

**CENTRAL ELECTRICITY REGULATORY COMMISSION NEW DELHI**

**Review Petition No. 4/RP/2019**  
**in Petition No. 16/TT/2017**

**Coram**

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

**Date of Order: 28.10.2019**

**In the matter of:**

Review Petition for review of order dated 9.1.2019 in Petition No. 16/TT/2017 under Section 94(1)(f) of the Electricity Act, 2003 read with Regulation 103 of the Central Electricity Regulatory Commission (Conduct of Business) Regulations, 1999.

Rajasthan Urja Vikas Nigam Limited,  
Vidhan Sabha Road, Janpath,  
Jyothi Nagar, Lal Kothi,  
Jaipur, Rajasthan-302005

**...Review Petitioner**

**Vs.**

1. Bhakra Beas Management Board,  
Sector 19-B, Madhya Marg,  
Chandigarh-160019.
2. Punjab State Power Corporation Limited,  
The Mall, Patiala-147 001.
3. Haryana Vidyut Prasaran Nigam Limited,  
Shakti Bhawan, Sector-6,  
Chandigarh.
4. Rajasthan Rajya Vidyut Prasaran Nigam Limited,  
Vidyut Bhawan, Janpath,  
Jaipur, Rajasthan-302 005.



5. Himachal Pradesh State Electricity Board,  
Vidyut Bhawan, Shimla-171004,  
Himachal Pradesh.
6. Union Territory of Chandigarh,  
Sector 9-D, UT Secretariat,  
Chandigarh.

....**Respondents**

**For Review Petitioner** : Ms. Swapna Seshadri, Advocate, RUVNL

**For Respondents** : Shri G. Umapathy, Advocate, HVPNL  
Ms. Vaishnavi, Advfocate, HVPNL  
Ms. Pavitra, Advocate, HVPNL  
Shri Sushil Mathur, RVPNL  
Shri Sanjay Sidana, BBMB

### **ORDER**

The instant Review Petition is filed by Rajasthan Urja Vikas Nigam Limited (hereinafter referred to as the “RUVNL”) seeking review and modification of the order dated 9.1.2019 in Petition No. 16/TT/2017.

#### **Background**

2. Bhakra Beas Management Board (hereinafter referred to as the “BBMB”) filed Petition No. 16/TT/2017 for determination of transmission tariff of its transmission system for the period 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”) and reimbursement of Fees and Charges of its SLDC System for the period 2014-19 in accordance with Central Electricity Regulatory Commission (Fees and Charges of Regional Load Despatch Centre and other related matters) Regulations, 2015 (hereinafter referred to as the “2015 Fees

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and Charges Regulations”). As the information submitted by BBMB was not sufficient to calculate all the components of the transmission charges for the 2014-19 tariff period, the Commission only allowed the O&M Expenses for the transmission system and the SLDC assets owned by BBMB in order dated 9.1.2019. The Commission further observed that Rajasthan is liable to pay the transmission and wheeling charges for 25 MW of power allotted to Rajasthan Fertilizers Factory (hereinafter referred to as the “RFF”) over and above the charges payable by Rajasthan.

3. Aggrieved by the Commission’s finding that Rajasthan is liable to pay the transmission and wheeling charges for the 25 MW power allotted to RFF, RUVNL has filed the instant Review Petition. RUVNL has submitted that the said finding is erroneous as the Commission failed to consider the submissions of RUVNL filed vide affidavit dated 19.6.2017 in Petition No. 16/TT/2017, wherein it was submitted that transmission charges and wheeling charges are not required to be paid by RFF as Rajasthan had already borne its share in the construction of the transmission lines connecting to RFF and it is also sharing their O & M Expenses.

### **Submissions of RUVNL**

4. RUVNL has made the following submissions in support of its Review Petition:-
- (a) BBMB in Petition No. 16/TT/2017 initially raised the issue of non-payment of transmission charges by RFF. In response, RUVNL vide affidavit dated 19.6.2017 submitted that transmission charges were not to be included in the bills of RFF as Rajasthan had already borne



its share in construction of the transmission lines connecting to RFF and it was also sharing O & M Expenses.

- (b) While Petition No. 16/TT/2017 was pending adjudication, 227<sup>th</sup> Board meeting of BBMB was held on 20.9.2017 at Chandigarh wherein it was decided by all the concerned parties that transmission charges alongwith arrears were not to be charged for RFF Power. The said decision was further reaffirmed in 229<sup>th</sup> meeting of BBMB held on 24.5.2018 at Chandigarh. It was, however, clarified in the said 229<sup>th</sup> meeting of BBMB that the transmission losses were required to be paid by Rajasthan alongwith arrears. Hence, the issue of transmission charges of RFF power was resolved with the consent of all the parties in the said meetings.
- (c) In the course of hearing the Petition No. 16/TT/2017 on 8.8.2018, Shri M.G. Ramachandran, Sr. Advocate was allowed by the Commission to file a “Note” on the legal issues relating to determination of tariff of BBMB projects as Amicus Curie in the matter. Shri M.G. Ramachandran, Sr. Advocate in his legal note submitted before the Commission clearly recorded that the issue of payment of transmission charges of RFF power was resolved by all the concerned parties in the 229th Meeting of BBMB dated 24.5.2018.



