

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 105/TT/2018

Coram:

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

Date of Order : 05.11.2018

In the matter of:

Approval of transmission tariff from anticipated/actual COD to 31.3.2019 for **Asset I:** Combined asset of (a) 400 kV D/C Sasaram-Daltonganj Transmission Line alongwith 2 x 50 MVAR Line Reactors at Daltonganj Sub-station; (b) 400/220 kV, 315 MVA ICT-I alongwith bays at Daltonganj Sub-station; (c) 400 kV 80 MVAR Bus Reactor at Daltonganj Sub-station; and (d) 400/220 kV, 315 MVA ICT-II alongwith bays at Daltonganj Sub-station; **Asset II:** 04 Nos 220 kV Bays at Daltonganj Sub-station; **Asset III:** Provision of Circuit Breakers for making line reactors at Biharshariff Sub-station switchable; **Asset IV:** 01 no. 80 MVAR Bus Reactor At Duburi (OPTCL) Sub-station; **Asset V:** LILO of 2nd Ckt. of 400 kV D/C Jamshedpur-Rourkela transmission line at Chaibasa Sub-station (non-bussed at Chaibasa); and **Asset VI:** 01 No. 500 MVA, 3 phase 400/220 kV, Transformer (2nd) and associated bays at Pandiabilli GIS under Eastern Region Strengthening Scheme-III (ERSS-III) in Eastern 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. Bihar State Power (Holding) Company Ltd.
(Formerly Bihar State Electricity Board -BSEB)
Vidyut Bhavan, Bailey Road, Patna – 800 001



2. West Bengal State Electricity Distribution Company Limited
BidyutBhawan, Bidhan Nagar
Block DJ, Sector-II, Salt Lakecity
Calcutta - 700 091
3. Grid Corporation Of Orissa Ltd.
Shahid Nagar, Bhubaneswar - 751 007
4. Jharkhand State Electricity Board
In Front Of Main Secretariat
Doranda, Ranchi - 834002
5. Damodar Valley Corporation
DVC Tower, Maniktala
Civic Centre, Viproad, Calcutta - 700 054
6. Power Department
Government of Sikkim, Gangtok - 737 101

....Respondents

For petitioner : Shri S. K. Venkatesan, PGCIL
Shri S. S. Raju, PGCIL
Shri V. P. Rastogi, PGCIL
Shri S. K. Niranjana, PGCIL
ShriMukeshBhakar, PGCIL

For respondents :None

ORDER

Power Grid Corporation of India Limited (PGCIL) has filed the instant petition for determination of transmission tariff from COD to 31.3.2019 for **Asset I**: Combined asset of (a) 400 kV D/C Sasaram-Daltonganj Transmission Line alongwith 2 x 50 MVAR Line Reactors at Daltonganj Sub-station; (b) 400/220 kV, 315 MVA ICT-I alongwith bays at Daltonganj Sub-station; (c) 400 kV 80 MVAR Bus Reactor at Daltonganj Sub-station; and (d) 400/220 kV, 315 MVA ICT-II alongwith bays at Daltonganj Sub-station; **Asset**



II: 04 Nos 220 kV Bays at Daltonganj Sub-station; **Asset III:** Provision of Circuit Breakers for making line reactors at Biharshariff Sub-station switchable; **Asset IV:** 01 no. 80 MVAR Bus Reactor At Duburi (OPTCL) Sub-station; **Asset V:** LILO of 2ndCkt. of 400 kV D/C Jamshedpur-Rourkela transmission line at Chaibasa Sub-station (non-bussed at Chaibasa); and **Asset VI:** 01 No. 500 MVA, 3 phase 400/220 kV, Transformer (2nd) and associated bays at Pandiabilli GIS under Eastern Region Strengthening Scheme-III (ERSS-III) in Eastern 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 grant of 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.

2. The details of the elements covered in the petition are as follows:-

Name of Asset	Scheduled completion	Actual/ Anticipated COD
Asset-I (A): Combined asset of: 400 kV D/C Sasaram - Daltonganj Transmission Line alongwith 2 x 50 MVAR LR at Daltonganj Sub-station; 400/220 kV, 315 MVA ICT-I alongwith bays at Daltonganj Sub-station; 400 kV 80 MVAR Bus Reactor at Daltonganj Sub-station; and	1.12.2012	31.3.2018 (actual)
Asset-I (B): 400/220 kV, 315 MVA ICT-II alongwith bays at Daltonganj Sub-station		20.11.2018 (anticipated)
Asset-II: 04 Nos. 220 kV Line Bays at Daltonganj Sub-station.		16.9.2018
Asset-III: Provision of Circuit Breakers for making line reactors at Biharshariff Sub-station switchable.		20.11.2018 (anticipated)
Asset-IV: 01 no. 80 MVAR Bus Reactor At Duburi Sub station		1.4.2014/ 19.8.2015 (shifted)
Asset-V: LILO of 2 nd Ckt. of 400kV D/C Jamshedpur-Rourkela TL at Chaibasa Sub-station (non-bussed at Chaibasa)		2.11.2015 (actual)
Asset-VI: 01 no. 500MVA, 3 phase 400/220kV, Transformer (2 nd) and associated bays at Pandiabilli GIS		18.11.2017 (actual)



