

**CENTRAL ELECTRICITY REGULATORY COMMISSION  
NEW DELHI**

**Petition No. 102/TT/2018**

**Coram:**

**Shri P. K. Pujari, Chairperson  
Dr. M. K. Iyer, Member**

**Date of Order : 14.11.2018**

**In the matter of:**

Determination of transmission tariff (annual fixed cost) for the 2 x400 kV Bays at Jhanor Gandhar GPS of NTPC Ltd. which form part of the inter-state transmission system of EPTCL.

**And in the matter of:**

Essar Power Transmission Company Ltd.  
Lower Ground Floor, Hotel Treebo Conclave Riviera  
A-20, Kailash Colony, New Delhi-110048.

**.....Petitioner**

**Vs**

1. NTPC Limited  
NTPC Bhawan  
Scope Complex, Institutional Arear,  
Lodhi Road, New Delhi-110003.
2. Essar Steel India Ltd.  
27<sup>th</sup> KM on Surat-Hazira Road,  
Hazira, District Surat-394270
3. Govt. of State of Madhya Pradesh  
Mantralaya 435, Vallabh Bhavan,  
Bhopal-462004
4. Essar Power M. P. Ltd.  
Lower Ground Floor, Hotel Treebo Conclave Riviera



A-20, Kailash Colony, New Delhi-110048.

5. Power Grid Corporation of India Ltd.  
"Saudamini" Plot No. 2,  
Sector-29, Near IFFCO Chowk,  
Gurgaon-122001.
6. Western Regional Power Committee  
F-3, MIDC Area, Marol  
Opp. SEEPZ, Central Road,  
Andheri (E)  
Mumbai-400093.
7. Power Systems Operation Corporation Ltd.  
B-9, Qutab Institutional Area,  
Katwaria Sarai,  
New Delhi-110016.

**...Respondents**

**For petitioner** : Shri Alok Shankar, Advocate, EPTCL

**For respondents** : Shri Koshil Khan, Advocate, MPPMCL  
Shri Ravi Sharma, Advocate, MPPMCL  
Shri Shyam Kumar, NTPC  
Shri Parimal Piyush, NTPC  
Shri S. K. Venkatesan, PGCIL  
Shri S. S. Raju, PGCIL  
Shri B. Dash, PGCIL  
Shri Rakesh Prasad, PGCIL

**ORDER**

Essar Power Transmission Company Ltd. (EPTCL) has filed the instant petition for determination of transmission tariff (annual fixed cost) for the 2 x400 kV Bays at Jhanor Gandhar GPS of NTPC which form part of the inter-State transmission system of EPTCL as per the directions of the Commission in order dated 31.1.2018 on Review Petition No.55/RP/2016 in Petition No.173/TT/2013 and 111/TT/2015. The petitioner has



claimed the transmission tariff in accordance with the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2009 (hereinafter as “2009 Tariff Regulations”) and Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2014 (hereinafter as “2014 Tariff Regulations”) for respective tariff period.

### **Facts of the case**

2. EPTCL was granted transmission licence for undertaking transmission of power generated from Gandhar TPS and the licence included 2 Nos. 400 kV line bays at Gandhar (NTPC) Switchyard. As per the Agreement entered into between EPTCL and NTPC, the two bays at Gandhar Switchyard of NTPC would be owned, controlled and maintained by NTPC and EPTCL would pay the annual transmission charges to NTPC as per Commission’s Tariff Regulations. As per the said Agreement, the capital cost of the bays as capitalized in the books of accounts of NTPC would be considered for the purpose of calculation of tariff. NTPC constructed the two bays at the NTPC Gandhar Switchyard, which were put into commercial operation on 23.2.2013. EPTCL filed the tariff Petition No.173/TT/2013 for determination of tariff from COD to 31.3.2014 and Petition No.111/TT/2015 for truing up of the transmission charges for the assets covered in the licence. EPTCL claimed special O&M Expenses on actual basis for the two bays at Gandhar Switchyard. On the basis of provisional tariff granted vide order dated 12.9.2013 in Petition No.173/TT/2015, EPTCL was making payment to NTPC. The Commission vide order dated 15.6.2016 directed NTPC and EPTCL to jointly file a



petition for approval of tariff of two bays at Gandhar Switchyard and observed that on approval of same, EPTCL will recover the same and reimburse to NTPC. After issue of order dated 15.6.2016, EPTCL stopped payment to NTPC.

