

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 196/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:

Determination of transmission tariff from COD to 31.3.2019 for LILO of both circuits of Mundra UMPP-Limbdi 400 kV D/C line (triple snowbird) at Bachau Sub-station alongwith extension of 400 kV Bachau Sub-station (Anticipated COD:1.10.2017) under "Transmission System Strengthening associated with Mundra UMPP (Part-A)" 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. Madhya Pradesh Audyogik Kendra Vikas Nigam (Indore) Limited,
3/54, Press Complex, Agra - Bombay Road
Indore-452 008
3. Maharashtra State Electricity Distribution Company Limited,
Hong Kong Bank Building, 3rd floor, M.G. Road,
Fort, Mumbai-400 052



4. Gujarat Urja Vikas 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

....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 determination of tariff for LILO of both circuits of Mundra UMPP-Limbdi 400 kV D/C line (triple snowbird) at Bachau Sub-station alongwith extension of 400 kV Bachau Sub-station (hereinafter referred as "transmission asset") under



“Transmission System Strengthening associated with Mundra UMPP (Part-A)” for tariff block 2014-19 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 additional capitalization incurred from COD to 31.3.2019 of the instant asset. There is no cost over-run. The details of the capital cost claimed by the petitioner are as follows:-

Approved apportioned cost as per FR	Expenditure up to up to COD	Projected additional expenditure			Total Estimated completion Cost
		from 2.10.2017 to 31.3.2018	2018-19	2019-20	
24418.19	11761.27	1355.31	2193.08	277.68	15587.35

3. Therefore, the estimated completion cost is ₹15587.35 lakh as against the total approved apportioned cost of ₹24418.19 lakh. Thus, there is no cost over-run in respect of the instant asset.

4. The instant asset was scheduled to be commissioned within 30 months from the date of Investment Approval dated 12.1.2016. Accordingly, the scheduled date of



commercial operation of the instant transmission asset is 12.7.2018. The instant asset is anticipated to be commissioned on 1.10.2017. Hence, there is no delay in commissioning of the instant asset based on anticipated COD.

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 asset.

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, 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)

2017-18 (pro-rata)	2018-19
1200.01	2668.33

B. Annual transmission charges allowed are as below:-

(₹ in lakh)

2017-18 (pro-rata)	2018-19
1020.01	2268.08

10. The tariff allowed in this order shall be applicable from the actual COD of instant asset 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 beneficiaries:-

- a) RLDC certificate along with COD letter under Regulation 5(2) of the 2014 Tariff Regulations;
- b) CEA certificate under Regulation 43 of CEA (Measures Related to Safety and Electricity supply) Regulations, 2010;
- 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.
- d) To clarify whether entire liability pertaining to initial spares has been discharged as on COD, if no, year wise details of discharging of the same.

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 dates mentioned above and no extension of time shall be granted.

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

sd/-
(M.K. Iyer)
Member

sd/-
(A.S. Bakshi)
Member

sd/-
(A.K. Singhal)
Member

