

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 241/TT/2016

Coram:

**Shri A.K. Singhal, Member
Shri A.S. Bakshi, Member
Dr. M.K. Iyer, Member**

Date of Order : 25.01.2017

In the matter of:

Approval of transmission tariff for 400/220 kV Kankroli Sub-station: (+) 400 MVAR/(-) 300 MVAR SVC, under "Static VAR Compensators (SVCs) in Northern Region" in Northern Region from COD to 31.3.2019, 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, 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,
Thermal Shed TIA, Near 22 Phatak,
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
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16. North Central Railway,
Allahabad
17. New Delhi Municipal Council,
Palika Kendra, Sansad Marg,
New Delhi-110 002

.....**Respondents**

For petitioner : Shri Rakesh Prasad, PGCIL
Shri S.S. Raju, PGCIL

For respondents : None

ORDER

The petitioner, Power Grid Corporation of India Limited (PGCIL) has filed the instant petition for approval of the transmission tariff in respect of 400/220 kV Kankroli Sub-station: (+) 400 MVAR/(-) 300 MVAR SVC in Northern Region as per the details given below in accordance with 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 elements covered in the instant petition are as follows:-

S. No.	Name of the Asset	COD		Delay
		Scheduled	Anticipated as on the date	
1	400/220 kV Kankroli Sub-station: (+) 400 MVAR/(-) 300 MVAR SVC	15.8.2016	30.11.2016	3.5 months



3. The details of capital costs claimed by the petitioner are as under:-

(₹ in lakh)

Approved apportioned cost	Anticipated Cost as on COD*	Projected capital expenditure		Estimated completion cost
		2016-17	2017-18	
25266.30	10105.48	6298.90	1785.65	18190.03

*The above capital cost is as on 25.10.2016 (as indicated in the Management certificate), which has been used by the petitioner to claim AFC from anticipated COD of 30.11.2016.

4. During the hearing of this petition on 22.12.2016, 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 in respect of the assets covered in the instant petition.

5. 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.



6. 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.

7. After carrying out preliminary prudence check of the AFC claimed by the petitioner and taking into consideration the time over-run and cost variation in the instant petition, 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 given in para-8 of this order for 2016-17 and 2017-18.

8. 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 under:-

(₹ in lakh)		
2016-17 (pro-rata)	2017-18	2018-19
798.57	3033.03	3109.88

B. Annual transmission charges allowed are as below:-

(₹ in lakh)	
2016-17 (pro-rata)	2017-18
638.86	2426.42



9. The 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.

10. The Commission directed the petitioner to submit the following information on affidavit with a copy to the respondents by 30.1.2017:-

- a) Actual COD alongwith RLDC trial-run certificate and COD letter under Regulation 5(2) of the 2014 Tariff Regulations. In case there is change in actual COD then the revised tariff forms;
- b) Furnish Auditors'/Management Certificates, in case there is change in actual COD alongwith the revised tariff forms as the tariff forms submitted are based on anticipated COD i.e. 25.10.2016 instead of revised COD i.e. 30.11.2016;
- c) Documents in support of interest rates and repayment schedule of proposed loan 2016-17 (7.55%) and repayment schedule for SBI loan 10000 (1.5.2014) and proposed loan 2016-17 (7.55%) loans deployed as per Form-9C;
- d) Computation of interest during construction (IDC) on cash basis for instant asset along with editable soft copy in Excel format with links for the following time periods:-
 - (i) From the date of infusion of debt fund up to scheduled COD as per Regulation 11 (A) (1) of Tariff Regulation, 2014;
 - (ii) From scheduled COD to actual COD of the asset;
- e) Clarify while submitting the undischarged liability portion of IDC/IEDC whether it has been included in the projected add-cap claimed in case of instant asset; and



f) Clarify whether entire liability pertaining to initial spares has been discharged as on COD, if no, year wise details of discharging of the same separately amongst sub-station and transmission line.

11. The information sought above is in terms 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, no information is filed within the said date, the matter shall be placed before the Commission for necessary orders.

12. The parties are directed to complete the pleadings by 16.2.2017. The matter shall be listed on 7.3.2017. The Commission also directed the petitioner and the respondents to file the information within the specified dates, failing which a view will be taken on the basis of the information available on record.

sd/-
(M.K. Iyer)
Member

sd/-
(A.S. Bakshi)
Member

sd/-
(A.K. Singhal)
Member

