitioner : Shri S.S. Raju, PGCIL
Shri Jasbir Singh, PGCIL,
Shri Ved Prakash Rastogi, PGCIL
Shri Rakesh Prasad, PGCIL
Shri M.M. Mondal, PGCIL
Shri S.K. Venkatesan, PGCIL
ShriR. Prasad, PGCIL
Shri R.P. Padhi PGCIL
Shri A.K Verma, PGCIL
Ms. Treepti Sonkatar, PGCIL

For Respondents : Shri. R.B. Sharma, Advocate, OPTCL

ORDER

In this petition, the petitioner, Power Grid Corporation of India Limited (PGCIL) has sought approval for transmission tariff from the date of commercial operation to 31.3.2019 for various elements in the Eastern Region. The petitioner has also prayed for Annual Fixed Charges claimed in terms of proviso (i) of Regulation 7(7) of the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2014 (hereinafter referred to as "the 2014 Tariff Regulations").



3. The petition was heard on 14.12.2015. The representative of the petitioner submitted that eleven assets under the ERSS-III are covered under the scheme, out of which 4 assets were already commissioned and the remaining assets are anticipated to be commissioned soon. The representative of the petitioner requested to approve the COD of the instant assets under proviso (ii) of Regulation 4(3) of the 2014 Tariff Regulations. He further requested to grant Annual Fixed Charges (AFC) in terms of proviso (i) of Regulation 7(7) of the 2014 Tariff Regulations. In response to a query of the Commission regarding time over-run, the representative of the petitioner submitted that the time over-run is mainly on account of land acquisition issues in Asset-I, severe rains and floods, delay in Forest Clearance, ROW constraints, and Court Case in Asset-II, delay in land acquisition in Asset III, IV and V, change in scope of the Project, delay due to land acquisition by Government of Odisha, change in tower design and configuration, ROW constraints and delay in forest clearance in Asset VI to XI. OPTCL has filed its reply vide affidavit dated 26.12.2015 and has raised issues like time over-run and other general issues.

4. OPTCL and JUSNL were directed to file the status of downstream assets by 19.1.2016. However, OPTCL and JUSNL have not filed the status of downstream assets.

5. The matter was heard on 20.1.2016 for considering the petitioner's prayer for grant of Annual Fixed Charges (AFC) in terms of proviso (i) of Regulation 7(7) of the 2014 Tariff Regulations. The representative of the petitioner submitted that downstream network corresponding to the subject assets is under the scope of OPTCL and JSEB. It



followed up with OPTCL for timely commissioning of 400 kV network and as it was not possible for it to delay commissioning of its assets any further, it commissioned its assets in Duburi Sub-station on 1.4.2014 and 13.6.2015. He submitted that Assets III, IV and V are in Chaibasa Sub-station and the corresponding downstream system network are in the scope of JSEB and JUSNL. Assets III and IV were commissioned on 21.1.2015 and 2.11.2015 respectively and Asset V is anticipated to be commissioned in February, 2016. He further submitted that Assets VI and XI are in Pandiabili Sub-station and the corresponding downstream network are under the scope of OPTCL. He submitted that it continuously followed up with OPTCL and JSEB for matching the commissioning of the assets owned by them with that of the petitioner. Learned counsel for OPTCL submitted that the time over-run is attributable to the petitioner and not to OPTCL as stated by the petitioner. The representative of the petitioner submitted that OPTCL should submit the status of the downstream assets. Learned counsel for OPTCL submitted that he agrees with the submissions of the petitioner with respect to the commissioning of the assets as it has been discussed by the petitioner with OPTCL. The Commission directed the petitioner to submit the status of the commissioning of assets owned by it and the downstream assets on affidavit. Accordingly, the petitioner vide affidavit dated 22.1.2016 has submitted the revised anticipated commissioning of the asset owned by it and the downstream assets. The petitioner has reiterated the submissions made during the hearing. The details submitted by the petitioner are as follows:-



