CENTRAL ELECTRICITY REGULATORY COMMISSION NEW DELHI

Petition No. 77/TT/2015

Coram:

Shri Gireesh B. Pradhan, Chairperson Shri A. K. Singhal, Member Shri A.S. Bakshi, Member

Date of Hearing: 17.03.2015 Date of Order : 23.05.2016

In the matter of

Approval of transmission tariff for 02 Nos. 400 kV line bays at Bhiwani (Powergrid) Substation under "Construction of 02 Nos. 400 kV line bays at Bhiwani" in Northern Region 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 from 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

- Rajasthan Rajya Vidyut Prasaran Nigam Ltd., Vidyut Bhawan, Vidyut Marg, Jaipur- 302 005.
- Ajmer Vidyut Vitran Nigam Ltd.,
 400 kV GSS Building (Ground Floor), Ajmer Road,
 Heerapura, Jaipur.
- Jaipur Vidyut Vitran Nigam Ltd.,
 400 kV GSS Building (Ground Floor), Ajmer Road,
 Heerapura, Jaipur.
- Jodhpur Vidyut Vitran Nigam Ltd.,
 400 kV GSS Building (Ground Floor), Ajmer Road,
 Heerapura, Jaipur.



- 5. Himachal Pradesh State Electricity Board, Vidyut Bhawan, Kumar House Complex Building II, Shimla-171 004.
- Punjab State Electricity Board, Thermal, Shed TIA, Near 22 Phatak, Patiala-147 001.
- 7. Haryana Power Purchase Centre, Shakti Bhawan, Sector-6, Panchkula (Haryana)-134 109.
- 8. Power Development Department, Government of Jammu and Kashmir, Mini Secretariat, Jammu.
- 9. UP Power Corporation Ltd., Shakti Bhawan, 14, Ashok Marg, Lucknow-226 001.
- 10. Delhi Transco Ltd., Shakti Sadan, Kotla Road, New Delhi-110 002.
- 11. BSES Yamuna Power Ltd., BSES Bhawan, Nehru Place, New Delhi.
- 12. BSES Rajdhani Power Ltd., BSES Bhawan, Nehru Place, New Delhi.
- 13. North Delhi Power Ltd.,
 Power Trading & Load Dispatch Group,
 Cennet Building, Adjacent to 66/11 kV Pitampura-3,
 Grid Building, Near PP Jewellers
 Pitampura, New Delhi-110 034.
- 14. Chandigarh Administration, Sector-9, Chandigarh.
- 15. Uttarakhand Power Corporation Ltd., UrjaBhawan, Kanwali Road, Dehradun.



16. North Central Railway, Allahabad.

17. New Delhi Municipal Council, Palika Kendra, Sansad Marg,

New Delhi-110 002.

.....Respondents

For petitioner : Shri S. S. Raju, PGCIL

Shri M. M. Mondal, PGCIL Shri S.K. Venkatesan, PGCIL Ms. Sangeeta Edwards, PGCIL

For respondents : None

<u>ORDER</u>

The petitioner, Power Grid Corporation of India Limited (PGCIL) has filed the instant petition seeking approval of the transmission tariff for 02 Nos. 400 kV line bays at Bhiwani (Powergrid) Sub-station in Northern 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 (AFC) claimed, in terms of proviso (i) of Regulation 7(7) of the 2014 Tariff Regulations. However, the same was not granted.

2. The investment approval and expenditure sanction for "Construction of two nos. of 400 kV line bays at Bhiwani sub-station" was accorded by Board of Directors of the petitioner, vide Memorandum dated 17.11.2014 at an estimated cost of ₹847 lakh including an IDC of ₹9 lakh based on February, 2014 price level.

3. The petitioner has submitted that as part of the expansion of STU network, it was agreed in the 31st Standing Committee Meeting of Northern Region held on 2.1.2013 for

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establishment of Dhanoda (HVPNL)-Bhiwani (POWERGRID) 400 kV D/C line of HVPNL. An agreement was entered into between the petitioner and HVPNL for execution of 2 nos. of 400 kV bays at Bhiwani (POWERGIRD) Sub-station by the petitioner. The petitioner has submitted that after conversion of the transmission system of Adani Power Limited (APL) as ISTS System, the establishment of Dhanoda (HVPNL)-Bhiwani (POWERGRID) 400 kV D/C line of HVPNL was discussed in the 32nd SCM held on 31.8.2013. After conversion of the APL line into an ISTS line, power upto 2500 MW would flow on the HVDC bipole. The petitioner has submitted that constraints were being faced in transferring of power beyond Mohindergarh HVDC terminal and the same would increase if power upto 2500 MW is transferred through HVDC bipole. As such, it was agreed to take up the Mohindergarh-Bhiwani 400 kV D/C line with twin HTLS as ISTS strengthening scheme instead of Dhanonda (HVPNL)-Bhiwani (POWERGRID) 400 kV D/C line by HVPNL. The petitioner has further submitted that it was agreed in the 33rd Standing Committee Meeting on 23.12.2013, that 2 nos. of 400 kV bays at Bhiwani Sub-station which were being implemented by the petitioner on behalf of HVPNL would be included as a part of ISTS system for terminating the Mohindergardh-Bhiwani (POWERGRID) 400 kV D/C line in future. The petitioner has also submitted that it was agreed in 30th NRPC meeting held on 28.2.2014 that the Mohingergarh-Bhiwani 400 kV D/C would be constructed with Twin Moose conductor instead of Twin HTLS conductor and tariff for the two bays at Bhiwani Sub-station which are nearing completion would be recovered from the beneficiaries from the day of the commissioning of the bays. The petitioner has accordingly requested to allow tariff for the instant assets from the date of commissioning, i.e. 30.11.2014.



