

**CENTRAL ELECTRICITY REGULATORY COMMISSION  
NEW DELHI**

**Petition No. 13/TT/2017**

**Coram:**

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

**Date of Order : 11.04.2017**

**In the matter of:**

Determination of transmission tariff for COD to 31.3.2019 for Asset 1: Pole-I of the  $\pm 800$  kV, 3000 MW Champa Pooling Station and Kurukshetra HVDC terminals along with  $\pm 800$  kV Champa Pooling station -Kurukshetra HVDC transmission line Asset 2: 02 Nos. 400/220 kV, 500 MVA ICTs along with associated bays at 400/220 kV GIS substation at Kurukshetra and Asset 3: 8 nos. 220 kV Line Bays at 400/220 kV GIS substation at Kurukshetra under "WR- NR" HVDC Interconnector for IPP Projects in Chhattisgarh in Northern Region and Western 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  
"Saudamini", Plot No.2,  
Sector-29, Gurgaon -122 001

**.....Petitioner**

**Vs**

1. Rajasthan Rajya Vidyut Prasaran Nigam Limited  
Vidyut Bhawan, Janpath, Jaipur - 302 005  
Rajasthan, INDIA.
2. Ajmer Vidyut Vitran Nigam Limited,  
Vidyut Bhawan, Panchsheel Nagar,  
Makarwali Road, Ajmer- 305004 Jaipur



3. Jaipur Vidyut Vitran Nigam Limited,  
Vidyut Bhawan, Janpath, Jaipur - 302 005  
Rajasthan, INDIA.
4. Jodhpur Vidyut Vitran Nigam Limited,  
New Power House, Industrial Area  
Jodhpur-342003
5. Himachal Pradesh State Electricity Board,  
Vidyut Bhawan Shimla  
Himachal Pradesh (India)-171004
6. Punjab State Electricity Board,  
1st Floor, Patiala - 147001,  
Opposite Kali Mata Mandir  
Shakti Sadan
7. Haryana Power Purchase Centre,  
Shakti Bhawan, Sector -6  
Panchkula-134109
8. Power Development Department,  
Exhibition Ground, PDD Building,  
Jahangir Chowk - 190001, Srinagar;
9. Uttar Pradesh Power Corporation Ltd.,  
Shakti Bhawan, 14, Ashok Marg,  
Lucknow - 226001, UP, India.
10. Delhi Transco Limited,  
Shakti Sadan, Kotla Marg,  
New Delhi-110002
11. BSES Yamuna Power Limited, New Delhi  
C-7, Yamuna Vihar, New Delhi - 110053
12. BSES Rajdhani Power limited,  
33 KV Grid, BSES Bhawan,  
Adchini, New Delhi -110017



13. North Delhi Power Limited,  
Shakti Deep Building,  
District Office Building,  
Rohini Sector 3 New Delhi– 110085
14. Chandigarh Administration,  
Union Territory  
5th Floor, Secretariat Deluxe Building,  
Sector - 9 - D Chandigarh– 160017
15. Uttarakhand Power Corporation Ltd.,  
Victoria Cross Vijeyta Gabar Singh Bhawan,  
Kanwali Road, Balliwala Chowk,  
Dehradun-248001, Uttarakhand
16. North Central Railway,  
Subedarganj, Doomanganj, Allahabad  
Uttar Pradesh - 211011
17. New Delhi Municipal Council,  
Palika Kendra, Parliament Street,  
New Delhi-110001
18. Madhya Pradesh Power Management Company Ltd.,  
Shakti Bhawan, Rampur  
Jabalpur-482 008.
19. Maharashtra State Electricity Distribution Company Limited,  
Prakashgad, 4th floor  
Andehri (East), Mumbai-400 052.
20. Gujarat Urja Vikas Nigam Ltd.,  
Sardar Patel Vidyut Bhawan,  
Race Course Road, Vadodara-390 007.
21. Electricity Department, Government of Goa,  
Vidyut Bhawan, Panaji,  
Near Mandvi Hotel, Goa-403 001.
22. Electricity Department,  
Administration of Daman and Diu,  
Daman-396210.



