

**CENTRAL ELECTRICITY REGULATORY COMMISSION  
NEW DELHI**

**Petition No. 107/TT/2018**

**Coram:**

**Shri P. K. Pujari, Chairperson  
Dr. M. K. Iyer, Member**

**Date of Order : 05.11.2018**

**In the matter of:**

Approval of transmission tariff from COD to 31.3.2019 for communication system for DVC under Expansion/Up gradation of SCADA/EMS System of SLDCs of Eastern Region (BSPTCL and DVC) 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**

Damodar Valley Corporation  
DVC Tower, Maniktala  
Civic Centre, Viproad, Calcutta - 700 054

**....Respondent**

**For petitioner** : Shri S. K. Venkatesan, PGCIL  
Shri S. S. Raju, PGCIL  
Shri V. P. Rastogi, PGCIL  
Shri S. K. Niranjana, PGCIL  
Shri Mukesh Bhakar, PGCIL

**For respondents** : None



## ORDER

Power Grid Corporation of India Limited (PGCIL) has filed the instant petition for determination of transmission tariff from COD to 31.3.2019 for communication system for DVC under Expansion/Up gradation of SCADA/EMS System of SLDCs of Eastern Region (BSPTCL and DVC) 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. As per the Investment Approval dated 24.4.2015, the instant asset was scheduled to be put into commercial operation on 23.10.2017 and it was put into commercial operation before the scheduled COD, i.e. on 10.10.2017. The capital cost claimed by the petitioner is as follows:-

(₹ in lakh)				
Apportioned approved cost as per FR	Cost as on COD	Projected Add-Cap		Estimated completion cost
		2017-18	2018-19	
3333.55	2126.55	434.43	270.00	2830.98

As the estimated completed cost of ₹2830.98lakh is within the apportioned approved cost of ₹3333.55lakh, there is no cost over-run in case of the instant asset.



3. The matter was heard on 23.10.2018. The representative of the petitioner requested for grant Annual Fixed Charges (AFC) in terms of proviso (i) of Regulation 7(7) of the 2014 Tariff Regulations.

4. 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) of the 2014 Tariff Regulations provides that such an application shall be filed as per Annexure-I of these regulations.

5. The petitioner has made the applications 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.



6. 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.

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

A. Annual transmission charges claimed are as follows:-

**(₹ in lakh)**

<b>2017-18 (pro-rata)</b>	<b>2018-19</b>
193.60	462.49

B. Annual transmission charges allowed are given below:-

**(₹ in lakh)**

<b>2017-18 (pro-rata)</b>	<b>2018-19</b>
164.56	393.12

8. 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.



9. The Commission directed the petitioner to submit the following information on affidavit with an advance copy to the beneficiaries by 30.11.2018:-

- (i) Yearwise capitalisation and discharge details of initial spares for the Asset.
- (ii) Revised Form-7 clearly mentioning the concerned regulations matching with the liability flow as shown in Form-4A.
- (iii) Annual Maintenance Contract (AMC) of SCADA/EMS system established under ULDC Scheme is the responsibility of the respective SLDCs in line with ER-ULDC project. The petitioner has submitted that O&M charges have not been considered for establishment of communication system. However, petitioner in Form-11 has used O&M expenses for computation of Interest on Working capital. Clarify the deviation or submit revised Form-11.
- (iv) Clarify whether any of the instant asset has been used/shared for telecom business. If so, the details of line length, auditor certificate on segregated cost its reconciliation of costs mentioned in various forms separately for the assets used for telecom business and transmission business assets should be submitted.
- (v) Link-wise details such as Name, Length and nos. of SDH, MUX/DACS.
- (vi) Schematic diagram of the communication system indicating key components such as SDH/NMS, MUX/DACS.
- (vii) Reconciliation Statement as per Investment Approval of assets commissioned/claimed in various petitions.

10. The respondents are directed to file their reply by 10.12.2018 with an advance copy to the petitioner who shall file its rejoinder, if any by 17.12.2018. The parties shall comply with the above directions within the due date mentioned above and no extension of time shall be granted.



11. The next date of hearing will be intimated in due course.

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

sd/-  
**(P. K. Pujari)**  
**Chairperson**