Sr. No.	Asset No.	Name of the Asset	Scheduled COD	COD/anticipated COD as per the petition	Revised anticipated COD/actual COD
1	Asset-I	01 no. 80 mVAR Bus Reactor at Duburi Sub-station	1.12.2012	1.4.2014 (Actual)	1.4.2014 (Actual)
2	Asset-II	LILO of I ckt of 400kV D/C Baripada - Mendhasal TL at Duburi Sub-station alongwith associated bays	1.12.2012	19.8.2015 (Actual)	13.6.2015 (Actual)
3	Asset-III	315 MVA ICT-1 at Chaibasa Sub-station	1.12.2012	21.1.2015 (Actual)	21.1.2015 (Actual)
4	Asset-IV	LILO of 2nd Ckt. Of 400kV D/C Jamshedpur-Rourkela TL alongwith associated bays at Chaibasa S/s	1.12.2012	2.11.2015 (Actual)	2.11.2015 (Actual)
5	Asset-V	02 nos 220kV line bays at Chaibasa S/s	1.12.2012	5.11.2015 (Anticipated)	15.2.2016 (Anticipated)
6	Asset-VI	LILO of 400kV D/C Baripada-Mendhasal line and associated bays at Pandiabilli GIS	1.12.2012	15.11.2015 (Anticipated)	20.2.2016 (Anticipated)
7	Asset-VII	1 no 500MVA, 3 phase 400/220kV, Transformer(1st)and associated bays at Pandiabilli GIS alongwith 3 nos 220 kV line bays at Pandiabilli	1.12.2012	15.11.2015 (Anticipated)	20.2.2016 (Anticipated)
8	Asset-VIII	1 no 500MVA, 3 phase 400/220kV, Transformer (2nd) and associated bays at Pandiabilli GIS alongwith 3 nos 220 kV line bays at Pandiabilli	1.12.2012	31.12.2015 (Anticipated)	20.2.2016 (Anticipated)
9.	Asset-IX	1 no 500MVA, 3 phase 400/220kV, Transformer (2nd) and associated bays at Pandiabilli GIS alongwith 3 nos 220 kV line bays at Pandiabilli	1.12.2012	15.11.2015 (Anticipated)	20.2.2016 (Anticipated)
10.	Asset-X	Shifting of 1 No.63MVAR, 400kV Line Reactor-I	1.12.2012	15.11.2015 (Anticipated)	20.2.2016 (Anticipated)



Sr. No.	Asset No.	Name of the Asset	Scheduled COD	COD/anticipated COD as per the petition	Revised anticipated COD/actual COD
		from Mendhasal end of 400kV D/C Baripada-Mendhasal TL to (Anticipated) Pandiabilli end (Switchable) of 400kV D/C Baripada-Pandiabilli TL and associated bay at Pandiabilli GIS			
11.	Asset-XI	Shifting of 1 No.63MVAR, 400kV Line Reactor-II from Mendhasal end of 400kV D/C Baripada-Mendhasal TL to (Anticipated) Pandiabilli end (Switchable) of 400kV D/C Duburi-Pandiabilli TL and associated bay at Pandiabilli GIS	1.12.2012	15.11.2015 (Anticipated)	20.2.2016 (Anticipated)

6. The petitioner has submitted that the network corresponding to Dubri Sub-station(Asset I & II) is under the scope of OPTCL and the petitioner has continuously followed-up with OPTCL for timely commissioning of 400 kV network (TL and bays) matching with the petitioner's scope of work. Further, the petitioner has stated that it has requested OPTCL, vide letters dated 9.12.2013, 31.12.2013, 14.1.2014 and 18.3.2014, to provide the necessary shutdown of 220 kV System for making physical electrical connections in absence of non-readiness of their (OPTCL's) 400 kV system. However, it was not feasible to delay the petitioner's project further to the extent to match with the OPTCL's 400 kV network at Dubri Sub-station as these time extensions would mean obvious implications for the petitioner which would have a bearing on the project cost.



Hence, the petitioner declared commercial operation of Asset-I w.e.f. 1.4.2014. The Asset-II under the scope of the petitioner was commissioned w.e.f. 13.6.2015, and thereafter the 400kV supply was provided to the Asset-I.

7. As regards assets Asset III, IV and V at Chaibasa Sub-station ,the petitioner has stated that the downstream system network connected with 400/220 kV Chaibasa Sub-station is in the scope of JSEB and 2X315MVA, 400/220kV ICTs & 4nos. of 220 kV line bays for termination of 220 kV lines at Chaibasa Sub-station of petitioner is under construction.Out of the 4 nos.of 220kV downstream line bays, 2 nos. were commissioned w.e.f 3.12.2014 and are part of Petition No. 85/TT/2015 (Asset-VI).The connecting 220 kV Chaibasa (PG)-Chaibasa (JUSNL) D/C line (part of connected downstream network) was charged on 26.12.2015.The remaining 02 nos. 220 kV line bays are yet to be commissioned and are part of subject petition (Asset-V). The connecting downstream (Chaibasa-Manoharpur 220kV) line being executed by JUSNL is yet not ready and is expected anytime during 2016-17 as per latest status available in 17th SCM.

