

**CENTRAL ELECTRICITY REGULATORY COMMISSION  
NEW DELHI**

**Petition No. 28/TT/2019**

**Coram:**

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

**Date of Order : 30.04.2019**

**In the matter of:**

Petition for determination of transmission tariff from COD to 31.3.2019 for Asset- 1: 2 nos. 220 kV line bays at 400/220 kV Damoh Sub-station, Asset-2 : 400/220 kV, 500 MVA, ICT 1 & 2 with associated bays and 2 nos. 220 kV downstream bays at Vadodara Sub-station and Asset-3: 2 nos. 220 kV downstream bays at Vadodara Sub-station 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. Madhya Pradesh Power Management Company Ltd.,  
Shakti Bhawan, Rampur  
Jabalpur - 482 008.
2. Madhya Pradesh Power Transmission Company Ltd.,  
Shakti Bhawan, Rampur  
Jabalpur - 482 008
3. Madhya Pradesh Audyogik Kendra  
Vikas Nigam (Indore) Ltd.,



- 3/54, Press Complex,  
Agra-Bombay Road,  
Indore- 452 008.
4. Maharashtra State Electricity Distribution Co. Ltd.,  
Hongkong Bank Building, 3rd Floor  
M.G. Road, Fort, Mumbai-400 001.
  5. Maharashtra State Electricity Transmission Co. Ltd.,  
Prakashganga, 6<sup>th</sup> Floor, Plot No. C-19,  
E-Block, Bandra Kurla Complex,  
Bandra (East)  
Mumbai-400 051.
  6. Gujarat Urja Vikas Nigam Ltd.,  
Sardar Patel Vidyut Bhawan,  
Race Course Road,  
Vadodara - 390 007.
  7. Gujarat Energy Transmission Corporation Ltd.,  
Sardar Patel Vidyut Bhawan,  
Race Course Road,  
Vadodara - 390 007.
  8. Electricity Department,  
Government of Goa, Vidyut Bhawan,  
Panaji, Near Mandvi Hotel,  
Goa - 403 001.
  9. Electricity Department,  
Administration of Daman and Diu,  
Daman - 396 210.
  10. Electricity Department,  
Administration of Dadra Nagar Haveli,  
U.T., Silvassa - 396 230.
  11. Chhattisgarh State Electricity Board,  
P.O. Sunder Nagar, Dangania, Raipur  
Chhattisgarh-492 013.



12. Chhattisgarh State Power Transmission Co. Ltd.,  
State Load Despacth Building,  
Dangania, Raipur – 492 013.
13. Chhattisgarh State Power Distribution Co. Ltd.,  
P.O.Sunder Nagar, Dangania, Raipur  
Chhattisgarh-492 013.

.... Respondents

For Petitioner : Shri S.K. Venkatesan, PGCIL  
Shri S.S. Raju, PGCIL  
Shri Zafrul Hasan, 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-1: 2 nos. 220 kV line bays at 400/220 kV Damoh Sub-station, Asset-2 : 400/220 kV, 500 MVA, ICT 1 and 2 with associated bays and 2 nos. 220 kV downstream bays at Vadodara Sub-station and Asset-3: 2 nos. 220 kV downstream bays at Vadodara Sub-station 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 (for short, “the 2014 Tariff Regulations”) in terms of the directions of the Commission in order dated 4.7.2018 in Review Petition No. 6/RP/2018 in Petition No. 208/TT/2016 under “Installation of Bus Reactor & ICT in Western Region” project for tariff block 2014-19 period. The petitioner has also prayed for grant 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 assets were scheduled to be put into commercial operation on 12.7.2016. The petitioner has submitted that actual COD of Asset-I was on 29.8.2017. The petitioner has further submitted that commercial operation of Assets-II and III could not be declared as the associated 220 kV downstream system in the scope of work of GETCO has not been put into commercial operation. There is time over-run of 412, 311 and 3 days in case of Assets-I, II and III respectively. The petitioner vide affidavit dated 12.11.2018 has submitted COD letters, WRLDC certificates, CEA certificates and CMD certificates of all the assets.

