

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 137/TT/2015

Coram:

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

**Date of Hearing : 18.06.2015
Date of Order : 07.07.2015**

In the matter of:

Approval of transmission tariff for LILO of 2nd circuit of 400 kV Nathpa Jhakri-Nalagarh (Triple Snowbird) Line at Rampur under Transmission System associated with Rampur HEP in Northern 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 Limited
"Saudamani", Plot No.2,
Sector-29, Gurgaon -122 001, (Haryana)

.....**Petitioner**

Vs

1. Rajasthan Rajya Vidyut Prasaran Nigam Ltd.,
Vidyut Bhawan, Vidyut Marg,
Jaipur- 302 005
2. Ajmer Vidyut Vitran Nigam Ltd.,
400 kV GSS Building (Ground Floor), Ajmer Road,
Heerapura, Jaipur
3. Jaipur Vidyut Vitran Nigam Ltd.,
400 kV GSS Building (Ground Floor), Ajmer Road,
Heerapura, Jaipur
4. Jodhpur Vidyut Vitran Nigam Ltd.,
400 kV GSS Building (Ground Floor), Ajmer Road,
Heerapura, Jaipur



5. Himachal Pradesh State Electricity Board,
Vidyut Bhawan, Kumar House Complex Building II,
Shimla-171 004
6. Punjab State Power Corporation Limited,
Thermal Shed Tia, near Phatak,
Patiala-147 001
7. Haryana Power Purchase Centre,
Shakti Bhawan, Sector-6,
Panchkula (Haryana)-134 109
8. Power Development Department,
Govt. of Jammu and Kashmir,
Mini Secretariat, Jammu
9. UP Power Corporation Ltd.,
Shakti Bhawan, 14, Ashok Marg,
Lucknow-226 001
10. Delhi Transco Ltd.,
Shakti Sadan, Kotla Road,
New Delhi-110 002
11. BSES Yamuna Power Ltd.,
BSES Bhawan, Nehru Place,
New Delhi
12. BSES Rajdhani Power Ltd.,
BSES Bhawan, Nehru Place,
New Delhi
13. North Delhi Power Ltd.,
Power Trading & Load Dispatch Group,
Cennet Building, Adjacent to 66/11kV Pitampura-3,
Grid Building, Near PP Jewellers,
Pitampura, New Delhi-110 034
14. Chandigarh Administration,
Sector-9, Chandigarh
15. Uttarakhand Power Corporation Ltd.,
Urja Bhawan, Kanwali Road,
Dehradun
16. North Central Railway,
Allahabad

17. New Delhi Municipal Council,
Palika Kendra, Sansad Marg,
New Delhi - 110 002

18. Satluj Jal Vidyut Nigam Limited,
Himfed Building,
New Shimla - 171 009

....Respondents

For petitioner : Shri S.S. Raju, PGCIL
Shri M.M. Mondal, PGCIL
Shri S.K. Venkatesan, PGCIL
Ms. Sangeeta Edwards, PGCIL
Shri Rakesh Prasad, PGCIL

For respondent : Shri R.B Sharma, Advocate, BRPL

ORDER

The petition has been filed by Power Grid Corporation of India Limited (PGCIL) for determination of the transmission tariff for LILO of 2nd circuit of 400 kV Nathpa Jhakri-Nalagarh (Triple Snowbird) Line at Rampur, under Transmission System associated with Rampur HEP", based on 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, in terms of proviso (i) of Regulation 7(7) of the 2014 Tariff Regulations.

2. The details of the asset covered in the instant petition are given hereunder:-

Asset	Scheduled COD	COD
LILO of 2 nd circuit of 400 kV Nathpa Jhakri-Nalagarh (Triple Snowbird) Line at Rampur	1.12.2011	20.10.2014



3. The petition was heard on 18.6.2015. During the hearing, the representative of the petitioner prayed for grant of Annual Fixed Charges (AFC) in terms of proviso (i) of Regulation 7(7) of the 2014 Tariff Regulations. The representative of petitioner submitted that, as per the investment approval (I.A.) dated 20.2.2009, the scheduled completion is within 33 months from the date of I.A., i.e. by 1.12.2011. The asset has been put under commercial operation on 20.10.2014. Hence, there is a time over-run of 35 months. The time over-run is mainly on account of delay in forest clearance, ROW problems and court case. There is cost over-run also. The total estimated completion cost is ₹585 lakh against the apportioned approved cost of ₹314.16 lakh. The representative of BRPL submitted that the reasons given by the petitioner for time over-run clearly falls within the controllable factors mentioned in Regulation 12 of the 2014 Tariff Regulations, and hence IDC and IEDC for the delay period should not be allowed by the Commission.

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), 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.

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 and cost over-run in case of the instant asset, 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 asset 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:-

Asset	(₹ in lakh)				
	2014-15 (pro-rata)	2015-16	2016-17	2017-18	2018-19
LILO of 2 nd circuit of 400 kV Nathpa Jhakri-Nalagarh	37.14	103.52	104.08	100.84	97.62

B. Annual transmission charges allowed are as follows:-

(₹ in lakh)		
Asset	2014-15 (pro-rata)	2015-16
LILO of 2 nd circuit of 400 kV Nathpa Jhakri-Nalagarh	15.95	44.47

8. The AFC allowed in this order shall be applicable from the date of commercial operation of the transmission asset 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 Commission directed the petitioner to submit the following information on affidavit with copy to respondents by 31.7.2015:-

- a) RLDC Certificate for charging of asset;
- b) CEA certificate under Regulation 43 of CEA (Measures Related to Safety & Electricity Supply) Regulations, 2010;
- c) Form-7 indicating details of additional capital expenditure;
- d) Chronology of events indicating date and period for delay due to forest clearance in Rampur/ Anni Division, court case, RoW problem and shut-down in a tabulated form;
- e) Single Line Diagram(SLD) and schematic of general arrangement of asset;
- f) Auditor's Certificate for cost in respect of the asset;
- g) Investment Approval certified by Company Secretary;
- h) Revised Cost Estimate (RCE) approved by the competent authority;
- i) Date of Drawl, Rate of interest, Repayment schedule for SBI Loans and Proposed Loans (as per Form-9c);
- j) Details of default, if any, in interest payment on loan;
- k) Form-4A "Statement of Capital Cost" as per Books of Accounts (Accrual Basis) for the Asset, indicating amount of Capital Liabilities in Gross Block;

- l) Computation of interest during construction for the Asset for the following periods:
 - (i) From the date of infusion of debt fund up to Scheduled date of commercial operation as per Regulation 11 (A) (1) of the 2014 Tariff Regulations;
 - (ii) If there is any delay in completion of the asset, from Scheduled date of commercial operation to actual date of commercial operation of the Asset.
- m) Detailed break-up of IDC and IEDC capitalized among the elements (i.e. Building, civil work, Sub-station, Transmission Line, PLCC, etc.) of the asset covered in the instant petition;
- n) Details of IEDC incurred during the period of delay in commissioning of the asset (i.e. from Scheduled date of commercial operation to actual date of commercial operation) along with the liquidated damages recovered or recoverable, if any.
- o) Form-9 (Details of allocation of corporate loans to various transmission elements), Form-9A (Details of project Specific Loan), Form-12A (IEDC), Form-12B (Draw down schedule for calculation of IDC & Financing charges).

10 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.

Sd/-
(A.S. Bakshi)
Member

Sd/-
(A.K. Singhal)
Member

Sd/-
(Gireesh B. Pradhan)
Chairperson