- 4. As per the Investment Approval dated 17.11.2014, the instant asset was to be commissioned within 2 months from the date of Investment Approval. Accordingly, the scheduled date of commissioning of the asset was 16.1.2015 and the instant asset was commissioned on 30.11.2014 and there is no time over-run. The approved apportioned cost of the asset is ₹847 lakh and the completion cost is ₹764.51 lakh and there is no cost over-run.
- 5. The petitioner has submitted that it was agreed in the 32nd meeting of Empowered Committee on Transmission held on 17.1.2014, the 400 kV D/C Mohindergarh-Bhiwani Transmission Line was agreed to be implemented through TBCB route. The petitioner has further submitted that the two bays at Bhiwani, owned by it, are commissioned. However, the work of terminating Mohindergarh-Bhiwani Transmission Line is incomplete and hence the instant assets are not put to use. The petitioner has submitted that the instant assets are for terminating the Mohindergarh-Bhiwani Transmission Line in future. The petitioner has submitted, vide affidavit dated 14.5.2015, that since the instant assets are for future use, prayed for approval of COD under the second proviso to Clause (3) of Regulation 4 of the 2014 Tariff Regulations and approval of tariff.
- 6. NRPC and HVPNL were directed to give their comments on the claims made by the petitioner. HVPNL has not submitted any comments. NRPC has submitted, vide letter dated 30.3.2015, that the issue of two nos. of 400 kV bays at Bhiwani was deliberated in 30th NRPC meeting held on 28.2.2015 and the petitioner proposed the recovery of the transmission charges for the two bays from the date of commissioning and the members



agreed for the proposal. NRPC has enclosed the minutes of NRPC meeting. No other comments have been submitted by NRPC.

- 7. The petitioner was directed to submit the status of 400 kV D/C Mohindergarh-Bhiwani Transmission Line, the likely date of commissioning of line and usage of these bays till termination of the transmission line. The petitioner has not submitted the details sought. The petitioner, vide affidavit dated 14.5.2015, has reiterated the submissions already made and submitted that the instant assets are for terminating the Mohindergarh-Bhiwani Transmission Line in future. The petitioner has submitted that the instant assets were commissioned as agreed in the Standing Committee and NRPC and has also submitted the trial operation certificate of the instant assets. The petitioner has also prayed for approval of COD under the second proviso to Regulation 4(3) of the 2014 Tariff Regulations as the instant assets are commissioned without the corresponding 400 kV Mohindergarh-Bhiwani D/C line.
- 8. We have considered the submissions of the petitioner. In the instant case, the petitioner was a contractor and was executing the instant bays on behalf of HVPNL on a deposit work basis for 400 kV D/C Dhanonda (HVPNL)-Bhiwani (PGCIL) line. An agreement was entered into between the petitioner and HVPNL to carry out the work by the petitioner on behalf of HVPNL. The petitioner should have commissioned the instant bays alongwith the 400 kV Dhanonda-Bhiwani transmission line. Subsequent to conversion of transmission system of APL as ISTS system, the 400 kV Dhanonda-Bhiwani transmission line was dropped in the 32nd Standing Committee meeting held on 31.8.2013. It was decided to take up 400 kV Mohindergarh-Bhiwani D/C line as ISTS



strengthening scheme instead of HVPNL's line. Accordingly, HVPNL vide letter dated 24.10.2013 requested for cancellation of the work of Bhiwani (Powergrid) Sub-station. It is observed that no action was initiated for construction of the 400 kV Dhanonda-Bhiwani transmission line. Accordingly, the petitioner should not have executed the bays. Having constructed the bays, the petitioner should recover the cost or the transmission charges of the instant assets till the commissioning of the 400 kV Mohindergarh-Bhiwani D/C line from HVPNL as per the provisions of the agreement between the petitioner and HVPNL.

9. As regards the petitioner's prayer for recovery of the transmission charges for the instant assets from the date of commissioning as agreed in the NRPC meeting on 27.2.2014, we are of the view that NRPC has no role to play in allowing the transmission charges. The empowered committee in its 32nd meeting held on 17.1.2014 decided to implement NRSS-XXXV scheme covering 400 kV Mohindergarh-Bhiwani D/C line through TBCB route and it was recommended that the scheme may be notified by the government. As per the scheme, the petitioner was to provide 2 bays at Bhiwani and APL was to provide 2 bays at Mohindergarh Sub-station for termination of this line. The instant bays at Bhiwani could be used only when the proposed line is connected to it. The 400 kV Mohindergarh-Bhiwani D/C line is not going to be commissioned in the near future as the work of the said line proposed under TBCB has not started. The date of commissioning of the instant asset is not certain and hence we are not inclined to approve its COD and accordingly the tariff for the instant asset is not allowed. The petitioner may approach the Commission for tariff for the instant asset



once the 400 kV Mohindergarh-Bhiwani D/C line is commissioned as per the tariff regulations. The instant petition is accordingly disposed of.

10. This order disposes of Petition No. 77/TT/2015 in terms of above.

-sd-(A.S. Bakshi) Member

-sd-Member

-sd-(A.K. Singhal) (Gireesh B. Pradhan) Chairperson