3. NTPC filed Review Petition No.55/RP/2016 seeking review of the Commission's order dated 15.6.2016. The Commission in order dated 30.1.2018 in Review Petition No. 55/RP/2016 directed NTPC to provide the cost of the two bays at Gandhar Switchyard to EPTCL and also directed EPTCL to file a petition for determination of tariff of the two bays at Gandhar Switchyard within 30 days of issue of the order on the basis of the details of cost furnished by NTPC. EPTCL could not be reimbursed the transmission charges provisionally in terms of RoP dated 24.1.2017 as allowed in order dated 12.9.2013 in Petition No. 173/TT/2013 from June, 2016 onwards as EPTCL approached NTPC for revised invoices for submission to CTU but the same was not issued by NTPC as a result of which CTU did not allow recovery of transmission charges. EPTCL has not paid the transmission charges for the said two bays to NTPC since the issue of order dated 15.6.2016.

4. Pursuant to the aforesaid directions of the Commission, EPTCL has filed the instant petition based on the capital cost and other details shared by NTPC with it. NTPC filed Interlocutory Application No. 43/IA/2018 seeking directions to CTU to transfer the money collected through PoC of the two bays at Gandhar to NTPC directly than through the Trust and Retention Account of EPTCL. Taking into consideration the



submissions of NTPC, the Commission vide order dated 11.6.2018 directed the CTU to make direct payment of the monthly PoC charges of the bays to NTPC till further orders.

5. During the hearing on 20.10.2018, the representative of NTPC requested to grant Annual Fixed Charges (AFC) in terms of proviso (i) to Regulation 7(7) of 2014 Tariff Regulations for inclusion in the PoC charges and reimbursement of the of the same directly by CTU to NTPC.

6. Clause (4) of the Regulation 5 of the 2009 Tariff Regulations empowers the Commission to grant provisional tariff upto 95% of the actual fixed cost of the project claimed in the application. We have considered the submission of the petitioner. It is observed that pursuant to the Commission's order dated 11.6.2018 in IA 43/IA/2018, the EPTCL has made part of the payment to NTPC Ltd. and hence provisional tariff for 2009-14 period at this stage may not serve any purpose. Accordingly, the final tariff will be allowed for 2009-14 based on actual capital expenditure.

7. Proviso (i) to Regulation 7(7) of the 2014 Tariff Regulations empowers the Commission to 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 (hereinafter referred to as "2010 Sharing Regulations"). 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. EPTCL has also made a similar prayer for grant of tariff for the two bays in the petition.

8. Final tariff for the 2009-14 and 2014-19 shall be issued separately. Pending determination of final tariff, we have decided to grant provisional tariff under proviso (i) to Regulation 7(7) of the 2014 Tariff Regulations for the period 2018-19 in order to enable the petitioner/NTPC to recover the transmission charges for the bays.

9. The details of the tariff claimed by the petitioner and tariff awarded by the Commission are as under:-

A. Annual transmission charges claimed by the petitioner are as follows:-

(₹ in lakh)						
2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19
40.80	401.31	364.69	361.31	356.55	351.07	346.45

B. Annual transmission charges allowed are given below:-

(₹ in lakh)
2018-19
273.36

10. 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. The transmission charges for the bays shall be directly paid to NTPC.

11. EPTCL is directed to submit the following information on affidavit by 23.11.2018, with an advance copy to the respondents:-

- (i) Form 5B by clearly mentioning the element wise capital cost alongwith the breakup of hard cost, IDC and IEDC as per 2009 Tariff Regulations.
- (ii) Form 6 and Revised Form 13 by mentioning the allocated loan pertaining to the instant asset as per 2009 Tariff Regulations and Form 7A as per 2014 Tariff Regulations.
- (iii) Documents in support of COD; and
- (iv) CEA certificate of completion under Regulation 43 of CEA (Measures Related to Safety and Electricity Supply) Regulations, 2010

12. The next date of hearing of the main petition and IA No. 60/IA/2018 shall be intimated in due course of time.

sd/-  
**(Dr. M.K. Iyer)**  
Member

sd/-  
**(P. K. Pujari)**  
Chairperson

