

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 49/TT/2018

Coram:

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

Date of Order : 03.05.2018

In the matter of:

Approval of transmission tariff from COD to 31.3.2019 for **Asset I:** 400 kV Transmission Line for Swapping of Kahalgaon 1 bay with Sasaram 1 bay at Biharsharif Sub-station; **Asset II:** 400 kV Transmission Line for Swapping of Purnea (1&2) Bays with Sasaram bays (3&4) at Biharsharif Sub-station and **Asset III:** Split Bus arrangement with tie line Breaker for 400 kV Biharsharif Sub-station under Split Bus arrangement for various sub-stations in Eastern 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. Bihar state power (holding) Company Ltd.
Vidyut Bhawan, Bailey Road
Patna-800 001
2. West Bengal State Electricity Distribution Company Limited
Bidyut Bhawan, Bidhan Nagar
Block DJ, Sector-II, Salt Lake City
Calcutta- 700 091



3. Grid Corporation of Orissa Ltd.
Shahid Nagar, Bhubaneshwar- 751 007
4. Jharkhand State Electricity Board
In front of Main Secretariat
Doranda, Ranchi - 834002
5. Damodar Valley Corporation
DVC Tower, Maniktala
Civic Centre, VIP Road, Calcutta- 700 054
6. Power Department
Govt. of Sikkim, Gangtok- 737 101

.....**Respondents**

For petitioner : Shri Vivek Kumar Singh, PGCIL
Shri S. K. Venkatesan, PGCIL
Shri S. S. Raju, PGCIL
Shri V. P. Rastogi, PGCIL
Shri Amit Yadav, PGCIL
Shri Rakesh Prasad, PGCIL

For respondents : None

ORDER

The petitioner, Power Grid Corporation of India Limited (PGCIL) has filed the instant petition for determination of transmission tariff from COD to 31.3.2019 for **Asset I**: 400 kV Transmission Line for Swapping of Kahalgaon No.1 bay with Sasaram No.1 bay at Biharsharif Sub-station; **Asset II**: 400 kV Transmission Line for Swapping of Purnea (1&2) Bays with Sasaram bays (3&4) at Biharsharif Sub-station and **Asset III**: Split Bus arrangement with tie line Breaker for 400 kV Biharsharif Sub-station under Split Bus arrangement for various sub-stations in Eastern 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. As per the Investment Approval dated 5.4.2013, the instant assets were scheduled to be put into commercial operation on 29.6.2014. However, the COD of the Assets-I, II and III was 2.4.2015, 21.7.2016 and 15.5.2017 respectively. Thus, there is a time over-run of 10 months, 25 months and 35 months in case of Assets-I, II and III.

3. The petitioner has claimed the tariff based on estimated expenditure incurred up to COD and additional capitalization incurred from COD to 31.3.2019 in respect of the instant assets. The details of the capital cost claimed by the petitioner are as follows:-

Assets	Approved apportioned cost (RCE)	Expenditure incurred upto COD	Additional Capital Expenditure				Total estimated cost
			2015-16	2016-17	2017-18	2018-19	
Asset-I	4252.94	2624.09	741.66	244.51	640.40	-	4250.66
Asset-II	4439.83	3764.63	-	148.72	386.49	137.12	4436.96
Asset-III	726.18	609.23	-	-	22.84	45.67	677.74

The estimated completion cost of the assets is within the RCE approved apportioned cost. Thus, there is no cost over-run in respect of the instant assets.



4. The matter was heard on 24.4.2018. The representative of the petitioner requested to grant Annual Fixed Charges (AFC) in terms of proviso (i) of Regulation 7(7) of the 2014 Tariff Regulations.

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 as given below.

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

A. Annual transmission charges claimed are as follows:-

(₹ in lakh)				
Asset	2015-16 (pro-rata)	2016-17	2017-18	2018-19
I	532.33	611.65	671.38	708.97
II	-	469.84 (pro-rata)	712.59	738.81
III	-	-	214.49 (pro-rata)	253.95

B. Annual transmission charges allowed are given below:-

(₹ in lakh)				
Asset	2015-16 (pro-rata)	2016-17	2017-18	2018-19
I	425.86	489.32	537.10	567.18
II	-	375.87 (pro-rata)	570.07	591.05
III	-	-	171.59 (pro-rata)	203.16

9. 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.

10. The petitioner is directed to submit the following information on affidavit with an advance copy to the beneficiaries by 21.5.2018:-

- (i) CMD Certificate for Assets-I, II and III as required under Grid Code.
- (ii) Details of time over-run and chronology of activities alongwith documentary evidence as per format given below:-

Sl. No.	Activity	Schedule		Actual		Remarks if any
		From	To	From	To	
1.	Investment approval by board	-		5.4.2013		
2.	LOA					
3.	Supplies					
4.	Foundation					
5.	Tower erection					
6.	Stringing					
7.	Testing & Commissioning					

- (iii) Basis of apportionment of FR cost of the assets covered in the instant petition.
- (iv) The basis of arriving the FR cost and the RCE.

11. The respondents are directed to file their reply by 4.6.2018 with an advance copy to the petitioner who shall file its rejoinder, if any by 14.6.2018. The parties shall comply with the above directions within the due date mentioned above and no extension of time shall be granted.



12. The petition shall be listed on 19.7.2018 for final hearing.

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

sd/-
(A. S. Bakshi)
Member

sd/-
(A. K. Singhal)
Member

sd/-
(P. K. Pujari)
Chairperson

