

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. : 249/TT/2017

Coram:

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

Date of Order : 20.04.2018

In the matter of:

Approval of transmission tariff for Asset: I Extension of 400/220 kV Sikar Sub-station with 1X500 MVA, 400/220 kV auto transformer along with associated bays along with 2 nos. 220 kV line bays and Asset: II Extension of 400/220 kV Manipuri Sub-station with 1X500 MVA, 400/220/33 kV auto transformer along with associated bays along with 2 nos. 220 kV line bays under "Augmentation of transformation capacity at Manipuri and Sikar" in Northern Region from COD to 31.3.2019 for tariff block 2014-19 under 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. Rajasthan Rajya Vidyut Prasaran Nigam Limited,
Vidyut Bhawan, Vidyut Marg,
Jaipur - 302005
2. Ajmer Vidyut Vitran Nigam Limited,
400 kV GSS Building (Ground Floor),
Ajmer Road, Heerapura, Jaipur
3. Jaipur Vidyut Vitran Nigam Limited,
400 kV GSS Building (Ground Floor),
Ajmer Road, Heerapura, Jaipur
4. Jodhpur Vidyut Vitran Nigam Limited,
400 kV GSS Building (Ground Floor),
Ajmer Road, Heerapura, Jaipur



5. Himachal Pradesh State Electricity Board,
Vidyut Bhawan,
Kumar House Complex Building II,
Shimla-171 004
6. Punjab State Electricity Board
Thermal Shed TIA, Near 22 Phatak,
Patiala-147 001
7. Haryana Power Purchase Centre
Shakti Bhawan, Sector-6,
Panchkula (Haryana)-134 109
8. Power Development Department
Government of Jammu & Kashmir,
Mini Secretariat, Jammu
9. Uttar Pradesh Power Corporation Limited,
(Formerly Uttar Pradesh State Electricity Board),
Shakti Bhawan, 14, Ashok Marg
Lucknow – 226 001
10. Delhi Transco Limited,
Shakti Sadan, Kotla Road,
New Delhi-110 002
11. BSES Yamuna Power Limited,
BSES Bhawan, Nehru Place,
New Delhi.
12. BSES Rajdhani Power Limited,
BSES Bhawan, Nehru Place,
New Delhi
13. North Delhi Power Limited,
Power Trading and Load Dispatch Group,
Cennet Building, Adjacent to 66/11 kV Pitampura-3 Grid Building,
Near PP Jewellers
Pitampura, New Delhi-110 034
14. Chandigarh Administration
Sector -9, Chandigarh
15. Uttarakhand Power Corporation Limited,
Urja Bhawan, Kanwali Road,
Dehradun
16. North Central Railway,
Allahabad.



17. New Delhi Municipal Council
Palika Kendra, Sansad Marg,
New Delhi-110 002

.....**Respondents**

For petitioner : Shri Vivek Kumar Singh, PGCIL
Shri S.S. Raju, PGCIL
Shri A. Choudhary, PGCIL
Shri Rakesh Prasad, PGCIL
Shri B. Dash, PGCIL

For respondent : Shri R.B. Sharma, Advocate, BRPL

ORDER

Power Grid Corporation of India Limited (PGCIL) has filed this petition for approval of the transmission tariff for Asset: I Extension of 400/220 kV Sikar Sub-station with 1X500 MVA, 400/220 kV auto transformer along with 2 nos. 220 kV line bays and Asset: II Extension of 400/220 kV Mainpuri Sub-station with 1X500 MVA, 400/220/33 kV auto transformer along with 2 nos. 220 kV line bays under "Augmentation of transformation capacity at Mainpuri and Sikar" in Northern Region from COD to 31.3.2019 for tariff block 2014-19 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 charges.

