

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 214/TT/2016

Coram:

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

Date of Order : 23.1.2017

In the matter of:

Determination of transmission tariff for 2 nos 400 kV bays each at Nagapattinam pooling station and Salem New (Dharmapuri) for terminating Nagapattinam Pooling Station -Salem New (Dharmapuri) 765 KV D/C Line (Initially charged at 400 KV) being implemented under tariff based bidding and 1 no. 63 MVAR line reactor at Nagapattinam pooling station and Salem New (Dharmapuri) each for both circuits of Nagapattinam Pooling Station -Salem New (Dharmapuri) 765 KV D/C Line (Initially charged at 400 KV) under "Common Transmission scheme associated with ISGS projects in Nagapattinam/Cuddalore area of Tamil Nadu -Part-A1 (b)" in Southern 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. Karnataka Power Transmission Corporation Ltd. (KPTCL),
Kaveri Bhawan, Bangalore-560 009.



2. Transmission Corporation of Andhra Pradesh Ltd. (APTRANSCO),
Vidyut Soudha,
Hyderabad-500 082.
 3. Kerala State Electricity Board (KSEB),
Vaidyuthi Bhavanam,
Pattom, Thiruvananthapuram-695 004.
 4. Tami Nadu Generation and Distribution Corporation Limited
NPKRR Maaligai, 800, Anna Salai,
Chennai-600 002.
 5. Electricity Department,
Government of Goa
Vidyuti Bhawan, Panji
Goa 403001
 6. Electricity Department,
Government of Pondicherry,
Pondicherry-605 001.
 7. Eastern Power Distribution Company of Andhra Pradesh Ltd. (APEPDCL),
APEPDCL, P&T Colony,
Seethammadhara, Vishakhapatnam,
Andhra Pradesh.
 8. Southern Power Distribution Company of Andhra Pradesh Ltd. (APSPDCL),
Srinivasasa Kalyana Mandapam Backside,
Tiruchanoor Road, Kesavayana Gunta,
Tirupati-517 501.
 9. Central Power Distribution Company of Andhra Pradesh Ltd. (APCPDCL),
Corporate Office, Mint Compound,
Hyderabad-500 063.
 10. Northern Power Distribution Company of Andhra Pradesh Ltd. (APNPDCL),
Opp. NIT Petrol Pump,
Chaitanyapuri, Kazipet,
Warangal-506 004.
 11. Bangalore Electricity Supply Company Ltd. (BESCOM),
Corporate Office, K. R. Circle,
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Bangalore-560 001.

12. Gulbarga Electricity Supply Company Ltd. (GESCOM),
Station Main Road, Gulbarga.
Karnataka.
13. Hubli Electricity Supply Company Ltd. (HESCOM),
Navanagar, PB Road,
Hubli, Karnataka.
14. MESCOM Corporate Office,
Paradigm Plaza, AB Shetty Circle,
Mangalore-575 001.
15. Chamundeswari Electricity Supply Corporation Ltd. (CESC),
927, L J Avenue, Ground Floor,
New Kantharaj Urs Road,
Saraswatipuram,
Mysore-570 009.
16. PowerGrid NM Transmission Ltd
B-9 Qutub institutional area
Katwaria Sarai
New Delhi-110 016
17. Transmission Corporation of Telangana Ltd
Vidhyut Sudha, Khairatabad
Hyderabad 500082

.....**Respondents**

For petitioner : Shri Vivek Kumar Singh, PGCIL
Shri K.K. Jain, PGCIL
Shri Rakesh Prasad, PGCIL
Shri M.M. Mondal, PGCIL
Shri S.S. Raju, PGCIL
Shri Jasbir Singh, PGCIL

For respondents : Shri R.B. Sharma, Advocate, BSP(H)CL



ORDER

The petitioner, Power Grid Corporation of India Limited (PGCIL) has filed the instant petition seeking tariff for 2 nos 400 kV bays each at Nagapattinam pooling station and Salem New (Dharmapuri) for terminating Nagapattinam Pooling Station - Salem New (Dharmapuri) 765 kV D/C Line (initially charged at 400 kV) being implemented under tariff based bidding and 1 no. 63 MVAR line reactor at Nagapattinam pooling station and Salem New (Dharmapuri) each for both circuits of Nagapattinam Pooling Station -Salem New (Dharmapuri) 765 kV D/C Line (initially charged at 400 kV) under "Common Transmission scheme associated with ISGS projects in Nagapattinam/Cuddalore area of Tamil Nadu-Part-A1(b) in Southern 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 for inclusion in PoC mechanism.

2. The matter was heard on 15.12.2016, 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 asset.

3. 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.

4. 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.

5. After carrying out preliminary prudence check of the AFC claimed by the petitioner and taking into consideration the cost over-run, which will be considered at the time of grant 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 given in para 6 of this order for the years 2016-17 and 2017-18. However, the tariff allowed for the bays and reactors covered in the instant petition shall be included in the computation of PoC



charges only after the commissioning and inclusion of the associated transmission line in the PoC charges.

6. 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)	
2016-17 (pro-rata)	2017-18
453.40	1116.65

B. Annual transmission charges allowed are given below:-

(₹ in lakh)	
2016-17 (pro-rata)	2017-18
339.94	837.21

7. The Annual Fixed Charges allowed in this order shall be applicable from the date of commercial operation of the instant assets and the associated transmission lines 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.



8. The petitioner is directed to submit the following information on affidavit with an advance copy to respondents by 30.1.2017:-

- (a) Present status of approval of Revised Cost Estimate;
- (b) Revised Form 6 by mentioning the apportioned /approved cost as per original investment approval and Revised Cost Estimates;
- (c) It is not clear whether capital cost mentioned in management certificate is on accrual basis or cash basis. Hence, on actual commission, submit the details of capital cost as on COD on accrual basis, un-discharged liabilities as on COD and actual discharge of such liabilities (by payment) made during 2014-19 tariff period, duly certified by the Auditor;
- (d) Details of de-capitalized/replaced/asset not put to use on commissioning of the instant assets (if any). (i.e. date of capitalization, gross block, accumulated depreciation till the date of replacement for the assets de-capitalized/replaced/asset not put to use) along with the Petition No(s), in which the tariff of the replaced assets are claimed by the petitioner;
- (e) CEA certificate under Regulation 43 of CEA (Measures Related to Safety and Electricity Supply) Regulations, 2010;
- (f) Actual COD of the asset;
- (g) Trial run operation certificate issued by RLDC in support of commercial operation date in accordance with 2014 Tariff Regulations; and
- (h) Commissioning date of associated transmission line.

9. The Commission directed the respondents to file their reply by 21.2.2017 with an advance copy to the petitioner who shall file its rejoinder, if any by 4.3.2017. The information sought above is in term of the Commission's order dated 6.5.2016 in Petition No. 8/SM/2016, which has not been filed by the petitioner. The petitioner shall ensure that the above information is filed within the due date mentioned. In case,



information is not filed within the said date, the matter shall be placed before the Commission for necessary orders.

10. The petition shall be listed for hearing on 7.3.2017 for final hearing.

sd/-

(Dr. M.K. Iyer)
Member

sd/-

(A.S. Bakshi)
Member

sd/-

(A.K. Singhal)
Member

sd/-

(Gireesh B. Pradhan)
Chairperson