23. Electricity Department,  
Administration of Dadra Nagar Haveli,  
U.T. Silvassa-396 230.
24. Chhattisgarh State Electricity Board,  
P.O. Sunder Nagar, Dangania, Raipur  
Chhattisgarh-492 013.
25. Madhya Pradesh Audyogik Kendra Vikas Nigam (Indore) Ltd.,  
3/54, Press Complex, Agra-Bombay Road  
Indore-452 008.
26. Korba STPS, NTPC  
NTPC Ltd,Western Region Head,Quarter-I  
2<sup>nd</sup> Floor, Samruddhi  
Venture park, Marol Andheri East  
Mumbai- 400093
27. RKM POWERGEN Pvt. Limited  
No. 14, Dr. Giriappa Road  
T.Nagar, Chennai-600017
28. Jindal Power Ltd  
2<sup>nd</sup> Floor, DCM Building, Plot No. 94  
Sector-32, Gurgaon
29. Athena Chhattisgarh Power Ltd  
7-1-24/1/RT, G-1, Block  
1<sup>st</sup> Floor," Rexona Towers" Greenlands  
Begumpet, Hyderabad-500016
30. SKS Power Generation Ltd  
2<sup>nd</sup> Floor, DCM Building, Plot No. 94  
Sector-32, Gurgaon
31. Korba West Power Company Ltd  
6<sup>th</sup> and 7<sup>th</sup> Floor, Vatika City Point  
M.G. Road Gurgaon-122002
32. KSK Mahanadi Power Company Ltd.  
8-2/293/82/A/431/A. Road no. 22



Jubilee Hills, Hyderabad-500033

33. D.B. Power Ltd  
813, Udyog Vihar, Phase V  
Gurgaon-122016
34. Lanco Amarkantak power Pvt. Ltd.  
Plot No. 397, Udyog Vihar, Phase-III  
Gurgaon-122016
35. Vandana Vidyut Ltd  
Vandana Bhawan, M.G. Road  
Raipur-Chhattisgarh
36. Bharat Aluminum Company Ltd.  
BALCO Nagar, Korba-495450  
Chhattisgarh

.....**Respondents**

**For petitioner** : Shri S.K. Venkatesan, PGCIL  
Shri B. Dash, PGCIL  
Shri Anil Kumar Meena, PGCIL  
Shri Y.K. Sehagal, PGCIL  
Ms Manju Gupta, PGCIL,  
Shri Rakesh Prasad, PGCIL  
Shri S.S. Raju, PGCIL  
Shri V.P. Rastogi, PGCIL

**For respondents** : Shri R.B. Sharma, Advocate, BRPL

### **ORDER**

The petitioner, Power Grid Corporation of India Limited (PGCIL) has filed the instant petition for determination of tariff for Asset 1: Pole-I of the  $\pm 800$  kV, 3000 MW Champa Pooling Station and Kurukshetra HVDC Terminals along with  $\pm 800$  kV Champa Pooling station-Kurukshetra HVDC transmission line Asset 2: 2 Nos. 400/220 kV, 500 MVA ICTs along with associated bays at 400/220 kV GIS sub-station at



Kurukshehra and Asset 3: 8 nos. 220 kV Line Bays at 400/220 kV GIS sub-station at Kurukshehra under “WR- NR” HVDC Interconnector for IPP Projects in Chhattisgarh in Northern Region and Western 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 (AFC) claimed, in terms of proviso (i) of Regulation 7(7) of the 2014 Tariff Regulations for inclusion in PoC mechanism. The instant assets were scheduled to be commissioned on 25.6.2015. The petitioner initially in the petition submitted that the assets were scheduled to be commissioned on 1.1.2017. Later, vide affidavit dated 23.1.2017 submitted that the assets were scheduled to be commissioned on 15.2.2017.

