

**CENTRAL ELECTRICITY REGULATORY COMMISSION  
NEW DELHI**

**Petition No. 540/TT/2014**

**Coram:**

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

**Date of Hearing: 20.01.2015  
Date of Order : 15.04.2015**

**In the matter of:**

Approval of transmission tariff for Asset-I: 9.292 km of Fibre Optic Communication system (Central Sector) (Actual DOCO: 1.2.2014) and Asset-II: 392.393 km of Fibre Optic Communication system (State Sector) (Actual DOCO: 1.4.2014), in lieu of existing Unified Load Despatch and Communication (ULDC) Microwave links in North-Eastern Region for tariff block 2014-19, 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

**.....Petitioner**

**Vs**

1. North-Eastern Electric Power Corporation Limited,  
(NEEPCO Limited), 15, NBCC Tower,  
Bhikaji Cama Place, New Delhi
2. National Hydro Power Corporation (NHPC) Limited,  
NHPC Office Complex, Lodhi Road,  
New Delhi
3. ONGC Tripura Power Company Limited (OTPC),  
6<sup>th</sup> Floor, A-Wing, IFCI Tower, 61, Nehru Place,  
New Delhi-110 019



4. North East Transmission Company Limited (NETC),  
1<sup>st</sup> Floor, Ambience Corporate Tower, Ambience Mall,  
Ambience Island
  5. National Thermal Power Corporation Limited (NTPC),  
Bongaigaon TPP, Salakati, Kokrajhar-783 369  
Assam
  6. Government of Arunachal Pradesh,  
Itanagar-791 111, Arunachal Pradesh
  7. APDCL Assam Power Distribution Company Limited,  
ASEB, Bijuli Bhavan, Paltan Bazar,  
Guwahati-781 001, Assam
  8. Manipur State Electricity Distribution Company Limited,  
(Formerly Electricity Department, Government of Manipur),  
Keishampat, Imphal-795 001, Manipur
  9. Meghalaya Electricity Corporation Limited,  
MeECL, Lumjingshai, Short Round Road,  
Shillong-793 001, Meghalaya
  10. Power and Electricity Department,  
Government of Mizoram, Khatla,  
Aizawl-796 001, Mizoram,
  11. Department of Power,  
Government of Nagaland,  
Kohima-797 001, Nagaland
  12. Tripura State Electricity Corporation Limited,  
Vidyut Bhawan, North Banamalipur,  
Agartala, Tripura (W)-799 001
  13. Assam Electricity Grid Corporation Limited,  
(Formerly Assam State Electricity Board),  
Bijulee Bhavan, Paltan Bazar,  
Guwahati-781 001, Assam
  14. Electricity Department,  
Government of Manipur,  
Keishampat, Imphal
- .....Respondents

**For petitioner** : Shri M.M. Mondal, PGCIL  
Shri S.K. Venkatesan, PGCIL  
Shri S.S. Raju, PGCIL  
Shri Jasbir Singh, PGCIL

**For respondents** : Shri P.K.H. Singh, NEC

### **ORDER**

The petition has been filed by Power Grid Corporation of India Limited (PGCIL) for approval of transmission charges for Asset-I: 9.292 km of Fibre Optic Communication system (Central Sector) (Actual DOCO: 1.2.2014) and Asset-II: 392.393 km of Fibre Optic Communication system (State Sector) (Actual DOCO: 1.4.2014), in lieu of existing Unified Load Despatch and Communication (ULDC) Microwave links in North-Eastern Region, (hereinafter referred to as "transmission assets") from the date of commercial operation of the assets to 31.3.2019 for tariff block 2014-19. 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 Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2014 (hereinafter referred to as "the 2014 Tariff Regulations").

2. The details of the assets covered in the instant petition are as follows:-

<b>S. No.</b>	<b>Asset</b>	<b>Name of the Asset</b>	<b>Scheduled DOCO</b>	<b>Actual DOCO</b>
1	Asset-I	9.292 km of Fibre Optic Communication system (Central Sector)	1.9.2013	1.2.2014*
2	Asset-II	392.393 km of Fibre Optic Communication system (State Sector)	1.9.2013	1.4.2014

\*Though the Asset-I was under DOCO w.e.f. 1.2.2014, the petitioner has preferred claim w.e.f. 1.4.2014 on account of the capital cost being small.

3. The petition was heard on 20.1.2015. The representative of the petitioner requested to grant Annual Fixed Charges (AFC) in terms of proviso (i) of Regulation 7(7) of the 2014 Tariff Regulations.

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) provides that such an application shall be filed as per Annexure-I of these regulations.

5. The petitioner has made the application 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. We have considered the submissions of the petitioner. After carrying out preliminary prudence check of the AFC claimed by the petitioner and taking into consideration the cost variation in case of the Asset-I and time over-run in case of both the assets, which shall be looked into in detail at the time of issue of final tariff, the



Commission has decided to allow tariff in terms of proviso (i) of Regulation 7(7) of the 2014 Tariff Regulations as per 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	7.00	8.11	8.14	8.01	7.87
Asset-II	168.86	190.97	193.21	186.94	180.76

B. Annual transmission charges allowed are as under:-

	(₹ in lakh)	
Assets	2014-15	2015-16
Asset-I	4.28	4.96
Asset-II	135.09	152.78

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

sd/-  
**(A.S. Bakshi)**  
Member

sd/-  
**(A.K. Singhal)**  
Member

sd/-  
**(Gireesh B. Pradhan)**  
Chairperson

