

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 247/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 COD to 31.3.2019 for nine assets under WRSS XVII for 2014-19 period 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. Madhya Pradesh Power Management Company Limited,
Shakti Bhawan, Rampur
Jabalpur-482 008.
2. Madhya Pradesh Power Transmission Company Ltd.
Shakti Bhawan, Rampur
Jabalpur - 482 008
3. Madhya Pradesh Audyogik Kendra
Vikas Nigam (Indore) Ltd.
3/54, Press Complex, Agra-Bombay Road, Indore-452 008
4. Maharashtra State Electricity Distribution Company Limited
Hongkong Bank Building, 3rd Floor
M.G. Road, Fort, Mumbai-400 001.



5. Maharashtra State Electricity Transmission Co. Ltd.
Prakashganga, 6th Floor, Plot No. C-19, E-Block,
Bandra Kurla Complex, Bandra (East) Mumbai-400 051.
6. Gujarat Urja Vikas Nigam Limited,
Sardar Patel Vidyut Bhawan,
Race Course Road,
Vadodara-390 007.
7. Gujarat Energy Transmission Corporation Limited
Sardar Patel Vidyut Bhawan,
Race Course Road, Vadodara-390 007
8. Electricity Department,
Government of Goa,
Vidyut Bhawan, Panaji,
Near Mandvi Hotel, Goa-403 001.
9. Electricity Department,
Administration of Daman and Diu,
Daman-396 210.
10. Electricity Department,
Administration of Dadra Nagar Haveli,
U.T., Silvassa-396 230.
11. Chhattisgarh State Electricity Board,
P.O. Sunder Nagar, Dangania, Raipur
Chhattisgarh-492 013.
12. Chhattisgarh State Power Transmission Co. Ltd.
State Load Despatch Building,
Dangania, Raipur – 492 013
13. Chhattisgarh State Power Distribution Co. Ltd.
P.O. Sunder Nagar, Dangania, Raipur
Chhattisgarh-492 013

...Respondents

For petitioner : Shri Pankaj Sharma, PGCIL
Shri S. K. Venkatesan, PGCIL
Shri S. S. Raju, PGCIL



Shri Vivek Kumar Singh, PGCIL
Shri Zafrul Hasan, PGCIL

For respondents : Shri Mukesh Kori, MPPMCL

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-1: 240 MVAR Switchable line reactor along with 850 ohm NGR and 765 kV switchable line reactor bay (GIS) at 765/400 kV Pune (GIS) Sub-station, Asset-2: Conversion of 50 MVAR, 420 kV fixed line reactors in each circuit of Itarsi-Indore (MPPTCL) 400 kV 2XS/C lines into Switchable Line Reactors at Indore (MPPTCL) Sub-station, Asset-3: Conversion of 50 MVAR, 420 kV fixed line reactors in 400 kV D/C Bina (PG) Shujalpur transmission line into Switchable Line Reactors at Shujapur Sub-station, Asset-4: Conversion of 63 MVAR, 420 kV fixed line reactors in Bhadrawati-Dhariwal 400 kV S/C line into Bus Reactor at Bhadrawati Sub-station, Asset-5: 1 No. 500 MVA 400/220 kV ICT-3 along with associated bays at Khandwa Sub-station, Asset-6: 2 No. 220 kV bays at Khandwa Sub-station, Asset-7: 1 No. 500 MVA 400/220 kV ICT-4 along with associated bays at Boisar Sub-station, Asset-8: 1 No. 500 MVA 400/220 kV ICT-3 along with associated bays at Kala Sub-station and Asset-9: 1 No. 500 MVA 400/220 kV ICT-3 along with associated bays at Dehgam Sub-station under WRSS XVII for 2014-19 period 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 capital cost claimed by the petitioner are as follows:-

Asset	Apportioned Approved Cost	Estimated Exp. Up to COD	Projected Exp.			Estimated Completion Cost
			2018-19	2019-20	2020-21	
Asset-1	5250.71	2521.62	480.54	284.28	-	3286.44
Asset-2	331.92	198.98	25.19	43.83	-	268
Asset-3	268.15	169.12	22.47	42.24	-	233.83
Asset-4	390.41	221.41	74.02	19.25	-	314.68
Asset-5	2994.08	950.26	1355.48	352.42	90.46	2748.62
Asset-6	467.59	286.15	35.13	47.64	-	368.92
Asset-7	2726.85	1274.41	737.19	417.74	75.78	2505.12
Asset-8	4591.97	3203.62	646.08	559.93	86.14	4495.77
Asset-9	3057.63	1252.4	1195.61	538.02	66.86	3052.89
Total	20079.31	10077.97	4571.71	2305.35	319.24	17274.03

There is no cost over-run in case of the instant assets when compared to the FR cost.

4. During the hearing on 13.12.2018, the representative of the petitioner submitted that as per the Investment Approval dated 9.2.2017, the scheduled COD of the instant assets was 9.9.2019. Assets-2, 3, 4, 5, 6, 7, 8 and 9 were put into commercial operation on 1.9.2018, 25.5.2018, 1.12.2018, 21.5.2018, 1.9.2018, 6.5.2018, 24.11.2018 and 7.6.2018 respectively. The representative of the petitioner submitted that Asset-1 is yet to be put into commercial operation and the RLDC certificate in case of Asset-8 will be submitted soon. The representative of the petitioner further 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. As Asset-1 has not yet been put into commercial operation, we are not inclined to grant tariff at this stage. 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 and tariff awarded by the Commission are as under:-

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

(₹ in lakh)

Particulars	2018-19
Asset-1	374.89
Asset-2	104.94
Asset-3	148.64
Asset-4	38.25
Asset-5	341.89
Asset-6	76.19
Asset-7	359.92
Asset-8	354.05
Asset-9	353.72

B. Annual transmission charges allowed are given below:-

(₹ in lakh)

Particulars	2018-19
Asset-2	89.199
Asset-3	126.344
Asset-4	32.5125
Asset-5	290.607
Asset-6	64.7615
Asset-7	305.932
Asset-8	300.943
Asset-9	300.662

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 31.12.2018:-

- (i) Auditor Certificate and all revised tariff forms based on the actual commercial operation date for Assets-1, 2, 4, 6 and 8 to work out final tariff.
- (ii) CEA certificate under Regulation 43 of CEA (measures related to safety & electric supply) Regulations, 2010 for Asset-1.
- (iii) RLDC Certificate for Assets-1 and 8.
- (iv) CMD certificate for Assets-1, 6 and 8.
- (v) Reasons for early COD of the instant assets.

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

