

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 62/MP/2017

- Subject : Petition under Section 63 of the Electricity Act, 2003 for adoption of transmission charges with respect to the transmission system established by Power Grid N M Transmission Limited (a 100% wholly owned subsidiary of Power Grid Corporation Of India Limited) and under Section 14 of the Electricity Act, 2003 read with the Central Electricity Regulatory Commission (Procedure, Terms and Conditions for grant of transmission licence and other related matters) Regulations, 2009 with respect to transmission licence to Powergrid N M Transmission Limited.
- Date of hearing : 18.7.2017
- Coram : Shri Gireesh B. Pradhan, Chairperson
Shri A.K. Singhal, Member
Shri A.S. Bakshi, Member
Dr. M.K. Iyer, Member
- Petitioner : Power Grid NM Transmission Limited.
- Respondent : IL & FS Tamil Nadu Power Company Limited.
- Parties present : Shri M.G. Ramachandran, Advocate, PGTL
Ms. Anushree Bardhan, Advocate, PGTL
Shri V.C. Shekhar, PGTL
Shri B. Vamsi, PGTL
Ms. Manju Gupta, PGTL

Record of Proceedings

Learned counsel for the petitioner submitted that the present petition has been filed seeking approval of methodology for apportionment of transmission charges between 765 kV D/C Nagapattinam-Salem transmission line and Salem-Madhugiri transmission lines and payment of transmission charges for 765 kV D/C Nagapattinam –Salem transmission line w.e.f. 23.10.2016 i.e. the date of COD and for payment of transmission charges for 765 kV D/C Nagapattinam-Salem transmission line with effect from 23.10.2016 i.e. the date of CoD. Learned counsel further submitted as under:

- a). The bidding for the project was under the tariff based competitive bidding scheme and this was one of the initial projects . Share of transmission charges for each element was not provided in the bid document. It was decided in the CEA meeting dated 15.9.2016 that apportionment of cost to individual transmission lines can be done

in case a decision is taken to implement them individually. The Commission may examine the method to be adopted for apportionment. .

b). The transmission charges are to be paid as per the PoC mechanism and the PoC calculation presently are governed by a set cost of various configurations of transmission lines, the same may be considered for apportionment of transmission charges between 765 kV D/C Nagapattinam-Salem transmission line and Salem-Madhugiri transmission lines. The petitioner will suffer irreparably if the payment of the transmission charges is delayed for the transmission system which has already been put to use.

c). In a competitive bid project, upfront revision of tariff cannot be permitted as it will violate the sanctity of the competitive bidding.

d). Section 70 of the Indian Contract Act, 1872 provides that where a person lawfully does anything for another person, or delivers anything to him, not intending to do so gratuitously and such other person enjoys the benefit thereof, the latter is bound to make compensation to the former in respect of or to restore the thing so done or delivered. In support of this contention, learned counsel placed reliance upon the judgment of the Hon'ble High Court of Bombay in the case of Dinshaw and Dinshaw and others Vs. Indowse Engineers Ltd. [AIR 1995 Bom.180].

2. Learned counsel for the petitioner sought permission to file written submissions on the legal issues involved in the matter. Request was allowed by the Commission.

3. None was present on behalf of the respondent despite notice.

4. After hearing the learned counsel for the petitioner, the Commission directed the petitioner to file the written submission by 4.8.2017 with an advance copy to the respondent. The Commission directed that due date of filing the written submission should be strictly complied with. No extension shall be granted on that account.

5. The Commission requested CEA to certify by 22.8.2017, whether the commissioning of the asset will be in the interest of safety and security of the grid and whether the asset can be put to useful service after its commissioning.

6. The Commission directed the petitioner to implead BPC as party to the petition and file revised Memo of Parties by 10.8.2017. The Commission directed BPC to file its comments on the prayers of the petitioner by 10.8.2017 and assist the Commission on the next date of hearing.

7. The petition shall be listed for hearing on 29.8.2017.

By order of the Commission

**Sd/-
(T. Rout)
Chief (Legal)**