CENTRAL ELECTRICITY REGULATORY COMMISSION NEW DELHI

Petition No. 61/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:

Determination of transmission tariff from COD to 31.3.2019 for 2 nos. 400 kV Malerkotla bays at 400/220 kV GIS Sub-station at Kurukshetra under "Provision of 400 kV bays for lines under Northern Region System Strengthening Scheme-XXXI (Part-B) in Northern Region for 2014-19 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

- Rajasthan Rajya Vidyut Prasaran Nigam Limited Vidyut Bhawan, Vidyut Marg, Jaipur - 302005
- 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
- Himachal Pradesh State Electricity Board Vidyut Bhawan Kumar House Complex Building II Shimla-171004
- Punjab State Electricity Board Thermal Shed TIA, Near 22 Phatak, Patiala-147001
- 7. Haryana Power Purchase Centre Shakti Bhawan, Sector-6 Panchkula (Haryana) 134 109
- 8. Power Development Department Government of Jammu & Kashmir Mini Secretariat, Jammu
- Uttar Pradesh Power Corporation Limited (Formerly Uttar Pradesh State Electricity Board) Shakti Bhawan, 14, Ashok Marg Lucknow - 226 001
- Delhi Transco Ltd.
 Shakti Sadan, Kotla Road,
 New Delhi-110002
- 11. BSES Yamuna Power Ltd. BSES Bhawan, Nehru Place, New Delhi.
- 12. BSES Rajdhani Power Ltd. BSES Bhawan, Nehru Place, New Delhi
- North Delhi Power Ltd.
 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.
- Uttarakhand Power Corporation Ltd. UrjaBhawan, Kanwali Road, Dehradun.
- 16. North Central Railway, Allahabad.
- 17. New Delhi Municipal Council Palika Kendra, Sansad Marg, New Delhi-110002.
- NRSS XXXI (B) Transmission Limited
 A-26/3, Mohan Cooperative Estate, Saidabad,
 New Delhi-110044.

.....Respondents

For petitioner : Shri Vivek Kumar Singh, PGCIL

Shri S. K. Venkatesan, PGCIL

Shri S. S. Raju, PGCIL Shri Amit Yadav, PGCIL Shri Rakesh Prasad, PGCIL Shri V.P. Rastogi, PGCIL

For respondents : R.B. Sharma, Advocate, BRPL

Shri Neeraj Verma, Essel Infraproject Limited

<u>ORDER</u>

The petitioner, Power Grid Corporation of India Limited (PGCIL) has filed the instant petition for determination of tariff for two 400 kV bays for lines under "Northern Region



System Strengthening Scheme-XXXI (Part-B)" in Northern Region for 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 mechanism.

2. As per the Investment Approval dated 2.6.2015, the instant bays was scheduled to be commissioned on 1.10.2016 against which the bays were put under commercial operation as on 1.12.2016. Thus, there is time over-run of 2 months. 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 asset. The capital cost claimed by the petitioner is as follows:-

					(₹ in lakn)
Apportioned	Expenditure	liture Additional Capital Expenditure			Total estimated
approved	incurred	2016-17	2017-18	2018-19	cost
cost	upto COD				
1921.01	283.82	152.35	292.42	271.44	1003.03

Thus, as against the apportioned approved cost of ₹1921.01 lakh, the estimated completion cost is ₹1003.03 lakh. Therefore, there is no cost over-run in respect of the instant asset.

3. During the hearing on 24.4.2018, 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), 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) provides that such an application shall be filed as per Annexure-I of these regulations. 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.
- 5. After carrying out preliminary prudence check of the AFC claimed by the petitioner and taking into consideration the time over-run, which will be considered at the time of grant of final tariff, the Commission has decided to allow the following tariff in terms of proviso (i) of Regulation 7(7) of the 2014 Tariff Regulations:-
 - A. Annual transmission charges claimed by the petitioner are as follows:-

		(₹ in lakh)
2016-17	2017-18	2018-19
49.98	182.60	222.27

B. Annual transmission charges allowed are as follows:-

		(₹ in lakh)	
2016-17	2017-18	2018-19	
39.98	146.08	177.82	

- 6. The tariff allowed in this order shall be applicable from the actual CODs 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.
- 7. The petitioner is directed to submit the actual COD of TBCB lines and the reasons for time over-run along with documentary evidence, if any, in the following format on affidavit by 21.5.2018, with an advance copy to the beneficiaries:-

SI.	Activity	Schedule		Actual		Remarks
No.		From	То	From	То	if any
1.	Investment approval	-		2.6.2015		
	by board					
2.	LOA					
3.	Supplies					
4.	Foundation					
5.	Tower erection					
6.	Stringing					
7.	Testing &					
Commissioning						

- 8. 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 16.6.2018The parties shall comply with the above directions within the due date mentioned above and no extension of time shall be granted.
- 9. The petition shall be listed for final hearing on 19.7.2018

sd/- sd/- sd/- sd/- (Dr. M. K. Iyer) (A. S. Bakshi) (A. K. Singhal) (P. K. Pujari) Member Member Chairperson