

**CENTRAL ELECTRICITY REGULATORY COMMISSION  
NEW DELHI**

**Coram:**

**Shri Gireesh B. Pradhan, Chairperson**

**Shri A.K. Singhal, Member**

**Shri A.S. Bakshi, Member**

**Dr. M.K. Iyer, Member**

**Date of Order : 15.03.2017**

**Petition No. 80/TT/2016**

**In the matter of:**

Approval of transmission tariff of licensed transmission business for 400 kV Srinagar Sub-station for tariff block 2014-19 under Sections 61, 62 and 79(1) (c) & 79 (1) (d) of the Electricity Act, 2003 Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2014.

**And in the matter of:**

Power Transmission Corporation of Uttarakhand Limited,  
Vidyut Bhawan, Near ISBT Crossing, Saharanpur Road,  
Majra, Dehradun-248 002

.....**Petitioner**

**Vs**

1. Power Grid Corporation of India Limited,  
Saudamini, Plot No.-2, Sector-29,  
Gurgaon-122 001, Haryana
2. North Delhi Power Limited,  
Power Trading & Load Dispatch Group,  
Cennet Building, Adjacent to 66/11kV Pitampura-3 Grid Building,  
Near PP Jewellers, Pitampura, New Delhi-110 034
3. Punjab State Electricity Board,  
The Mall, Patiala-147 001
4. BSES Yamuna Power Limited,  
BSES Bhawan, Nehru Place, New Delhi-110 019
5. BSES Rajdhani Power Limited,  
BSES Bhawan, Nehru Place, New Delhi-110 019



6. New Delhi Municipal Council,  
Palika Kendra, Sansad Marg,  
New Delhi-110 002
7. Jodhpur Vidyut Vitran Nigam Limited,  
400 kV GSS Building (Ground Floor),  
Ajmer Road, Heerapura, Jaipur
8. Jaipur Vidyut Vitran Nigam Limited,  
400 kV GSS Building (Ground Floor),  
Ajmer Road, Heerapura, Jaipur
9. North Central Railway,  
Subedarganj, Allahabad
10. Chandigarh Administration,  
Sector-9, Chandigarh-160 009
11. Ajmer Vidyut Vitran Nigam Limited,  
400 GSS Building (Ground Floor),  
Ajmer Road, Heerapura, Jaipur
12. Uttar Pradesh Power Corporation Limited,  
10<sup>th</sup> Floor, Shakti Bhawan Extension,  
14, Ashok Marg, Lucknow-226 001
13. Himachal Pradesh State Electricity Board Limited,  
Vidyut Bhawan, Kumar House Complex Building II,  
Shimla-171 004 (H.P.)
14. Haryana Power Purchase Centre,  
Shakti Bhawan, Sector-6,  
Panchkula (Haryana)-134 109
15. Power Development Department,  
Government of Jammu & Kashmir,  
Mini Secretariat, Jammu (Tawi)-180 007
16. Uttarakhand Power Corporation Limited,  
Victoria Cross Vijeyta Gabar Singh Urja Bhawan,  
Kanwali Road, Balliwala Chowk,  
Dehradun-248 001, Uttarakhand
17. GVK Industries,  
Alaknanda Hydro Power Company Limited,



Paigah House, 156-159, Sardar Patel Road,  
Secundrabad-500 003, Telangana

18. NTPC Limited,  
NTPC Bhawan, Scope Complex, 7, Institutional Area,  
Lodhi Road, New Delhi-110 016
19. THDC India Limited,  
Pragatipuram, Bypass Road,  
Rishikesh-249201, Uttarakhand
20. Lanco Mandakini Hydro Energy Private Limited,  
14-H, Pushpanjali Enclave,  
General Mahadev Singh Road,  
Dehradun-248 001, Uttarakhand
21. L & T Uttaranchal Hydro Power Limited,  
Landmark A, Ground Floor, Suren Road,  
Chakala, Andheri (E), Mumbai-400 093
22. GMR (Badrinath) Hydro Power Generation Private Limited,  
New Sakthi Bhawan, Building No. 302,  
Near Terminal-3, IGI Airport,  
New Delhi-110 037
23. NHPC Limited,  
NHPC Office Complex, Sector-33,  
Faridabad-121 003, Haryana
24. SJVN Limited,  
SJVN Corporate Office Complex,  
Shanan, Shimla-171 006, Himachal Pradesh
25. UJVN Limited,  
Maharani Bagh, G.M.S. Road,  
Dehradun-248 006

.....Respondents

**Petition No.81/TT/2016**

**And In the matter of:**

Approval of transmission tariff of licensed transmission business for 400 kV Srinagar-Srinagar PH line for tariff block 2014-19 under Sections 61, 62 and 79(1) (c) & 79 (1) (d) of the Electricity Act, 2003 Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2014.



