

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 62/TT/2018

Coram:

**Shri P. K. Pujari, Chairperson
Dr. M. K. Iyer, Member**

Date of Order : 15.10.2018

In the matter of:

Approval of transmission tariff from COD to 31.3.2019 of 400 kV D/C Kishenpur-New Wanpoh Line alongwith associated bays at both ends under "Northern Region System Strengthening Scheme XVI" in Northern 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. Rajasthan Rajya Vidyut Prasan Nigam Limited
Vidyut Bhawan, Vidyut Marg,
Jaipur - 302005
2. Ajmer Vidyut Vitran Nigam Limited
132 kV, GSS RVPNL Sub-station Building,
Caligiri Road, Malviya Nagar, Jaipur-302017
3. Jaipur Vidyut Vitran Nigam Limited
132 kV, GSS RVPNL Sub-station Building,
Caligiri Road, Malviya Nagar, Jaipur-302017



4. Jodhpur Vidyut Vitran Nigam Limited
132 kV, GSS RVPNL Sub-station Building,
Caligiri Road, Malviya Nagar, Jaipur-302017
5. Himachal Pradesh State Electricity Board
Vidyut Bhawan
Kumar House Complex Building II
Shimla-171004
6. Punjab State Electricity Board
Thermal Shed TIA
Near 22 Phatak, Patiala-147001
7. Haryana Power Purchase Centre
Shakti Bhawan, Sector-6
Panchkula (Haryana) 134109
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 - 226001
10. 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
13. 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.
15. 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.

....Respondents

For petitioner : Shri S. K. Niranjana, PGCIL
Shri S. K. Venkatesan, PGCIL
Shri S. S. Raju, PGCIL
Shri B. Dash, PGCIL
Shri V. P. Rastogi, PGCIL
Shri Rakesh Prasad, PGCIL

For respondents : Shri R. B. Sharma, Advocate, BRPL
Shri Mohit Mudgal, Advocate, BRPL

ORDER

Power Grid Corporation of India Limited (PGCIL) has filed the instant petition for determination of transmission tariff from COD to 31.3.2019 of 400 kV D/C Kishenpur-New Wanpoh Line alongwith associated bays at both ends under "Northern Region System Strengthening Scheme XVI" in Northern 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. The instant asset was scheduled to be put into commercial operation on 1.7.2013 and the actual COD was 31.7.2017. Thus, there is a time over-run of 49 months in case of the instant asset. The petitioner has claimed the tariff based on estimated expenditure up to COD and additional capitalization projected to be incurred from COD to 31.3.2019 in respect of the instant assets. The capital cost claimed by the petitioner is as follows:-

Approved apportioned cost (RCE)	Estimated expenditure as on COD	Proposed Additional Capital Expenditure			Total estimated cost
		2017-18	2018-19	2019-20	
57293.14	52915.15	1793.30	1196.65	1196.65	57101.75

The estimated completion cost of the instant asset is within the RCE cost.

3. The matter was heard on 20.9.2018. The representative of the petitioner requested for grant of Annual Fixed Charges (AFC) in terms of proviso (i) of Regulation 7(7) of the 2014 Tariff Regulations. Learned counsel for BRPL submitted that there is cost over-run in case of the instant asset and it is due to time over-run of 49 months. He submitted that the petitioner should have been more prudent while fixing the time schedule of the instant asset. The representative of the petitioner submitted that the time over-run is due to geographical conditions and the time over-run is beyond its control.



4. 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.

5. 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. After carrying out preliminary prudence check of the AFC claimed by the petitioner and taking into consideration the time and cost over-run, which will be dealt at the time of final tariff, the Commission has decided to allow tariff in terms of proviso (i) of Regulation 7(7) of the 2014 Tariff Regulations as given in paragraph 8 of this order.



7. 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 follows:-

(₹ in lakh)

2017-18 (pro-rata)	2018-19
6431.64	9770.02

B. Annual transmission charges allowed are given below:-

(₹ in lakh)

2017-18 (pro-rata)	2018-19
5145.31	7816.02

8. 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.

9. The Commission directed the petitioner to submit the following information on affidavit with an advance copy to the beneficiaries by 31.10.2018:-

- a) Documents in support of Rate of Interest, Date of Drawl and Repayment Schedules (as per Form-9C) of SBI-Child-1, Bond-XLI Child-1, Bond XLIV Child 1, SBI 10000, HDFC 2017-18 (Q1) deployed for the asset. If there is any default in interest payment on loan, provide the details;



- b) Statement of discharge of the Initial Spares, if any, during the period for the asset;
- c) The details of incidental expenditure incurred (IEDC) during the period of delay in commissioning of the Asset (i.e. from Scheduled COD to actual COD) along with the liquidated damages recovered or recoverable, if any.
- d) Details of time over-run and chronology of activities alongwith documentary evidence as per following format:-

Sl. No.	Activity	Schedule		Actual		Remarks if any
		From	To	From	To	
1	Investment approval by the Board					
2	LOA					
3	Supplies					
4	Foundation					
5	Tower erection					
6.	Testing commissioning					

10. The respondents are directed to file their reply by 14.11.2018 with an advance copy to the petitioner who shall file its rejoinder, if any by 22.11.2018. The parties shall comply with the above directions within the due date mentioned above and no extension of time shall be granted.

11. The next date of hearing shall be intimated in due course of time.

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

sd/-
(P. K. Pujari)
Chairperson

