

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 125/TT/2017

Coram:

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

Date of Order : 4.10.2017

In the matter of:

Determination of transmission tariff from COD to 31.3.2019 for 400 kV D/C (Quad) Lara STPS-I – Champa PS Line along with associated bays at Champa Pooling Station under “Transmission System associated with Lara STPS – I (2x800 MW) Generation Project of NTPC” in Western Region for tariff block 2014-19 period 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. NTPC Ltd.,
NTPC Bhawan
Core-7, Scope Complex
7, Institutional Area, Lodhi Road
New Delhi – 110003.
2. Madhya Pradesh Power Management Company Limited,
Shakti Bhawan, Rampur
Jabalpur-482 008.



3. Maharashtra State Electricity Distribution Company Limited,
5th Floor, Prakashgad,
Bandra (East),
Mumbai-400 052.
4. Gujarat UrjaVikas Nigam Limited,
Sardar Patel Vidyut Bhawan,
Race Course Road,
Vadodara-390 007.
5. Electricity Department,
Government of Goa,
Vidyut Bhawan, Panaji,
Near Mandvi Hotel, Goa-403 001.
6. Electricity Department,
Administration of Daman and Diu,
Daman-396 210.
7. Electricity Department,
Administration of Dadra Nagar Haveli,
U.T., Silvassa-396 230.
8. Chhattisgarh State Electricity Board,
P.O. Sunder Nagar, Dangania, Raipur
Chhattisgarh-492 013.
9. Madhya Pradesh Audyogik Kendra
Vikas Nigam (Indore) Limited,
3/54, Press Complex, Agra-Bombay Road
Indore-452 008.

.....Respondents

For petitioner : Shri S.S. Raju, PGCIL
Shri R. Prasad, PGCIL
Shri B. Dash, PGCIL

For respondents : None



ORDER

The petitioner, Power Grid Corporation of India Limited (PGCIL) has filed the instant petition for determination of tariff for 400 kV D/C (Quad) Lara STPS-I – Champa PS Line along with associated bays at Champa Pooling Station under “Transmission System associated with Lara STPS – I (2x800 MW) Generation Project of NTPC” in Western Region for tariff block 2014-19 period 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 grant of 90% of the Annual Fixed Charges (AFC) claimed, in terms of proviso (i) of Regulation 7(7) of the 2014 Tariff Regulations for inclusion in PoC mechanism.

2. The petitioner has claimed the tariff based on actual/estimated expenditure incurred up to COD and additional capitalization incurred from COD to 31.3.2019 in respect of the instant asset. The capital cost claimed by the petitioner is as follows:-

Apportioned approved cost (FR)	Expenditure incurred upto COD	Additional Capital Expenditure		Total estimated cost
		2017-18	2018-19	
34983.33	25389.82	4657.32	1752.50	31799.64

Thus, as against the total apportioned approved cost of ₹34983.33 lakh, the estimated completion cost is ₹31799.64 lakh. Therefore, there is no cost over-run in respect of the instant asset.



3. As per the Investment Approval dated 21.6.2014, the instant asset was scheduled to be commissioned on 21.4.2017 against which asset has been anticipated to be put under commercial operation as on 1.7.2017. However, vide affidavit dated 8.9.2017, the asset has been put under commercial operation from 21.7.2017, that is after a time over-run of 3 months.

4. During the hearing on 26.9.2017, the representative of the petitioner requested to grant AFC in terms of proviso (i) of Regulation 7(7) of the 2014 Tariff Regulations.

5. We have considered the submissions of the petitioner. 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), 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.

6. 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.

7. After carrying out preliminary prudence check of the AFC claimed by the petitioner and taking into consideration the time over-run, which will be considered at the time of grant of final tariff, the Commission has decided to allow tariff 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 80% tariff awarded by the Commission are as follows:-

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

(₹ in lakh)

2017-18	2018-19
3835.92	5570.07

B. Annual transmission charges allowed are as follows:-

(₹ in lakh)

2017-18	2018-19
3068.74	4456.06

9. The petitioner is directed to submit the following information on affidavit by 30.10.2017, with an advance copy to the beneficiaries:-

a. The efforts/coordination made with NTPC along with documentary proof;



b. Auditor Certificate and revised tariff forms based on actual date of commissioning of the asset;

c. Details of reason for the asset covered in the instant petition for time over-run along with documentary evidence in the following format:-

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

10. The Commission also directed NTPC to submit the status of the generating station and associated bays by 15.10.2017 with a copy to the petitioner and other respondents.

11. The respondents are directed to file their reply by 18.11.2017 with an advance copy to the petitioner who shall file its rejoinder, if any by 30.11.2017. The parties shall comply with the above directions within the due date mentioned above and no extension of time shall be granted.

12. The petition shall be listed for final hearing on 7.12.2017.

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

-Sd/-
(A.S. Bakshi)
Member

-Sd/-
(A.K. Singhal)
Member