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. As per the Investment Approval dated 11.3.2016, the instant assets were scheduled to be commissioned by 10.3.2018. The petitioner has



submitted, vide affidavit dated 16.1.2018 and 16.2.2018, the CMD Certificate, CEA Certificate, RLDC Certificate and COD declaration letter. The asset was put under commercial operation on 31.8.2017. Thus, there is no time over-run. The capital cost claimed by the petitioner is as follows:-

(₹ in lakh)

Apportioned approved cost as per FR	Expenditure incurred upto COD	Additional Capital Expenditure			Total estimated cost
		2017-18	2018-19	2019-20	
3815.95	1890.86	257.29	194.48	180.30	2508.75

Thus, as against the total apportioned approved cost of ₹3815.95 lakh, the estimated completion cost is ₹2508.75 lakh. Therefore, there is no cost over-run in respect of the instant asset.

4. The matter was heard on 20.3.2018. The representative of the petitioner submitted that Asset-I is for connecting the 220 kV D/C line from Sikar (PG)-Sikar (RRV PNL) Line under the scope of RRV PNL and Asset-II is for connecting the 220 kV D/C Mainpuri (Bhogaon)-Neeb Karori (UIPPTCL) lines under the scope of UPPTCL. He further submitted that part of Asset-II, i.e. 400/220 kV, 500 MVA ICT alongwith associated bays at 400/220 kV ICT at Mainpuri Sub-station (hereinafter referred to as Asset-IIA) were put into commercial operation on 31.8.2017. The remaining portion of the Asset-II, i.e. 2 No. 220 kV Line Bays at 400/220 kV Mainpuri Sub-station (hereinafter referred to as Asset-IIB) and Asset-I have not been put into commercial operation and the COD letter, RLDC, CMD and CEA certificates with respect to these assets will be filed after their actual COD. In response to the query of learned counsel for BRPL, the representative of the petitioner submitted that instant assets would not replace any of the existing assets and therefore there is no need to decapitalise any of the existing assets. He requested



to grant AFC in terms of proviso (i) of Regulation 7(7) of the 2014 Tariff Regulations for inclusion in the PoC computation.

5. 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.

6. 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.

7. 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 for Asset-IIA which was put into commercial operation on 31.8.2017. We are not inclined to grant any AFC for Assets-I and IIB as they have not been put into commercial operation and their COD is dependent on the COD of the downstream assets under the scope of RRVPNL



and UPPTCL and their COD is not certain. The tariff for Asset-IIA allowed is given in para-8 of this order.

8. 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	2018-19
264.91	487.05

B. Annual transmission charges allowed are as below:-

(₹ in lakh)	
2017-18	2018-19
225.17	414.00

9. 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.

10. The petitioner is directed to submit the following information on affidavit by 11.5.2018, with advance copy to the beneficiaries:-

- (a) Status of the commissioning of Asset-I and Asset-II(B);
- (b) Auditor's certificate based on actual COD along with the revised tariff forms for final tariff, along with supporting documents regarding declaration of COD of the Assets;
- (c) Form-5B (Details of element-wise cost of the Project);



- (d) Details of incidental expenditure incurred (IEDC) up to SCOD and from SCOD to Actual COD, for both the Assets i.e. Assets-I and II (B);
- (e) The year-wise discharge of the Initial Spares, for both the Assets i.e. Assets-I and II (B);
- (f) Clarify, if de-capitalization of any old assets has occurred while augmenting the Sikar and Mainpuri Sub-stations. If yes, Submit Form-10(B) (Statement of de-capitalization).
- (g) The repayment schedule and documentary proof of Rate of Interest of Bonds LIX and LX in case of Asset-II (A); and
- (h) Status of associated downstream lines.

11. The petitioner is also directed to submit the computation of Interest During Construction (IDC) along with the editable soft copy in excel format with links for Assets-I and II (B) for the period up to actual COD by 11.5.2018.

12. The respondents are directed to file their reply by 21.5.2018 with an advance copy to the petitioner who shall file its rejoinder, if any by 28.5.2018. The parties shall comply with the above directions within the due date mentioned above and if no information is received within the said dates, the matter shall be decided on the basis of the information already on record.

13. Subject to the above, order in the petition is reserved.

(Dr. M.K. Iyer)
Member

(A.S. Bakshi)
Member

(A.K. Singhal)
Member

(P.K. Pujari)
Chairperson

