

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 250/TT/2017

Coram:

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

Date of Order : 13.02.2018

In the matter of:

Approval of transmission tariff from COD to 31.3.2019 of 765 kV line bays at Jabalpur Pooling Station for 765 kV D/C Gadarwara STPS (NTPC)-Jabalpur Pooling Station transmission line under "Powergrid works associated with Part-A of transmission system for Gadarwara STPS of NTPC" in Western Region for 2014-19 tariff period 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,
5th Floor, Prakashgad,
Bandra (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 Mohd. Mohsin, PGCIL
Shri B. Dash, PGCIL
Shri Rakesh Prasad, PGCIL
Shri Vivek Kumar Singh, PGCIL
Shri V.P. Rastogi, PGCIL

For respondents : None

ORDER

Power Grid Corporation of India Limited (PGCIL) has filed the instant petition for determination of tariff of 765 kV line bays at Jabalpur Pooling Station for 765 kV D/C Gadawara STPS (NTPC)-Jabalpur Pooling Station Transmission Line under "Powergrid works associated with Part-A of transmission system for Gadawara STPS of NTPC" in Western Region for 2014-19 period 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 in respect of the instant asset. The capital cost claimed by the petitioner is as follows:-

Apportioned approved cost (FR)	Expenditure incurred upto COD	Additional Capital Expenditure			Total estimated cost
		2017-18	2018-19	2019-20	
4777	1376.19	900.03	449.42	142.87	2868.51

Thus, as against the total apportioned approved cost of ₹4777 lakh, the estimated completion cost is ₹2868.51 lakh. Therefore, there is no cost over-run in respect of the instant asset. As per the Investment Approval dated 2.4.2016, the instant asset was scheduled to be commissioned by 2.6.2017. The asset was put under commercial operation on 31.5.2017. Thus, there is no time over-run.

3. During the hearing on 18.1.2018, the representative of the petitioner requested to grant AFC in terms of proviso (i) of Regulation 7(7) of the 2014 Tariff Regulations.

4. 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), Regulations, 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 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.

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 as given in para 7 of this order. The line/associated bay is the dedicated line and hence tariff will be paid by generator till the date of start of its LTA under Central Electricity Regulatory Commission (Grant of Connectivity, Long-term Access and Medium-term Open Access in inter-State Transmission and related matters) Regulations, 2009.

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

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

(₹ in lakh)	
2017-18	2018-19
412.72	606.74



B. Annual transmission charges allowed are as follows:-

(₹ in lakh)	
2017-18	2018-19
350.81	515.73

8. The petitioner is directed to submit the following information on affidavit by 19.2.2018, with advance copy to the beneficiaries:-

- a. Reconciliation of capital cost between the Auditor certificate and Form-4A reconciling with the liability flow in Form-7; and
- b. Revised Form-13 by clearly mentioning the nature of sub-station, as to whether it is green field/ brown field for the purpose of initial spares.
- c. Auditor certificate and revised tariff forms based on actual date of commissioning of the asset covered in the instant petition;
- d. CMD certificate as required under Grid Code for the assets covered in the instant petition;
- e. CEA certificate under Regulation 43 of CEA (Measures related to Safety and Electric supply) Regulations, 2010 for the assets covered in the instant petition;
- f. Item-wise break-up of revised cost estimate;
- g. The detailed reason (asset wise) for time over-run and chronology of the time over-run along with documentary evidence in the following format:-

Asset	Activity	Period of Activity				Reasons for delay
		Planned		Archived		
		From	To	From	To	

- h. Against the approved apportioned cost of ₹4777 lakh, the estimated completion cost claimed is ₹ 2868 lakh. Explain the huge variation in the estimated completion cost and the approved apportioned cost;
- i. Justification for additional capitalisation claimed for 2019-20;
- j. The status of Gadarwara-Jabalpur line and associated bays at Gadarwara end; and
- k. The petitioner has submitted capital cost as per Auditor certificate dated 6.7.2017, however, in the main petition in page no. 8, it has been submitted that details are as per Management certificate. Clarify the same.



9. The respondents are directed to file their reply by 5.3.2018 with an advance copy to the petitioner who shall file its rejoinder, if any by 15.3.2018. The parties shall comply with the above directions within the specified dated and no extension of time shall be granted.

10. The petition shall be listed for final hearing on 20.3.2018

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

sd/-
(A.S. Bakshi)
Member

sd/-
(A.K. Singhal)
Member