3. The petitioner has claimed the tariff based on actual/estimated expenditure incurred up to COD and additional capitalization projected to be 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	FR Apportioned approved cost	RCE Apportioned approved cost	Expenditure up to COD	Proposed Expenditure		Estimated completion cost
				2017-18	2018-19	
Asset I	483.02	640.86	496.08	25.37	3.88	523.33
Asset II	8085.07	10561.00	8237.99	1059.46	15.50	9312.95
Asset III	1164.37	1604.00	1151.13	94.57	0.78	1246.42
Total	9732.46	12205.86	9885.20	1179.34	20.16	11084.70



The estimated completion cost of the assets is within the revised approved apportioned cost (RCE).

4. The matter was heard on 9.4.2019. The petitioner has submitted that COD of Assets-II and III may be considered as 20.5.2017 under proviso (ii) of Regulation 4(3) of 2014 Tariff Regulations as the petitioner is not able to declare the COD of the instant assets as the associated downstream 220 kV line under the scope of GETCO is not yet ready.

5. 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.

6. 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.

7. We have considered the submissions of the petitioner. The petitioner has claimed COD of Asset-I as 29.8.2017 and in respect of Assets II and III COD is claimed under proviso (ii) of Regulation 4(3) of the 2014 Tariff Regulations as the downstream 220 kV line bays under the scope of work of GETCO are not ready. We would like to hear GETCO before considering the petitioner's prayer for grant of AFC for Assets-II and III. Accordingly, AFC for Assets-II and III is not allowed at this stage. After carrying out preliminary prudence check of the time over-run, AFC is allowed for Asset-I in terms of proviso (i) of Regulation 7(7) of the 2014 Tariff Regulations for inclusion in the computation of PoC charges.

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

A. Annual transmission charges claimed are as follows:-

(₹ in lakh)	
2017-18	2018-19
109.42	189.59

B. Annual transmission charges allowed are given below:-



(₹ in lakh)	
2017-18	2018-19
87.54	151.67

9. The tariff allowed in this order shall be applicable from the actual COD 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 13.5.2019:-

- (a) Status of 220 kV downstream system of GETCO in respect of Assets-II and III.
- (b) Copy of implementation agreement made with GETCO, if any.
- (c) What are the guidelines for acceptance of bids with high variations w.r.t. estimation?
- (d) As per form-5, the undischarged liability/ provision outstanding as on 31.3.2019 is ₹29.25 lakh for Asset I. However in Form-4A, petitioner has stated undischarged liability as on 31.3.2019 as 'nil'. Clarify the variance and furnish respective tariff forms.
- (e) Following details in respect of cash loan for all assets under consideration:-
  - (i) Amount drawn and applicable rate of interest on date of drawl.



(ii) Loan and date wise details of changes in rate of interest upto COD.

(iii) Date wise details of repayment, if any, as per terms of contract.

11. The petitioner is directed to submit the details of time over-run and chronology of activities along with documentary evidence as per the format given below on affidavit with an advance copy to the beneficiaries by 13.5.2019:-

Srl. No	Activity	Schedule		Actual		Remarks, if any
		From	To	From	To	
1.	LOA					
2.	Supplies					
3.	Foundation					
4.	Tower erection					
5.	Stringing					
6.	Testing and COD					

12. The respondents are directed to file their reply by 18.5.2019 with an advance copy to the petitioner who shall file its rejoinder, if any by 24.5.2019. The parties shall comply with the above directions within the due date mentioned above and no extension of time shall be granted.

13. The next date of hearing will be intimated to the parties in due course of time.

**sd/-**  
**(I.S. Jha)**  
**Member**

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

**sd/-**  
**(P. K. Pujari)**  
**Chairperson**