8. As regards Assets VI to XI at Pandiabilli Sub-station, the petitioner has submitted that the downstream network corresponding to the subject assets is under the scope of OPTCL. The petitioner has continuously followed with the OPTCL for timely commissioning of 400kV network (line and bays) matching with the petitioner's scope of work. The downstream network under the scope of OPTCL is Pratap-Sasan (OPTCL)-Pandiabilli (PG) 220kV S/C at Pandiabilli Sub-station and is expected to be commissioned in May, 2016. LILO of 1 ckt. of Puri-Atri 220 kV D/C at



Pandiabilli (PG) Sub-station is expected by May,2017. Out of total 6nos. of 220kV downstream line bays (which are under the scope of petitioner), 2 nos. are for downstream connectivity with LILO of Puri-Ottari 220 kV S/C at Pandiabilli Sub-station and the remaining 2 nos. are for LILO of Pratap-Sasan 220kV S/C at Pandiabilli Sub-station. The expected COD of the 4 nos. 220kV line bays (which are under the scope of Petitioner) at Pandiabilli Sub-station for downstream connectivity is 20.2.2016.

9. The petitioner has prayed for approval of the assets under proviso (ii) of Regulation 4(3) of the 2014 Tariff Regulations as the downstream assets executed by OPTCL and JSEB have not been commissioned. Proviso (ii) of Regulation 4(3) of the 2014 Tariff Regulations provides as under:-

“in case a transmission system or an element thereof is prevented from regular service for reasons not attributable to the transmission licensee or its supplier or its contractors but is on account of the delay in commissioning of the concerned generating station or in commissioning of the upstream or downstream transmission system, the transmission licensee shall approach the Commission through an appropriate application for approval of the date of commercial operation of such transmission system or an element thereof.”

Regular Service has been defined as under:-

“**Regular Service**” means putting into use a transmission system or element thereof after successful trial operation and a certificate to that effect has been issued by the concerned Regional Load Dispatch Centre; “

10. In the present case, the assets are anticipated to be commissioned in 31st January, 2016 and 15th March 2016. The Commission will take a view with regard to the declaration of COD of the instant assets under regulation proviso (ii) of Regulation 4(3) after the lines are certified for regular service by the concern RLDC. The petitioner is



directed to approach the Commission for this purpose with necessary documents as required under 2014 Tariff Regulations.

11. At this stage the Commission is determining the tariff under Regulation 7(7) of the 2014 Tariff Regulations, based on the anticipated COD of the transmission lines as indicated by the petitioner. It is clarified that the transmission charges are determined through this order shall be borne by the OPTCL/JUSNL till the downstream lines are commissioned by them. After the downstream assets are commissioned, the same shall be included in the YTC under POC mechanism.

12. As per provision(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) provides that such an application shall be filed as per Annexure-I of these regulations.

13. The petitioner has made the application 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.



14. Taking into consideration the time over-run and cost variation in case of the assets covered in these assets, which shall be looked into in detail at the time of issue of final tariff, the Commission approves the tariff in terms of proviso (i) of Regulation 7(7) of the 2014 Tariff Regulations for the years 2015-16 and 2016-17 as under:-

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

(₹in lakh)

Name of Asset	2014-15	2015-16	2016-17	2017-18	2018-19
Asset I	201.34	215.06	224.09	221.63	219.33
Asset II	-	620.25	998.17	978.22	958.42
Asset III	85.75	486.37	552.18	572.68	563.54
Asset IV	-	158.72	405.00	407.06	399.43
Asset V	-	132.36	340.14	343.72	342.38
Asset VI	-	1470.85	4413.49	4608.28	4503.31
Asset VII	-	323.65	996.09	1061.85	1048.44
Asset VIII	-	217.75	1002.01	1067.66	1054.15
Asset IX	-	121.50	350.30	361.66	355.42
Asset X	-	98.93	263.72	261.88	258.34
Asset XI	-	98.93	263.72	261.88	258.34

B. Annual transmission charges allowed are as follows:-

(₹in lakh)

Name of Asset	2014-15	2015-16	2016-17
Asset I	161.07	172.05	179.27
Asset II	-	338.80	545.23
Asset III	68.60	389.10	441.74
Asset IV	-	119.04	303.75
Asset V	-	27.13	224.33
Asset VI	-	118.58	1,197.66
Asset VII	-	32.72	338.96
Asset VIII	-	32.87	339.37
Asset IX	-	12.71	123.35
Asset X	-	4.97	44.61
Asset XI	-	4.97	44.61



15. The petitioner is directed to submit the information sought vide RoP dated 14.12.2015 alongwith the revised tariff forms on affidavit with a copy to the respondents by 18.3.2016. The parties are directed to complete pleadings by 31.3.2016. The petition shall be listed in April, 2016.

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

sd/-
(A.S. Bakshi)
Member

