

**CENTRAL ELECTRICITY REGULATORY COMMISSION  
NEW DELHI**

**Petition No. 237/TT/2018**

**Coram:**

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

**Date of Order : 31.12.2018**

**In the matter of:**

Approval of transmission tariff from anticipated COD to 31.3.2019 for 05 nos. transmission assets under "North Eastern Region Strengthening Scheme-IV (NERSS-IV)" for 2014-19 in North-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. Assam Electricity Grid Corporation Limited  
(Formerly Assam State Electricity Board)  
Bijulee Bhawan, Paltan Bazar,  
Guwahati-781001.
2. Meghalaya Energy Corporation Limited  
(Formerly Meghalaya State Electricity Board)  
Short Round Road, "Lumjingshai"  
Shillong-793001.
3. Government of Arunachal Pradesh  
Itanagar, Arunachal Pradesh.



4. Power and Electricity Department  
Government of Mizoram  
Aizawl, Mizoram.
5. Manipur State Power Distribution Corporation Limited  
(Formerly Electricity Department), Government of Manipur  
Keishampat, Imphal.
6. Department of Power  
Government of Nagaland  
Kohima, Nagaland.
7. Tripura State Electricity Corporation Limited  
Vidyut Bhawan, North Banamalipur,  
Agartala, Tripura (W)-799001.

...Respondents

**For petitioner** : Shri Vivek Kumar Singh, PGCIL  
Shri S. K. Venkatesan, PGCIL  
Shri S. S. Raju, PGCIL  
Shri Zafur Hasan, PGCIL  
Shri Pankaj Sharma, 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 05 nos. transmission assets under "North Eastern Region Strengthening Scheme-IV (NERSS-IV)" for 2014-19 in North-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. As per the approval of the petitioner's Board of Directors on 26.5.2016, the instant assets were scheduled to be put into commercial operation on 25.5.2018. The petitioner filed the petition on the basis of anticipated COD of 31.3.2018. Later, vide affidavit dated 12.10.2018, the petitioner has submitted that Assets-1 and 2 are anticipated to be put into commercial operation on 31.1.2019 and 31.12.2018 and Assets-3 and 4 were put into commercial operation on 3.8.2018 and 22.7.2018 and Asset-5 has been split into two and put into commercial operation on 24.12.2017 and 8.2.2018. The details of the elements covered in the petition are as follows:-

<b>Asset</b>	<b>Anticipated COD as filed in the main Petition</b>	<b>Anticipated / Actual COD</b>
<b>Asset-1:</b> Dismantling/Removal of 4 X 105 MVA, 400/220 kV ICT at Misa Sub-station of POWERGRID and addition of 2 X 500 MVA, 400/220 kV ICT at Misa Sub-station with GIS bays utilizing the space vacated after removal of 4 X 105 MVA, 400/220 kV ICT (4x105 MVA, 400/220 kV ICT thus released shall be kept as Regional Spare)	31.3.2018	31.3.2018 (Anticipated)
<b>Asset-2:</b> (a)Upgradation of existing 2X50 MVA, 132/33 kV Imphal (POWERGRID) Sub-station to 400 kV by installation of 400/132 kV, 2X315 MVA (7X105 MVA, 1-Ph) ICTs, 2 No. 400 kV line bays for termination of 400 kV D/C Silchar-Imphal line and 80 MVAR, 420 kV Bus Reactor alongwith associated bays at Imphal Sub-station (b)Extension of existing 400/132 kV Silchar (POWERGRID) Sub-station with 2 Nos. of	31.3.2018	31.3.2018 (Anticipated)



400 kV GIS line bays for termination of Silchar-Imphal 400 kV D/C line and installation of 1X125 MVAR, 420 kV Bus Reactor alongwith GIS bays at Silchar Sub-station		
<b>Asset-3:</b> 1x125MVAR, 420 kV Bus Reactor along with associated bay at Balipara (POWERGRID) Sub-station	31.3.2018	3.8.2018 (Actual)
<b>Asset-4:</b> 1x125 MVAR, 420 kV Bus Reactor along with associated bay at Bongaigaon (POWERGRID) Sub-station	31.3.2018	22.7.2018 (Actual)
<b>Asset-5:</b> Reconductoring of Agartala GBPP-Agartala (State) circuit-2 of 132 kV D/C line with High Capacity HTLS conductor alongwith necessary up gradation/modification in bay equipment at both ends <b>Asset-5 (a)</b>	31.3.2018	24.12.2017 (Actual)
<b>Asset-5:</b> Reconductoring of Agartala GBPP-Agartala (State) circuit-1 of 132 kV D/C line with High Capacity HTLS conductor alongwith necessary up gradation/modification in bay equipment at both ends <b>Asset-5 (b)</b>	31.3.2018	8.2.2018 (Actual)

