

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 118/TT/2014

Coram:

**Shri Gireesh B. Pradhan, Chairperson
Shri A. K. Singhal, Member
Shri A.S. Bakshi, Member**

**Date of Hearing: 01.09.2014
Date of Order : 15.04.2015**

In the matter of

Approval of transmission tariff for Assets (07 Nos.) under transmission system for "Transfer of power from Generation Projects in Sikkim to NR/WR Part-B" 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 from DOCO to 31.3.2019.

And in the matter of

Power Grid Corporation of India Limited,
"Saudamani", 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 Ltd.
Shahid Nagar, Bhubaneswar-751 007.
4. Damodar Valley Corporation
DVC Tower, Maniktala



Civic Centre, VIP Road
Calcutta-700 054.

5. Power Department,
Government of Sikkim,
Gangtok- 737 101
6. Jharkhand State Electricity Board
In Front of Main Secretariat
Doranda, Ranchi-834 002.

.....**Respondents**

For petitioner : Shri S.S. Raju, PGCIL
Shri Mohd.Mohsin, PGCIL
Shri S.K. Venkatesan, PGCIL
Ms. Sangeeta Edwards, PGCIL
ShriRakesh Prasad, PGCIL

For respondents : None

ORDER

The petitioner, Power Grid Corporation of India Limited (PGCIL) has filed this petition for approval of the transmission tariff for Assets (07 Nos.) under transmission system for "Transfer of power from Generation Projects in Sikkim to NR/WR Part-B" in Eastern 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 allowing 90% of the Annual Fixed Charges claimed, in terms of proviso (i) of Regulation 7(7) of the 2014 Tariff Regulations.

2. The details of the assets covered in the instant petition are given overleaf:-

S. No.	Asset	Name of the Asset	Scheduled DOCO	Anticipated/ DOCO as on the date of petition	Actual DOCO as per vide affidavit dated 22.12.2014
1.	Asset-I	01 No 3X105 Single phase, 400/220 kV Transformer (3rd) with associated bays under Rangpo S/S	16.11.2013	1.6.2014 (anticipated)	9.6.2014
2.	Asset-II	01 No 100 MVA, 220/132 kV Transformer (2nd), 01 no. 132 kV Bus coupler bay, & 01 no. 132 kV Bus Sectionalizer with associated bays under Rangpo S/S		1.6.2014 (anticipated)	22.5.2014
3.	Asset-III	1 no 80 MVAR Bus reactor(2nd) and associated bays at Rangpo S/S		1.6.2014 (anticipated)	9.6.2014
4.	Asset-IV	01 No 3X105 single phase, 400/220 kV Transformer (4th) with associated bays under Rangpo S/S		1.7.2014 (anticipated)	30.6.2014
5.	Asset-V	01 No 3X105 single phase, 400/220 kV Transformer (5th) with associated bays under Rangpo S/S		1.7.2014 (anticipated)	3.7.2014
6.	Asset-VI	01 No 100 MVA, 220/132 kV Transformer (3rd) with associated bays under Rangpo S/S		1.7.2014 (anticipated)	13.6.2014
7.	Asset-VII	LILO of 400 kV D/C Teesta V-Siliguri line (Ckt-II) at Rangpo and Associated bays at Rangpo S/S		1.7.2014 (anticipated)	31.10.2014

3. The matter was heard on 1.9.2014. During the hearing, the representative of the petitioner prayed for grant Annual Fixed Charges (AFC) in terms of proviso (i) of Regulation 7(7) of the 2014 Tariff Regulations in respect of the instant assets.

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), Regulations, 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. We have considered the submissions of the petitioner. 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 over-run in case of the instant assets, which shall be looked into in detail at the time of issue of final tariff, 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 para 7 of this order for the years 2014-15 and 2015-16.

7. The details of the tariff claimed by the petitioner and tariff allowed by the Commission are as follows:-

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

(₹in lakh)

Assets	2014-15	2015-16	2016-17	2017-18	2018-19
Asset-I	354.64	439.23	444.67	441.72	437.90
Asset-II	265.01	327.20	327.71	324.96	321.56
Asset-III	165.09	204.04	206.60	205.68	204.39
Asset-IV	335.15	459.87	463.39	458.42	452.57
Asset-V	332.77	456.67	460.15	455.20	449.85
Asset-VI	173.39	244.19	250.90	250.01	249.07
Asset-VII	424.21	620.24	645.68	636.89	626.87

B. Annual transmission charges allowed are as follows:-

(₹in lakh)

Assets	2014-15	2015-16
Asset-I	276.15	351.38
Asset-II	218.85	261.76
Asset-III	128.55	163.23
Asset-IV	269.11	367.90
Asset-V	264.31	365.34
Asset-VI	147.96	195.35
Asset-VII	188.31	492.41

8. The AFC allowed in this order shall be applicable from the date of commercial operation of the transmission 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.

9. The petitioner is directed to work out the tax on return on equity and the deferred tax liability for the period 2014-19 as per the observations made in order dated 15.4.2015 in Petition No. 532/TT/2014.

10. The Commission directed the petitioner to submit the following information on affidavit with a copy to respondents by 29.5.2015:-

- (i) RLDC charging certificate along with DOCO letter under Regulation 5 (2) of the 2014 Tariff Regulations. The petitioner should clarify why RLDC charging certificate has not been enclosed along with DOCO letter as required under the said CERC Regulations.
- (ii) CEA certificate under Regulation 43 of CEA (Measures Related to Safety & Electricity Supply) Regulations, 2010 for all the assets covered in the petition within 15 days of declaration of COD.
- (iii) Details of time over-run along with documentary evidence and chronology of the activities Asset-wise as per the format given below:-

Asset	Activity	Period of activity				Reason(s) for delay
		Planned		Achieved		
		From	To	From	To	

- (iv) The clarification for cost variation in certain heads as per Form 5s. along with documentary evidence.
- (v) Revised Forms as per actual DOCO.
- (vi) Revised management certificates of all the Assets.
- (vii) Single Line Diagram (SLD) of Rangpo switchyard.
- (viii) A copy of DPR giving details of transformers/ bays to be installed at Rangpo which are not covered in the Investment Approval.
- (ix) The SCM minutes which have been attached with the petition indicates Asset-7 as LILO of 400 kV D/C, Teesta- Siliguri line at New Melli instead of Rangpo as filed by the petitioner. Submit the SCM & RPC approval for Asset-7.
- (x) It is recorded in SCM at page-29 of the petition that charges for Part "B" of the scheme which is covered under instant petition shall be initially borne by generation developers. The petitioner has not brought out anything on this in the Sharing of Transmission Charges paragraph of the petition. The petitioner to clarify its position in this regard.

(xi) Status of generating station for which the transmission assets covered in the instant petition was planned.

(xii) Clarify whether the transmission assets are in use or not.

sd/-
(A.S. Bakshi)
Member

sd/-
(A.K. Singhal)
Member

sd/-
(Gireesh B. Pradhan)
Chairperson