

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 277/TT/2018

Coram:

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

Date of Order : 03.05.2019

In the matter of:

Approval of transmission tariff from COD to 31.3.2019 for **Asset I**: Shifting of 1x315 MVA, 400/220 kV ICT from any suitable location (after replacement by 1x500 MVA ICT) and install it at Jamshedpur 400/220 kV Sub-station as 3rd ICT along with associated bays, **Asset- II**: Modification of 132 kV Bus arrangement with GIS bays at 220/132 kV Purnea Sub-station, **Asset-III**: Spare 1 no unit of 765 kV,110 MVAR Single Phase Reactor stationed at Sasaram, **Asset-IV**: 3rd 500 MVA, 400/220 kV ICT at Patna (Powergrid) Sub-station along with associated bay **Asset-V**: 01 No. 500 MVA Single phase spare unit of 765/400 kV ICT at Angul Sub-station **Asset-VI**: 01 No. 500 MVA Single phase spare unit of 765/400 kV ICT at Sundergrah Sub-station under Eastern Region Strengthening Scheme XII 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 Ltd.,
"Saudamini", Plot No.2,
Sector-29, Gurgaon -122 001.

.....Petitioner

Vs

1. Bihar State Electricity Board,
Vidyut Bhawan, Bailey,
Road Patna - 800 001.
2. West Bengal State Electricity Distribution Company Ltd.,
Bidyut Bhawan, Bidhan Nagar,
Block DJ, Sector-II, Salt Lake City,
Calcutta - 700 091.
3. Grid Corporation of Orissa,
Shahid Nagar,
Bubaneswar- 751007.

4. Damodar Valley Corporation,
Tower, Maniktala,
Civic Centre, VIP Road,
Calcutta - 700054
5. Power Department,
Government of Sikkim,
Gangtok-737101.
6. Jharkhand State Electricity Board,
In front of Main Secretariat, Doranda,
Ranchi-834002.

..... Respondents

For Petitioner : Shri S.K. Venkatesan, PGCIL
Shri S.S. Raju, PGCIL
Shri S.K. Niranjana, PGCIL
Shri Amit Yadav, 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**: Shifting of 1x315 MVA, 400/220 kV ICT from any suitable location (after replacement by 1x500 MVA ICT) and install it at Jamshedpur 400/220 kV Sub-station as 3rd ICT along with associated bays, **Asset-II**: Modification of 132 kV Bus arrangement with GIS bays at 220/132kV Purnea Sub-station, **Asset-III**: Spare 1 no unit of 765 kV, 110 MVAR Single Phase Reactor stationed at Sasaram, **Asset-IV**: 3rd 500 MVA, 400/220 kV ICT at



Patna (Powergrid) Sub-station along with associated bay **Asset-V**: 01 Nos 500 MVA Single phase spare unit of 765/400 kV ICT at Angul Sub-station **Asset-VI**:01 Nos 500 MVA Single phase spare unit of 765/400 kV ICT at Sundergrah Sub-station under Eastern Region Strengthening Scheme XII” (hereinafter referred to as “asset”) in Eastern Region for tariff block 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) 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 13.5.2014, the instant asset was scheduled to be put into commercial operation on 13.11.2016 against Assets-I, II, III, IV, V and VI were put into commercial operation on 16.12.2017, 12.3.2018, 28.3.2018. 14.2.2018, 25.9.2017 and 30.9.2018 respectively. Thus, there is time over run ranging from 13 months to 22 months in case of instant assets. The estimated completion cost of the instant assets was more than the FR approved apportioned cost.

3. The petitioner has claimed the tariff based on actual/estimated expenditure incurred up to COD and additional capitalization incurred from COD to 31.3.2021 in respect of the instant assets. The details of the capital cost claimed by the petitioner are as follows:-



(₹ in lakh)

Asset	Appor­tioned approved cost as per FR	Appor­tioned approved cost as per RCE	Estimated Cost on COD	Projected additional capital expenditure					Total estimated cost
				Est. Add Cap COD to 31.3.2018	Est. Add Cap 1.4.2018 to 31.3.2019	Est. completion cost till 31.3.2019	Est. Add Cap 1.4.2019 to 31.3.2020	Est. Add Cap 1.4.2020 to 31.3.2021	
Asset I	2269.94	3781.44	2657.73	132.48	489.44	3769.09	489.44	-	3769.09
Asset II	5403.71	5287.00	4546.27	95.12	322.65	5286.69	193.59	129.06	5286.69
Asset III	851.12	1034.97	507.15	41.16	283.94	1021.54	141.97	47.32	1021.54
Asset IV	NA	NA	1308.12	230.07	170.74	1822.76	85.37	28.46	1822.76
Asset-V	1588.81	1636.58	1436.23	61.54	50.00	1547.77	--		1547.77
Asset-VI	1588.91	1654.01	895.74	--	550.08	1578.84	133.02		1578.84
Total	11714.5	13394.00	11576.86	560.37	1640.37	15026.69	1043.39	204.84	15025.83

4. During the hearing on 9.4.2019, 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. He further submitted that all the information as required under the 2014 Tariff Regulations has been furnished. The representative of petitioner further submitted that the Asset-IV was not covered in the initial investment approval. However, the same was discussed and agreed in the SCM dated 1.9.2017.

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 and taking into consideration the time over-run which will be considered in detail at the time of issue of final order, 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

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

A. Annual transmission charges claimed by the petitioner are as follows:-

(₹ in lakh)		
Assets	2017-18	2018-19
Asset-I	167.08	625.19
Asset-II	55.23	1066.17
Asset-III	0.70	115.04
Asset-IV	36.71	319.77
Asset-V	126.68	250.99
Asset-VI	--	127.25

B. Annual transmission charges allowed are given below:



(₹ in lakh)		
Assets	2017-18	2018-19
Asset-I	92.51	346.17
Asset-II	48.10	928.48
Asset-III	0.57	94.12
Asset-IV	29.37	255.82
Asset-V	104.03	206.12
Asset-VI	-	111.94

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 17.5.2019:-

- a) Details of time over-run and chronology of activities along with documentary evidence as per format given below:-

Sl. No.	Activity	Schedule		Actual		Remarks if any
		From	to	From	to	
1	LOA					
2	Supplies of structure, equipments etc.					
3	Testing & Commissioning					

- b) The Asset-1 is about shifting of 1*315 MVA, 400/220 kV ICT from any suitable location (after replacement by 1*500 MVA ICT) and installation at



Jamshedpur 400/220 kV Sub-station. Submit details of the tariff granted for 1X315 MVA ICT at Jamshedpur Sub-station.

c) RPC approval for Asset-III, IV, V and VI.

11. The respondents are directed to file their reply by 24.5.2019 with an advance copy to the petitioner who shall file its rejoinder, if any by 31.5.2019. 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