3. The petitioner has claimed the tariff based on actual/estimated expenditure incurred up to COD and additional capitalization incurred from COD to 31.3.2019 in respect of the instant assets. The capital cost claimed by the petitioner is as follows:-

(₹ in lakh)

Particulars	Apportioned cost as per FR/RCE	Exp. up to COD	Proposed add-cap expenditure						Estimated completion cost
			2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	
Asset-I	33296.71 / 53788.39	46607.83	--	--	4369.59	1248.45	624.23		52850.1
		46715.45				1608.58	1470.24	1056.68	50850.94
Asset-II	1486.37 / 1197.21	905.10	--	--	175.27	87.63	29.21		1197.21
Asset-III	206.27	109.66	--	--	38.65	28.98	28.98		206.27
Asset-IV	946.62 / 1035.96	868.59	5.32	39.53	75.63	-	-		989.07
Asset-V	2532.54 / 2444.41	1776.25	5.60	43.33	-	522.86	-		2348.04
Asset-VI	2191.50 / 5655.39	4758.78	-	-	265.24	250.00	-		5274.03
TOTAL	40453.74 / 64327.63	55026.21	10.92	82.86	4924.38	2137.92	682.42		62864.72

Against the total apportioned approved cost of ₹40453.74 lakh, the estimated completed cost is ₹62864.72 lakh. The estimated completion cost is more than the FR cost. However, it is within the RCE apportioned cost of ₹64327.63 lakh.

4. The matter was heard on 23.10.2018. The representative of the petitioner requested for grant Annual Fixed Charges (AFC) in terms of proviso (i) of Regulation 7(7) of the 2014 Tariff Regulations.



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) of the 2014 Tariff Regulations provides that such an application shall be filed as per Annexure-I of these regulations.

6. 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. It is observed that the petitioner was not able to put Asset-II into commercial operation as the downstream assets under the scope of Jharkhand UrjaSancharan Nigam Limited (JUSNL) were not ready. Accordingly, the petitioner has prayed for approval of COD of Asset-II as 16.9.2018 under proviso (ii) of Regulation 4(3) of the 2014 Tariff Regulations. We would like to know the status of the downstream assets under the scope of JUSNL before approving the COD of Asset-II under the above said



provision. However, it is observed that JUSNL has not been made a party to the present proceedings. As such, the petitioner is directed to implead JUSNL as a party to the proceedings and file a revised “memo of parties”. JUSNL is directed to submit the status of the downstream assets of Asset-II. The petitioner’s prayer for grant of AFC for Asset-II shall be considered after the receipt of information from JUSNL. The petitioner has split Asset-I into Asset-I(A) and I(B) on the basis of their COD. However, the petitioner has not filed the capital cost of the split assets separately. As such, combined tariff is allowed for Assets-I(A) and I(B) in this order and final tariff for the said assets will be issued separately on submission of the individual capital cost of the assets by the petitioner. 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 paragraph 8 of this order.

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

A. Annual transmission charges claimed are as follows:-

(₹ in lakh)				
Asset	2015-16	2016-17	2017-18	2018-19
Asset-I	-	-	3821.74	9501.34
Asset-II	-	-	151.15	388.33
Asset-III	-	-	67.35	171.51
Asset-IV	135.07	222.34	230.44	234.62
Asset-V	134.20	322.93	364.30	400.58
Asset-VI	-	-	346.57	979.73

B. Annual transmission charges allowed are given below:-



(₹ in lakh)

Asset	2015-16	2016-17	2017-18	2018-19
Asset-I	-	-	3057.39	7601.07
Asset-III	-	-	53.88	137.21
Asset-IV	108.06	177.87	184.35	187.70
Asset-V	107.36	258.34	291.44	320.46
Asset-VI	-	-	277.26	783.78

9. The tariff allowed in this order shall be applicable from the actual CODs of the respective assets 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 an advance copy to the beneficiaries by 26.11.2018:-

- (a) The actual COD of the Assets-I(B), II and III and revised tariff forms based on actual COD.
- (b) RLDC charging certificate, CMD Certificate and CEA Certificate for Assets-I (B), (II) and (III).
- (c) The status of downstream Lines.



(d) Details of time over-run and chronology of activities alongwith documentary evidence as per format given below:-

Sl. No.	Activity	Schedule		Actual		Remarks if any
		From	to	From	to	
1	LOA					
2	Supplies					
3	Foundation					
4	Tower erection					
5	Stringing					
6	Testing Commissioning					

(e) The PERT Chart giving the details of time envisaged for different activities and actual time taken.

11. The respondents are directed to file their reply by 5.12.2018 with an advance copy to the petitioner who shall file its rejoinder, if any by 14.12.2018. The parties shall comply with the above directions within the due date mentioned above and no extension of time shall be granted.

12. The next date hearing will be intimated in due course of time.

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

sd/-
(P. K. Pujari)
Chairperson

