

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 173/TT/2018

Coram:

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

Date of Order : 11.02.2019

In the matter of:

Approval of transmission tariff for Asset I-STATCOM System (+/-) 300 MVAR complete in all respect including coupling transformer, mechanically switched compensation (2x125 MVAR reactor), cooling system and STATCOM protection/controller etc. at Rourkela Sub-station and Asset II - STATCOM System (+/-) 200 MVAR complete in all respect including coupling transformer, mechanically switched compensation (2x125 MVAR reactor and 2x125 MVAR capacitor), cooling system and STATCOM protection/controller etc. at Jeypore Sub-station under "Eastern Region Strengthening Scheme–XI (ERSS-XI)" 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 GRID Corporation of Orissa Ltd.
Shahid nagar, Bhubaneswar - 751 007
- 2 Bihar State Power (Holding) Company Ltd
(Formerly Bihar State Electricity Board -BSEB)
Vidyut Bhavan, Bailey Road, Patna – 800 001



- 3 West Bengal State Electricity Distribution Company Limited
Bidyut Bhawan, Bidhan Nagar
Block DJ, Sector-II, Salt Lake City
Calcutta - 700 091
- 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 Abhay Choudhary, PGCIL
Shri S. K. Niranjana, PGCIL
Shri S. K. Venkatesan, PGCIL
Shri Amit Yadav, PGCIL
Shri S. S. Raju, PGCIL

For respondents : None

ORDER

Power Grid Corporation of India Limited (PGCIL) has filed the instant petition for determination of transmission tariff for Asset I:STATCOM System (+/-) 300 MVAR complete in all respect including coupling transformer, mechanically switched compensation (2x125 MVAR reactor), cooling system and STATCOM protection/controller etc. at Rourkela Sub-station and Asset II:STATCOM System (+/-) 200 MVAR complete in all respect including coupling transformer, mechanically switched compensation (2x125 MVAR reactor and 2x125 MVAR capacitor), cooling



system and STATCOM protection/controller etc. at Jeypore Sub-station under “Eastern Region Strengthening Scheme-XI (ERSS-XI)” (hereinafter referred to as “assets”)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 of the petitioner’s Board of Directors dated 5.5.2016, the instant assets were scheduled to be put into commercial operation on 5.11.2018. The petitioner filed the petition on the basis of anticipated COD of Assets-I and II as 1.4.2018 and 1.5.2018 respectively. Later, vide affidavit dated 14.11.2018, the petitioner has submitted the actual COD of Assets-I and II was 30.3.2018 and 1.7.2018 respectively. Thus, there is no time over-run in case of the instant assets.

3. The details of the capital cost claimed by the petitioner are as follows:-

(₹ in lakh)

Particulars	Apportioned Approved Cost (As per FR)	Expenditure Up to DOCO	Proposed Expenditure			Estimated completion Cost
			(pro-rata)	2018-19	2019-20	
Asset-I	20705.06	9403.49	1890.36	4500.00	900.00	16693.85
Asset-II	17936.37	7642.96	100.18	8021.31	1700.00	17464.45

There is no cost over-run in case of the instant assets.



4. The matter was heard on 24.1.2019 and the representative of the petitioner requested for 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 for the instant assets in terms of proviso (i) of Regulation 7(7) of the 2014 Tariff Regulations as given in paragraph 8 of this order.

8. 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:-

Particulars	(₹ in lakh)	
	2017-18 (Pro-rata)	2018-19
Asset-I	3.90	986.88
Asset-II	-	737.63

B. Annual transmission charges allowed are given below:-

Particulars	(₹ in lakh)	
	2017-18 (pro-rata)	2018-19
Asset-I	3.32	838.85
Asset-II	-	626.99

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 Commission directed the petitioner to submit the following information on affidavit with an advance copy to the beneficiaries by 21.2.2019:-

- (i) The details of PSDF Grant.
- (ii) Discharge statement of IEDC and initial spares.
- (iii) Details regarding ADB-VII and ADB-VIII, HDFC loans, SBI-10000 loans.

11. The respondents are directed to file their reply by 28.2.2019 with an advance copy to the petitioner who shall file its rejoinder, if any by 9.3.2019. The parties shall comply with the above directions within the due date mentioned above and no extension of time shall be granted.

12. The next date of hearing will be intimated in due course of time.

sd/-
(I. S. Jha)
Member

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

sd/-
(P. K. Pujari)
Chairperson