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Allahabad
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Dehradun-248 001, Uttarakhand
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Landmark A, Ground Floor, Suren Road,



**For petitioner** : Shri Kamal Kant, PTCUL  
Shri Anurag Kumar, PTCUL  
Shri S.P. Arya, PTCUL

**For respondents** : Shri Mukesh Khanna, PGCIL  
Ms. Rashmi Pant Joshi, PGCIL

### **Interim Order**

Power Transmission Corporation of Uttarakhand Limited (PTCUL) has filed Petition Nos. 80/TT/2016 and 81/TT/2016 for approval of transmission tariff for 400 kV Srinagar Sub-station and for 400 kV Srinagar-Srinagar PH line for 2014-19 tariff period under Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2014 (referred as "the 2014 Tariff Regulations").

### **Background**

2. PTCUL is a company registered under the Companies Act, 1956, and it is formed by the Government of Uttaranchal in exercise of powers conferred under Section 131(4) of the Electricity Act, 2003. The Government of Uttaranchal through transfer scheme dated 31.5.2004 vested all the interests, rights and liabilities related to Power Transmission and Load Dispatch of "Uttaranchal Power Corporation Limited" into itself and thereafter re-vested in "Power Transmission Corporation of Uttaranchal Limited", which after change in name of the State, is now "Power Transmission Corporation of Uttarakhand Limited". The State Government, further vide another notification dated 31.5.2004 declared PTCUL as the State Transmission Utility (STU) responsible for undertaking,



amongst others, the main functions of transmission of electricity through intra-State transmission system, all functions of planning and co-ordination relating to intra-State transmission system, ensure development of an efficient, coordinated and economical system of intra-State transmission lines and to provide open access.

3. The petitioner has submitted that in view of restructured function of UPCL and creation of a separate company looking after the transmission related works, the Uttarakhand Electricity Regulatory Commission (UERC) amended the earlier 'Transmission and Bulk Supply License' granted to UPCL and the Transmission license was re-vested on PTCUL for carrying out transmission related works in the state, vide State Commission's order dated 9.6.2004.

4. The petitioner has submitted that Government of Uttarakhand (GoU) along with the Ministry of Power (MoP) and Central Electricity Authority (CEA) defined an investment program for development of generation, transmission and distribution of power in the state. The financing plan for the program involves inter alia, international financial institutions such as Asian Development Bank (ADB).

5. The petitioner has submitted that accordingly, GoU identified hydro potential of Uttarakhand existing along four major river basins namely Alakananda basin, Bhagirathi Basin, Yamuna basin and Sharda basin. Thus, an integrated transmission system was planned in Uttarakhand under the aegis of the CEA to evacuate power from these new generation capacities, being developed in the four major basins, in the region having regard to the environmental considerations and also the difficulty in developing separate



transmission systems for the generators situated in each of the basins. Hydro power potential being river basin specific, both generation and transmission require to be developed on an integrated basin approach. As such, the Uttarakhand Integrated Transmission Project (UITP) was conceived as a feasible, economic and optimal plan for development of transmission system to pool power from several hydro generating plants in the state to designated pooling points within Uttarakhand, from where inter-State network could be developed to convey such power to beneficiaries outside the state.

6. The petitioner has submitted that GoU signed MOUs with various central sector generating companies and IPPs for development of various hydro generation projects in the different basins in the state. It was therefore essential for PTCUL to develop a reliable, optimal and cost effective transmission network for evacuation of power from the generating stations, which are primarily Central Sector generating Stations or private sector projects located in these river basins. This required strengthening and augmentation of the intra-State and inter-State transmission systems for Uttarakhand.

7. The petitioner has submitted that UITP was conceived as a means to develop an optimal system for evacuating power from the cluster of hydro-electric generating stations, like Tapovan Vishnugad (520 MW), Lata tapovan (171 MW), Pilpalkoti HEP (444 MW), Badrinath HEP (300 MW), Bawlanand Prayag (300 MW), Nand Prayag Langrasu (100 MW), Devsari (252 MW) etc. The UITP was proposed envisaging power evacuation system for 5406.5 MW of generation projects that are proposed to be developed in the four major river basins over a period of time. It is envisaged that about





15% of the power from the various generating projects that have already been approved (including CSGS and private sector projects) would be available for the state of Uttarakhand (including free power) and balance about 85% power would be sold by the generators outside the state. For evacuation of power from these hydro projects UITP will involve constructing a system comprising of 22 nos. transmission lines of 400/220/132 kV, 8 nos. new sub-station and sub-station extension to evacuate power from the hydro-generating plants to the pooling point of Kashipur, Pitthoragarh and Dehradun. The power from Kashipur would be evacuated by Power Grid Corporation of India (PGCIL), outside the State of Uttarakhand to the beneficiaries of the northern grid.