2. The matter was heard on 21.3.2017. During the hearing, the representative of petitioner submitted that the subject transmission system was planned as a part of High Capacity Power Transmission Corridor-V, for evacuation and transfer of power from IPP generation projects in Raigarh (Kotra), Champa, Raigarh (Tamnar) and Raipur generation complex in Chhattisgarh. Out of the estimated 15000-16000 MW quantum of power transfer requirement, about 5000 MW power was planned for transfer to Northern region and balance power was to be consumed within Western Region. For evacuation and transfer of power from these generation projects, 765/400 kV High Capacity Pooling stations viz. at Raigarh (Kotra), Raigarh (Tamnar), Raipur and Champa have been established. Above pooling stations has been interconnected



through high capacity 765 kV transmission lines. However, considering the quantum of power transfer requirement (about 5000 MW) to Northern Region over a long distance, a high capacity transmission corridor viz.  $\pm 800$  kV, 6000 MW HVDC bipole line between Champa Pooling Station and Kurukshetra with 3000 MW terminals at either end was planned and is being implemented in two phases of 1500 MW each pole. The representative of the petitioner submitted that Pole-I of 1500 MW will be commissioned in March, 2017 and with its commissioning, ATC between WR & NR is expected to be enhanced by 2000 MW which shall become 4000 MW with the commissioning of the Pole-II. Out of this, LTA of about 1825 MW is on the basis of firm PPA signed by various IPPs with NR constituents and remaining 2124 MW is LTA granted with target region as NR. The representative of the petitioner requested to grant AFC under Regulation 7(7) of the 2014 Tariff Regulations.

3. The learned counsel for BRPL submitted that instant petition covers Pole I  $\pm 800$  kV HVDC line and the petition for Pole-II of  $\pm 800$  kV HVDC has not been filed, though as per the Investment Approval both the poles are to be commissioned within 39 months. Learned counsel submitted that if both Pole I and II are not commissioned simultaneously, Pole I will have to be shut down at the time of stringing of Pole-II which will not be in the interest of beneficiaries.

4. In response, the representative of the petitioner submitted that Pole-I would be commissioned within a few days. He further submitted that commissioning of the Pole I would relieve the congestion between the WR and NR corridor. He clarified that there is



no requirement for shutdown for stringing for Pole II. For technical reasons and as per the international practice, there is always a gap of few months in commissioning of Pole-I and Pole-II. He submitted that at the time of testing and commissioning of Pole-II, Pole-I will be shut-down only for a period of five to six hours and therefore the apprehension of BRPL is not correct. He further submitted Pole-II will be commissioned within six months of commissioning of Pole-I. He submitted that some of the generation projects have not been commissioned and they have relinquished their transmission capacity and the same has been re-allotted to other beneficiaries.

5. Learned counsel for the BRPL submitted that in view of the submission of PGCIL that there would be no shutdown for stringing of Pole II and only a short shutdown of five to six hours would be required, the petitioner may be granted tariff as per Regulation 7(7) of the 2014 Tariff Regulations. He further requested that the petitioner be directed to place on record the quantum of power flow in Pole I during the first six months of its COD.

6. The Commission directed the PGCIL to place on record the details of the allocation of LTA and operationalisation of LTA on the basis of the capacity of Pole I and the details regarding the status and completion of Pole II. The Commission further directed PGCIL to submit on affidavit the quantum of power transmitted through Pole I during the first six months from the date of COD, with copy of the same to the LTTCs.





7. 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.

8. We have considered the submissions of the petitioner and respondent. 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.

9. Reply has been filed by M.P. Power Management Company Limited (MPPMCL), Respondent No. 18 and BSES Rajdhani Power Limited (BRPL), Respondent No. 12. It is observed that there is time over-run in case of the three assets and cost over-run in case of Asset 3. Issues raised by respondents and the time and cost over-run will be



considered at the time of grant of final tariff. After carrying out preliminary prudence check of the AFC claimed by the petitioner, the Commission has decided to allow tariff in terms of proviso (i) of Regulation 7(7) of the 2014 Tariff Regulations as given in para 10 of this order for the years 2016-17 and 2017-18.

