

**CENTRAL ELECTRICITY REGULATORY COMMISSION  
NEW DELHI**

**Petition No. 78/TT/2015**

**Coram:**

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

**Date of Hearing: 17.03.2015  
Date of Order : 17.04.2015**

**In the matter of:**

Approval 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 of transmission tariff for Asset-A: 80 MVAR line reactor of Barh-I (charged as bus reactor) at Gorakhpur extension (DOCO: 4.11.2014) and Asset-B: 80 MVAR line reactor of Barh-II (charged as bus reactor) at Gorakhpur extension under (DOCO: 2.11.2014) under "Barh-TPS II" in Northern Region from actual DOCO to 31.3.2019.

**And in the matter of:**

Power Grid Corporation of India Limited  
"Saudamini", Plot No.2,  
Sector-29, Gurgaon -122 001

**.....Petitioner**

**Vs**

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

4. Jodhpur Vidyut Vitran Nigam Limited,  
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 Electricity Board,  
The Mall, 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. Uttar Pradesh Power Corporation Limited,  
(Formerly Uttar Pradesh State Electricity Board)  
Shakti Bhawan, 14, Ashok Marg,  
Lucknow-226 001
10. Delhi Transco Limited,  
Shakti Sadan, Kotla Road,  
New Delhi-110 002
11. BSES Yamuna Power Limited,  
BSES Bhawan, Nehru Place,  
New Delhi
12. BSES Rajdhani Power Limited,  
BSES Bhawan, Nehru Place,  
New Delhi
13. North Delhi Power Limited,  
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 Limited,  
Urja Bhawan, Kanwali Road, Dehradun

16. North Central Railway,  
Allahabad

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

.....Respondents

**For petitioner** : Shri S.S. Raju, PGCIL  
Shri M.M. Mondal, PGCIL  
Shri S.K. Venkatesan, PGCIL  
Ms Sangeeta Edwards, 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 transmission assets under “Barh-TPS II” in Northern 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 and the elements covered in the petition are as follows:-

S. No.	Asset	Name of the Asset	Scheduled DOCO	Actual DOCO as on the date of petition
1	Asset-A	80 MVAR line reactor of Barh-I (charged as bus reactor) at Gorakhpur extension	28.8.2014	4.11.2014
2	Asset-B	80 MVAR line reactor of Barh-II (charged as bus reactor) at Gorakhpur extension		2.11.2014



3. During the hearing on 17.3.2015, 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 in respect of the instant assets. In response to a query of the Commission, the representative of the petitioner submitted that during 36<sup>th</sup> Standing Committee meeting held on 8.8.2014, it was decided to use these two line reactors as Bus Reactors as the line would take six months to complete.

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 and cost 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 under:-

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-A	72.65	185.66	184.42	183.23	182.15
Asset-B	76.58	193.18	191.70	190.29	188.99

B. Annual transmission charges allowed are as follows:-

(₹ in lakh)		
Assets	2014-15 (Pro-rata)	2015-16
Asset-A	55.61	142.13
Asset-B	55.22	139.31

8. The provisional AFC 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.

10. The Commission directed the petitioner to submit the following information on affidavit with a copy to the respondents by 13.4.2015:-

- a) Proper reasons for cost over-run and documentary evidence for delay in completion of the instant assets, covered in this petition;
- b) Revised cost estimates of the project, if any, approved by the Board;
- c) Status of 400 kV D/C Barh-Gorakhpur line;
- d) A copy of the Investment Approval certified by Company Secretary;
- e) Form-5A, 12A and 13 for Asset-A;
- f) RCE with apportioned approved cost;
- g) Details of Income recovered from contractors as given in Form 12A;
- h) Details of default in interest payment on loan, if any;
- i) Form-4A "Statement of Capital Cost" as per Books of Account (accrual basis) for the instant assets and indicate amount of Capital Liabilities in Gross Block;
- j) Computation of interest during construction along with editable soft copy in Excel format with links for the instant asset for the following periods:-
  - (i) From the date of infusion of debt fund up to scheduled COD as per Regulation 11 (A) (1) of 2014 Tariff Regulations;

- (ii) From scheduled COD to actual COD of the instant assets;
- k) Details of incidental expenditure incurred (IEDC) during the period of delay in commissioning of the instant assets (i.e. from scheduled COD to actual COD), if any; and
- l) Form-9 (Details of allocation of corporate loans to various transmission elements) and Form-15 (Actual Cash Expenditure) in respect of the instant assets.

sd/-

**(A.S. Bakshi)**  
**Member**

sd/-

**(A.K. Singhal)**  
**Member**

sd/-

**(Gireesh B. Pradhan)**  
**Chairperson**