8. The petitioner has submitted that it earlier filed Petition No. 133/MP/2012 under Section 79(1)(c) of the Electricity Act, 2003 read with Regulations 2(1)(k), 20 and 21 of the Central Electricity Regulatory Commission (Sharing of Inter State Transmission Charges and Losses) Regulations, 2010, for declaring the UITP being developed by PTCUL as deemed inter-State Transmission System for the purpose of such regulations, besides other matters. The Commission vide order dated 31.1.2013 declared UITP as a deemed inter-State Transmission System.

9. The petitioner has submitted that UITP was ring fenced from the state transmission projects and expenses incurred on these projects are not included in the ARRs and the cost of UITP is to be recovered by way of transmission charges from the respective generators. The petitioner has submitted that there was delay in construction of the instant assets due to problems encountered because of rains, accessibility, legal



issues and signing of implementation agreements with the generators. The petitioner has further submitted that generators like NTPC, Lanco and L&T were to commission their projects by 2012-14, but these projects are yet to be commissioned.

10. The representative of PTCUL during the hearing on 15.12.2016 submitted that the entire project has been delayed due to severe RoW issues and delay in forest clearance. In addition, legal issues of UITP to be declared as deemed inter-State Transmission System and issues of open access for evacuating and transmitting power from Tapovan Vishnugad and Lata Tapovan hydro projects, both owned by NTPC Limited (NTPC). Power is still not evacuated as the necessary agreements with the generators, especially NTPC are not in place. The representative of PTCUL submitted that it has made huge investments and construction is complete and the instant transmission assets are ready for use, but it is not able to recover the transmission charges.

11. The representative of PTCUL submitted that post January, 2013, the generators were supposed to enter into connectivity agreement and LTA with the CTU and Implementation Agreement with PTCUL. He submitted that Lanco and L&T have entered into Implementation Agreement with PTCUL. Lanco and NTPC had applied for LTA in 2007 but later sought LTA from 2011 as their date of commissioning was revised to 2011. The generators again approached PTCUL in September, 2011 for signing Connectivity Agreement stating that their date of commissioning was revised to 2014. In the meantime, the Commission granted deemed inter-State Transmission status vide order dated 31.1.2013 and it was to be utilised as ISTS with the commissioning of the



first generator, till then it was an intra-State transmission system. In 2015, the generators applied for LTA, shifting their date of commissioning to 2019. He further submitted that several meetings were held with generators and CTU to match the commissioning of the transmission system with the generation and to have proper agreement, however, no agreement has been reached. He requested to grant AFC under Regulation 7(7) of the 2014 Tariff Regulations for inclusion in the PoC charges.

12. The representative of PGCIL submitted that the instant transmission assets were commissioned before time. In response, he representative of petitioner submitted that there is time over-run in commissioning of the generation projects and it is incorrect to state that the transmission assets were commissioned before time.

13. We have considered the submissions of the petitioner and PGCIL. Though, the transmission assets have been commissioned, there is delay in commissioning of the generation projects resulting in non-utilisation of the transmission assets. The representative of the petitioner has also submitted that several meetings were held with generators and CTU to match the commissioning of the transmission system with the generation but no agreement has been reached. The Commission is of the view that if no agreement could be reached with the generators for whom the transmission lines were being executed, the petitioner should have approached the Commission for further directions on whether in the changed scenario the transmission lines should be executed or not. It is observed that issues regarding connectivity agreement and the LTA have still not yet been sorted out. In order to sort out the issues, we direct that a committee headed by Chief (Engineering) of the Commission with members from CEA,



CTU, NLDC, NTPC and other generators shall be constituted to look into all the issues with respect to connectivity agreement, LTA and Implementation Agreement and work out modalities for smooth implementation and recovery of the cost of the UITP within 60 days of issue of this order.

14. The matter shall be listed after the receipt of the report of the Committee.

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

sd/-  
**(A.S. Bakshi)**  
Member

sd/-  
**(A.K. Singhal)**  
Member

sd/-  
**(Gireesh B. Pradhan)**  
Chairperson