10. 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)**

	<b>2016-17 (pro-rata)</b>	<b>2017-18</b>	<b>2018-19</b>
<b>Asset 1</b>	22478.13	92642.43	94127.67
<b>Asset 2</b>	308.84	1317.09	1395.91
<b>Asset 3</b>	304.04	1229.33	1279.08

B. Annual transmission charges allowed are given below:-

**(₹ in lakh)**

	<b>2016-17 (pro-rata)</b>	<b>2017-18</b>
<b>Asset 1</b>	17982.50	74113.94
<b>Asset 2</b>	247.07	1053.67
<b>Asset 3</b>	234.95	949.97

11. Regulation 11(3)(i) of the Central Electricity Regulatory Commission (Sharing of inter-State Transmission Charges and Losses) Regulations, 2010 (2010 Sharing Regulations) provides as under:-



### **“3. HVDC charge**

(i) 10% of Monthly Transmission Charges (MTC) of HVDC transmission system shall form part of Reliability Support Charges and the balance shall be billed as detailed below:

Transmission charges for HVDC system created to supply power to specific regions shall be borne by DICs of such regions. The HVDC Charge shall be payable by DICs of the Region in proportion to their Approved Withdrawal. In case of Injection DICs having Long Term Access to target region, it shall also be payable in proportion to their Approved Injection.”

12. As per the above said provision, the transmission charges for the HVDC system shall be payable by DICs of the concerned region in proportion to their Approved Withdrawal and Approved Injection. The representative of the petitioner submitted that LTA of about 1825 MW is on the basis of firm PPAs signed by various IPPs with NR constituents and LTA was granted for the remaining 2124 MW with target region as NR. Since the instant HVDC transmission system is anticipated to be utilized against the LTA having firm PPA and target region, the transmission charges shall be shared by the DICs in the NR as provided under Regulation 11(3)(i) of the 2010 Sharing Regulations.

13. The billing, collection and disbursement of the transmission charges shall be governed by the provisions of 2010 Sharing Regulations, as amended from time to time, as provided in Regulation 43 of the 2014 Tariff Regulations.

14. AFC has been worked out considering tariff data based on anticipated COD of 1.1.2017 as per the petition. The Annual Fixed Charges allowed in this order shall be applicable from the date of commercial operation of the transmission asset and first



year tariff would be reduced accordingly. Further, the transmission charges allowed in this order shall be subject to adjustment as per Regulation 7(7) of the 2014 Tariff Regulations.

15. The petitioner is directed to submit the following information on affidavit with an advance copy to respondents by 28.4.2017:-

- 1) Status of commissioning of all the assets. Auditors Certificates and Tariff Forms considering their actual CODs for final tariff calculation.
- 2) Documents in support of interest rate and repayment schedule for ADB VII and ADB VIII and repayment schedule for Bond LIV (proposed loan 2016-17 (7.97%)), SBI Loan (1.5.2014) and SBI Loan (October, 2013 to December, 2013) deployed as per Form-9C.
- 3) Computation of interest during construction (IDC) on cash basis for all the assets from:
  - i) The date of infusion of debt fund up to SCOD
  - ii) From SCOD to actual COD of the assets;

The date of drawl of each loan for the purpose of IDC calculation. Further, while submitting the un-discharged liability portion of IDC and IEDC, petitioner should clarify whether it has been included in the projected additional capital expenditure claimed, in case of all assets.

- 4) Form-5B (Details of element wise cost of the project) for all the assets.
- 5) Clarify whether entire liability pertaining to initial spares has been discharged as on COD, if no, year wise detail of discharging of the same, among the sub-station and transmission line, separately.
- 6) RCE, if any, in respect of Asset 3.



16. The petitioner is further directed to submit the editable soft copy in excel format with links for the information sought in point (3) above by 28.4.2017.

17. The parties are directed to complete the pleadings by 19.5.2017. The matter shall be listed on 23.5.2017.

sd/-

**(Dr. M.K. Iyer)**  
**Member**

sd/-

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

sd/-

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

sd/-

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