(d) Impugned order suffers from error apparent on record to the extent it holds that Rajasthan is liable to pay the transmission and wheeling charges of RFF over and above the charges payable by Rajasthan as the issue of transmission charges of RFF power had already been resolved amongst the parties in the 227<sup>th</sup> and 229<sup>th</sup> Board meetings of BBMB. The said resolution was also placed in Petition No. 16/TT/2017.

5. After hearing, the Commission directed to serve copy of the Review Petition on the respondents including BBMB and file their reply on admissibility of the Review Petition.

6. BBMB vide affidavit dated 24.5.2019 has filed its reply to the Review Petition. BBMB has submitted in its reply that as per the Bhakra Nangal Agreement, 25 MW of power is to be sold to RFF at the Power House Bus Bar from the Common Pool. Accordingly, transmission charges and losses are levied on RFF as power is delivered at Hisar end and not at the Bhakra Power House Bus Bars. The Status of RFF is of a “Common Pool Consumer” and is distinct from that of “Partnership Share”. Supply to RFF is over and above partnership share in Bhakra Project and hence transmission charges and losses were levied on RFF. BBMB has submitted that Rajasthan has shared the cost of the BBMB Transmission System and is paying only O & M Charges to the extent of its “Partnership Share”. BBMB has also submitted that non-payment of transmission charges by RUVNL resulted in accumulation of huge arrears. Hence, the matter was discussed in 227<sup>th</sup> meeting of BBMB Board meeting on 20.9.2017. The said meeting was attended by members of

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partner States and Central Government, wherein it was decided that transmission charges alongwith its arrears were not to be charged for RFF Power. However, it was decided that payment on account of transmission losses will be paid by Rajasthan alongwith its arrears for RFF power. BBMB has submitted that the decision taken in the 227<sup>th</sup> Board meeting was reaffirmed in 229<sup>th</sup> Board meeting of BBMB dated 24.5.2018.

**Analysis and decision**

7. We have considered the submissions of the parties and have perused the record carefully. On careful scrutiny of the record, we do not find that Resolutions Nos. 227<sup>th</sup> and 229<sup>th</sup> of Board meetings of BBMB dated 20.9.2017 and 24.5.2018 respectively were placed in Petition No. 16/TT/2017. We also do not find any legal note of Shri M.G. Ramachandran, Sr. Advocate in the original petition to testify the submission that transmission charges alongwith its arrears were not to be charged for RFF. Referring to 227<sup>th</sup> and 229<sup>th</sup> Board meetings of BBMB dated 20.9.2017 and 24.5.2017 respectively, both RUVNL and BBMB have submitted that transmission charges with arrears are not required to be charged from RFF. We, therefore, deem it appropriate to refer to the relevant excerpts of the said Board meetings and they are as under:-

“Minutes of 227<sup>th</sup> Meeting of the Bhakra Beas Management Board held on 20.9.2017 at Chandigarh

.....

After deliberations following decisions were taken:-

.....

(iii) Transmission charges alongwith its arrear not to be charged for RFF power. However, the transmission losses will be paid by Rajasthan alongwith its arrears.

(iv).....”



“Minutes of 229<sup>th</sup> Meeting of the Bhakra Beas Management Board held on 24.5.2018 at Chandigarh

After deliberations and after considering various options, the following decisions were taken:-

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- (v) The arrears with respect to transmission charges and transmission losses shall be as per the decision taken in 227<sup>th</sup> Board meeting i.e. transmission charges alongwith its arrears not to be charged for RFF Power, however, the transmission losses will be paid by Rajasthan alongwith its arrears.”

8. From the perusal of above referred minutes of 227<sup>th</sup> and 229<sup>th</sup> Board meetings of BBMB dated 20.9.2017 and 24.5.2018 respectively, which were held during the course of the proceedings in Petition No.16/TT/2017, coupled with the submissions of learned counsel for RUVNL and HVPNL on 16.9.2019, it is apparent that the issue of payment of transmission charges and losses has been settled among BBMB and its constituents. As the issue of recovery of transmission and wheeling charges from RFF has been mutually settled between BBMB and its constituents, we modify the order dated 9.1.2019 by withdrawing the directions given in para 42 and 44 of said order pertaining to payment of transmission charges by RFF. As agreed in the 227<sup>th</sup> and 229<sup>th</sup> Board Meetings of BBMB, only transmission losses would be paid in respect of power being supplied for RFF alongwith its arrears. All other terms of the order dated 9.1.2019 in Petition No. 16/TT/2017 shall remain unchanged.

9. In view of the above discussion, the Review Petition No. 4/RP/2019 in Petition No. 16/TT/2017 is disposed of at the stage of admission.

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

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

