

**CENTRAL ELECTRICITY REGULATORY COMMISSION  
NEW DELHI**

**Petition No. 59/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 : 07.05.2018**

**In the matter of:**

Approval of transmission tariff from COD to 31.3.2019 for **Asset-I:** LILO of both Circuit of 400 kV D/C Rourkela-Raigrah (02<sup>nd</sup> Line) alongwith 04 Nos of 400 kV Line bays at Jharsuguda (Sundargarh) Sub-station; **Asset-II:** Split Bus arrangement at 400 kV Bus at Jharsuguda (Sundargarh) Sub-station and **Asset-III:** 02 Nos of 400 kV Line bays for termination of OPGC (IB TPS)-Jharsuguda 400 kV D/C line (Under TBCB) at Jharsuguda (Sundargarh) under work associated with common transmission system for Phase-II Generation project in Odisha under 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  
Government of Sikkim, Gangtok- 737 101
7. Sterlite Power Grid Ventures Limited  
F-1, Mira Corporate Suits,  
1 & 2, Mathura Road, Ishwar Nagar,  
New Delhi – 110065.
8. IB Thermal Power Plant Banharpali (OPGC)  
Jharsugura, Banharpali  
Odisha-768234

.....**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:** LILO of both Circuit of 400 kV D/C Rourkela-Raigrah (02<sup>nd</sup> Line) alongwith 04 Nos of 400 kV Line bays at Jharsuguda (Sundargarh) Sub-station; **Asset-II:** Split Bus arrangement at 400 kV Bus at Jharsuguda (Sundargarh) Sub-station and **Asset-III:** 02 Nos of 400 kV Line bays for termination of OPGC (IB TPS)-Jharsuguda 400 kV D/C line (Under TBCB) at Jharsuguda (Sundargarh) under work associated with common transmission system for Phase-II Generation project in Odisha under 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 5.4.2016, the instant transmission project, except for the 2 nos. of 400 kV GIS line bays at Jharsuguda Sub-station, was scheduled to be put into commercial operation within 36 months from the date of Investment Approval, i.e. by 4.4.2019. The bays at Jharsuguda Sub-station were scheduled to be put into commercial operation within 16 months from the date of Investment Approval on 4.8.2017. However, the COD of Asset-I was 7.1.2018 and Assets-II and III was 22.11.2017. There is time over-run of 3 months in case of Asset-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
			2017-18	2018-19	2019-20	
			(₹ in lakh)			
Asset-I	22880.00	13437.99	1989.41	1300.00	300.00	17027.40
Asset-II	2012.47	370.09	929.39	250.00	50.00	1599.48
Asset-III	3915.42	1495.69	1390.48	450.00	100.00	3436.17

Thus, there is no cost over-run in respect of the instant assets.

4. During the hearing on 24.4.2018, the representative of the petitioner submitted that Asset-III which was initially anticipated to be put into commercial operation on 15.1.2018 however it was put into commercial operation on 7.1.2018. He submitted that the two bays at Jharsuguda sub-station were to be put into commercial operation matching with the OPGC-Jharsuguda 400 kV D/C line implemented by Sterlite under the TBCB route. PGCIL submitted that the bays at Jharsuguda Sub-station could not be put into commercial operation because of the delay in COD of the OPGC-Jharsuguda 400 kV D/C transmission line under the scope of Sterlite and sought approval of COD of the bays at Jharsuguda Sub-station under proviso (ii) of Regulation 4(3) of the 2014 Tariff Regulations. The representative of the petitioner also requested to grant Annual Fixed Charges (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. 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. We have considered the submissions of the petitioner. The petitioner has sought approval of COD of Asset-III under proviso (ii) of Regulation 7(7) of the 2014 Tariff Regulations as the transmission line under the scope of Sterlite was not ready. It is observed that there is no power flowing through Asset-III and it has not been put into use. As such, we are not inclined to grant AFC for Asset-III at this stage. After carrying out preliminary prudence check of the AFC claimed by the petitioner for Asset-I and II,



the Commission has decided to allow tariff in terms of proviso (i) of Regulation 7(7) of the 2014 Tariff Regulations for inclusion in the computation of PoC charges.

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)

Asset	2017-18 (pro-rata)	2018-19
I	629.75	2955.57
II	93.44	362.71
III	175.42	645.41

B. Annual transmission charges allowed are given below:-

(₹ in lakh)

Asset	2017-18 (pro-rata)	2018-19
I	535.29	2512.23
II	79.42	308.30

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

- (i) Status of Upstream/Downstream transmission system associated with the assets covered in the instant petition.
- (ii) RLDC certificate/charging certificate of Asset-III covered in the instant petition.
- (iii) The inspection of equipment details of Asset-I.
- (iv) Details of time over-run and chronology of activities alongwith documentary evidence as per format given below:-

Asset	Activity	Period of activity				Reason(s) for delay
		Planned		Achieved		
		From	To	From	To	

- (v) Basis of apportionment of FR cost of the assets covered in the instant petition.
- (vi) Status of operationalisation of OPGC. The present status of OPGC (IBTPS)-Jharsuguda line and associated bays at OPGC end.

10. 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 15.6.2018. The parties shall comply with the above directions within the due date mentioned above and no extension of time shall be granted.



11. The 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