3. The details of the capital cost claimed by the petitioner are as follows:-

Asset	Approved FR Cost (Apportioned)	Exp. Up to anti. COD	Proposed Expenditure for FY			Estimated Completion Cost
			2017-18	2018-19	2019-20	
Asset-1	8767.36	6925.71	47.55	1188.87	427.99	8590.12
Asset-2	22255.69	15954.59	921.82	2777.16	912.63	20566.20
Asset-3	2351.16	1693.32	88.37	268.84	126.70	2177.22
Asset-4	1831.97	1306.08	46.87	120.52	66.96	1540.43
Asset-5	1253.98	370.96	16.15	57.67	6.92	451.70
<b>TOTAL</b>	<b>36460.16</b>	<b>26250.66</b>	<b>1120.76</b>	<b>4413.06</b>	<b>1541.20</b>	<b>33325.68</b>

There is no cost over-run in case of the instant assets.



4. During the hearing on 13.12.2018, 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. Assets-1 and 2 have not yet been put into commercial operation. Therefore, we are not inclined to grant tariff at this stage. Assets-3, 4 and 5 have since been put into



commercial operation. After carrying out the preliminary prudence check of the AFC claimed by the petitioner, the Commission has decided to allow tariff for Assets-3, 4, 5a and 5b in terms of proviso (i) of Regulation 7(7) of the 2014 Tariff Regulations as given in paragraph 8 below.

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:-

Particulars	(₹ in lakh)	
	2017-18 (Pro-rata)	2018-19
Asset-1	3.46	1378.69
Asset-2	9.00	3632.65
Asset-3	0.00	195.67
Asset-4	0.00	188.18
Asset-5(a)	6.10	28.75
Asset-5(b)	3.12	28.43

B. Annual transmission charges allowed are given below:-

Particulars	(₹ in lakh)
	2018-19 (Pro-rata)
Asset-3	156.54
Asset-4	150.54
Asset-5a	24.44
Asset-5b	24.17

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 7.1.2019:-

- (a) The actual COD of the Assets-1 and 2. The RLDC charging certificate, CEA energisation certificate and CMD certificate as required under Grid Code for Assets-1 and 2.
- (b) Revised tariff forms based on actual COD of the assets covered in the instant petition alongwith the Auditor certificate.
- (c) Explain the reasons for bifurcating Asset-5 into Assets-5a and 5b.
- (d) The Auditor's certificate for combined capital cost of Assets-5a and 5b.
- (e) As regards Asset-I, 4X105 MVA ICTs has kept as Regional Spares. The details of tariff granted for these 4X105 MVA ICTs.
- (f) As regards Asset-II, replacing the existing 132 kV Imphal Sub-station by 400 kV Imphal Sub-station and existing 2X50 MVA ICTS by 2X315 MVA ICTs at Imphal Sub-station is upgrading. The details of tariff granted for these 2X50 MVA ICTs at Imphal Sub-station.
- (g) With regards to Asset-I and Asset-II, the details regarding life of existing ICTs, de-cap value for existing ICT's.
- (h) With regard to Asset-5, against the apportioned approved cost of `1253.98 lakh, the estimated completion cost is `451.70 lakh. There is reduction in the cost by about 64%. The detailed reasons for such huge reduction in cost.



- (i) Details of time over-run along with documentary evidence and chronology of the activities, asset-wise as per the format given below:-

Assets	Activity	Period of activity				Reason(s) for Delay along with reference to supporting documents
		Planned		Achieved		
		From	To	From	To	

- (j) With regard to additional capital expenditure on account of balance and retention payment, submit the nature/works against the payment is withheld.

11. The respondents are directed to file their reply by 14.1.2019 with an advance copy to the petitioner who shall file its rejoinder, if any, by 24.1.2019. 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 of hearing will be intimated in due course of time.

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

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

