CENTRAL ELECTRICITY REGULATORY COMMISSION NEW DELHI

Petition No. 137/TT/2018

Coram:

Shri P. K. Pujari, Chairperson Shri A. K. Singhal, Member Shri A. S. Bakshi, Member Dr. M. K. Iyer, Member

Date of Order : 11.06.2017

In the matter of:

Approval of transmission tariff from anticipated COD to 31.3.2019 for Asset-I: 1X160 MVA ICT-I alongwith associated bays at Daltonganj Sub-station, 1X160 MVA ICT-II alongwith associated bays at Daltonganj Sub-station and 2X132 kV Line bays at Daltonganj Sub-station Asset-II: 02 Nos of 132 kV line bays at Daltonganj Sub-station under ERSS XVII Part A 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

- Bihar State Power (holding) Company Ltd.
 Vidyut Bhawan, Bailey Road
 Patna-800 001
- West Bengal State Electricity Distribution Company Limited Bidyut Bhawan, Bidhan Nagar Block DJ, Sector-II, Salt Lake City Calcutta- 700 091



- Grid Corporation of Orissa Ltd.
 Shahid Nagar, Bhubaneshwar- 751 007
- 4. Jharkhand State Electricity Board In front of Main Secretariat Doranda, Ranchi - 834002
- Damodar Valley Corporation
 DVC Tower, Maniktala
 Civic Centre, VIP Road, Calcutta- 700 054
- 6. Power Department Govt. of Sikkim, Gangtok- 737 101

...Respondents

For petitioner : Shri B. Dash, PGCIL

Shri Vivek Kumar Singh, PGCIL Shri S. K. Venkatesan, PGCIL

Shri S. S. Raju, PGCIL Shri K. Kiran, PGCIL

Shri Rakesh Prasad, PGCIL

For respondents : None

ORDER

The petitioner, Power Grid Corporation of India Limited (PGCIL) has filed the instant petition for determination of transmission tariff from anticipated COD to 31.3.2019 for Asset-I: 1X160 MVA ICT-I alongwith associated bays at Daltonganj Substation, 1X160 MVA ICT-II alongwith associated bays at Daltonganj Sub-station and 2X132 kV Line bays at Daltonganj Sub-station Asset-II: 02 Nos of 132 kV line bays at Daltonganj Sub-station under ERSS XVII Part A 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 petitioner has submitted that as per the Investment Approval dated 22.7.2016, the instant assets were scheduled to be put into commercial operation within 16 months from the date of approval of the petitioner's Board of Directors dated 20.7.2016. Accordingly, the scheduled date of commercial operation of the instant assets was 19.11.2017. The petitioner has claimed tariff for the instant assets on the basis of the anticipated COD of 20.2.2018. The instant assets were not put into commercial operation within the scheduled COD of 19.11.2017.
- 3. The petitioner has claimed the tariff based on estimated expenditure incurred up to anticipated COD and estimated additional capitalization incurred from anticipated COD to 31.3.2019 in respect of the instant assets. The capital cost claimed by the petitioner is as follows:-

(₹ in lakh)

Assets *	Approved apportioned	Expenditure incurred	Estimated Additional Capital Expenditure			•		al Total estimated	
	cost (RCE)	upto anticipated COD	2017-18	2018-19	2019-20	cost			
Asset-I	3076.23	1188.25	645.98	484.49	484.49	2803.21			
Asset-II	413.77	168.08	90.70	67.62	67.62	393.49			

^{*}The above mentioned capital cost for both the assets is based on anticipated COD 1.11.2017.

Therefore, the estimated completion cost of each asset is within the RCE approved apportioned cost. Thus, there is no cost over-run in respect of the instant assets.

- 4. The matter was heard on 24.5.2018. The representative of the petitioner requested for grant of 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. The petitioner initially in the petition submitted that the instant assets were anticipated to be put into commercial operation on 20.2.2018. However, vide affidavit dated 22.5.2018 has submitted that Asset-I was put into commercial operation on 31.3.2018 and Asset-II is yet to be put into commercial operation. After carrying out preliminary prudence check of the AFC claimed by the petitioner and taking into consideration the time over-run, which will be looked into in detail at the time of issue of final order, the Commission has decided to allow tariff in terms of proviso (i) of Regulation 7(7) of the 2014 Tariff Regulations for Asset-I as given in para-8 of this order. Tariff for Asset-II is not granted at this stage as it has not been put into commercial operation.
- 8. 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
Asset	2017-18	2018-19
	(pro-rata)	
1	58.54	601.35
II	12.48	122.36

B. Annual transmission charges allowed are given below:-

(₹ in l					
Asset	2017-18 (pro-rata)	2018-19			
1	1.17	481.08			
П	-	-			

- 9. The tariff allowed in this order shall be applicable from the actual CODs of instant 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 29.6.2018:-
 - (i) The actual COD of the assets and revised tariff forms based on actual COD.
 - (ii) RLDC charging certificate, CMD certificate as required under Grid Code and CEA certificate.
 - (iii) The status of (a) Daltonganj (PGCIL)-Daltonganj (JUSNL) 132 kV D/C and(b) Daltonganj (PGCIL)-Chatarpur/Lesliganj 132 kV D/C line.
 - (iv) Details of time over-run and chronology of activities alongwith documentary evidence as per format given below:-

Srl.	Task name	Schedule		Actual		Reasons	for
No		From	То	From	То	delay	
1.	LOA						
2.	Preliminary survey and other investigations						
3.	Forest clearance proposal submitted and approved						

4.	RoW issues				
5.	Transmission material	lines			
6.	Sub-station				

- 11. The respondents are directed to file their reply by 16.7.2018 with an advance copy to the petitioner who shall file its rejoinder, if any by 24.7.2018. The parties shall comply with the above directions within the due date mentioned above and no extension of time shall be granted.
- 12. The petition shall be listed on 31.7.2018 for final hearing.

sd/- sd/- sd/- sd/- (Dr. M. K. Iyer) (A. S. Bakshi) (A. K. Singhal) (P. K. Pujari) Member Member Chairperson