

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 192/TT/2017

Coram:

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

Date of Order: 10.10.2017

In the matter of:

Approval of transmission tariff from COD to 31.3.2019 for **Asset-I:** 400 kV D/C Aurangabad-Boisar TL (from Aurangabad Sub-station to location 313/0 on D/C Towers and from location 332/0 to Boisar Sub-station on Multi circuit towers) (Anticipated COD: 15.10.2017) and **Asset-II:** Part of 400 kV D/C Navsari-Boisar TL from location 332/0 to Boisar Sub-station on Multi circuit towers (Actual COD: 31.12.2016) under IPPs generation projects in Chhattisgarh (**IPP D**) in Western 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.

And in the matter of:

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

.....Petitioner

Vs

1. Madhya Pradesh Power Management Company Limited,
Shakti Bhawan, Rampur,
Jabalpur-482 008
2. Maharashtra State Electricity Distribution Company Limited,
Prakashgad, 4th Floor,
Andheri (East),
Mumbai-400 052
3. Gujarat Urja Vikas Nigam Limited,
Sardar Patel Vidyut Bhawan,
Race Course Road, Vadodara-390 007



4. Electricity Department,
Government of Goa,
Vidyut Bhawan, Panaji,
Near Mandvi Hotel, Goa-403 001
5. Electricity Department,
Administration of Daman and Diu,
Daman-396 210
6. Electricity Department,
Administration of Dadra Nagar Haveli U.T.,
Silvassa-396 230
7. Chhattisgarh State Electricity Board,
P.O. Sunder Nagar, Dangania, Raipur,
Chhattisgarh-492 013
8. 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 B. Dash, PGCIL
Shri Abhay Choudhary, PGCIL
Shri Rakesh Prasad, PGCIL.
Shri Mohd. Mohsin, PGCIL

For respondents : None

ORDER

The present petition has been filed by Power Grid Corporation of India Limited ('the petitioner'), for approval of tariff for **Asset-I:** 400 kV D/C Aurangabad-Boisar TL (from Aurangabad Sub-station to location 313/0 on D/C Towers and from location 332/0 to Boisar Sub-station on Multi circuit towers) and **Asset-II:** Part of 400 kV D/C Navsari-Boisar TL from location 332/0 to Boisar Sub-station on Multi circuit towers (hereinafter referred as "transmission assets") under IPPs generation projects in Chhattisgarh (IPP



D) in Western 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 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 estimated additional capital expenditure to be incurred from actual/anticipated COD to 31.3.2019 of the instant assets. The details of the capital cost claimed by the petitioner are as follows:-

Particulars	Approved apportioned cost as per FR	RCE Cost	Expenditure up to COD	Estimated additional capital expenditure				Total Estimated completion Cost
				2015-16	2016-17	2017-18	2018-19	
Asset- I	71736.47	79269.04	79290.84	-	4869.59	3706.97	949.34	88816.74
Asset-II		5286.71	5712.14	445.25	162.09	91.90	-	6411.38
Total	71736.47	84555.75	85002.98	445.25	5031.68	3798.87	949.34	95228.12

3. Therefore, the total estimated completion cost is ₹95228.12 lakh as against the total approved apportioned cost of ₹84555.75 lakh for instant assets. Thus, there is a cost over-run in the case of both assets.

4. The instant assets were scheduled to be commissioned within 32 months from the date of Investment Approval dated 22.11.2011. Hence, the scheduled commissioning date is 21.7.2014. The petitioner has submitted anticipated date of commissioning of Asset-I to be 1.4.2017. However, the petitioner, vide affidavit dated 19.9.2017 has



revised the status of commissioning of Asset-I to be 15.10.2017. The details of the elements covered in the instant petition and the delay in commissioning thereof are as under:-

Particulars	Elements	SCOD	Revised anticipated/actual COD	Delay
Asset-I	400 KV D/C Aurangabad-Boisar TL (from Aurangabad S/S to location 313/0 on D/C Towers & from location 332/0 to Boisar S/S on Multi circuit towers)	21.7.2014	15.10.2017 (Anticipated)	38 months 25 days
Asset-II	Part of 400 KV D/C Navsari-Boisar TL from location 332/0 to Boisar S/S on Multi circuit towers (Under IPP D Project)		31.12.2016 (Actual)	29 months 11 days

5. The matter was heard on 26.9.2017, the representative of the petitioner prayed for grant of Annual Fixed Charges (AFC) in terms of proviso (i) of Regulation 7(7) of the 2014 Tariff Regulations in respect of the instant assets.

6. 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 the 2014 Tariff Regulations.

7. 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.

8. After carrying out preliminary prudence check of the AFC claimed by the petitioner and the time over-run and cost over-run, being 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-9 of this order.

9. The details of the tariff claimed by the petitioner and tariff awarded by the Commission are as under:-

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

(₹ in lakh)

Particulars	2016-17	2017-18 (pro-rata)	2018-19
Asset-I	-	13806.89	14141.01
	2016-17 (pro-rata)	2017-18	2018-19
Asset-II	255.65	1058.39	1063.66

B. Annual transmission charges allowed are as below:-



(₹ in lakh)

Particulars	2016-17	2017-18 (pro-rata)	2018-19
Asset-I	-	9858.13	10096.69
	2016-17 (pro-rata)	2017-18	2018-19
Asset-II	168.64	698.18	701.66

10. The tariff allowed in this order shall be applicable from the actual CODs of instant assets and the billing, collection and disbursement of the transmission charges shall be governed by the provisions of Central Electricity Regulatory Commission (Sharing of Inter-State Transmission Charges and Losses) Regulations, 2010 as amended from time to time. Further, the transmission charges allowed in this order shall be subject to adjustment as per Regulation 7(7) of the 2014 Tariff Regulations.

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

- a) RLDC certificate along with COD letter under Regulation 5(2) of the 2014 Tariff Regulations for instant assets;
- b) CEA certificate under Regulation 43 of CEA (Measures Related to Safety and Electricity supply) Regulations, 2010 for instant assets;
- c) Certificate from the CMD/CEO/MD of the company as required under Clause 6.3 (A) (4) (vi) of the Central Electricity Regulatory Commission (Indian Electricity Regulatory Commission) Regulation, 2010 for instant assets;
- d) Revised tariff forms as per actual COD along with Auditors' certificate in case of Asset-I;
- e) Clarify whether the entire liability pertaining to initial spares has been discharged as on COD, if no, year wise detail of discharging of the same for instant assets;
- f) Details of reason for time over-run and chronology of the time over-run along with documentary evidence in the following format:-



Asset	Activity	Period of Activity				Reason(s) for delay
		Planned		Achieved		
		From	To	From	To	

- g) Details relating to generation projects which have been abandoned and have sought relinquishment of LTA, transmission capacity created, LTA granted and net LTA likely to be operationalised/commenced as the transmission assets covered in the instant petition have been created for Chhattisgarh (IPP D) projects;
- h) In view of the relinquishment of LTAs, if any, the proposed plan for utilization of instant assets to its planned capacity.

12. 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.

13. The date of final hearing of the instant petition shall be notified separately.

sd/-
(M.K. Iyer)
Member

sd/-
(A.S. Bakshi)
Member

sd/-
(A.K. Singhal)
Member

