

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 259/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 actual/anticipated COD to 31.3.2019 for four assets associated with "Eastern Region Strengthening Scheme-XV (ERSS-XV)" 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 Bhawan, Bailey Road
Patna - 800 001.

2. West Bengal State Electricity Distribution Company Limited
Bidyut Bhawan, Bidhan Nagar
Block DJ, Sector-II, Salt Lake City
Calcutta - 700 091



3. Grid Corporation of Orissa Ltd.
Shahid Nagar, Bhubaneswar-751007
4. Jharkhand State Electricity Board
In Front of Main Secretariat
Doranda, Ranchi-834002
5. Damodar Valley Corporation
DVC Tower, Maniktala Civic Centre,
Viproad, Kolkata-700 054.
6. Power Department
Govt. of Sikkim, Gangtok - 737 101
7. Bangladesh Power Development Board (BPDP)
Wapda Building,
Motijheel Commercial Area,
Dhaka- 1000, Bangladesh

...Respondents

For Petitioner : Shri Zafrul Hasan, PGCIL
Shri Pankaj Sharma, PGCIL
Shri Vivek Kumar Singh, PGCIL
Shri S. K. Venkatesan, PGCIL
Shri S.S. Raju, 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:** Farakka-Baharampur 400 kV D/C transmission line with 01 no. 400 kV line bay at Baharampur Sub-station and 02 nos. line bays at Farakka (Sub-station of NTPC); **Asset-II:** LILO of Farakka-Jeerat 400 kV S/C line at Sagardighi (WPDCL) Sub-station with associated line



bays; **Asset-III:** Conversion of 50 MVAR Fixed Line Reactor at Subhasgram end of Sagardighi-Subhasgram 400 kV S/C line to Switchable Line Reactor; and **Asset-IV:** 01 No. 125 MVAR Bus Reactor and 01 No. 400 kV line bay at Baharampur Sub-station associated with “Eastern Region Strengthening Scheme-XV (ERSS-XV)” (hereinafter referred to as “assets”) 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. As per the investment approval dated 2.4.2016, the instant assets were scheduled to put into commercial operation on 1.4.2018. The petitioner submitted that the Asset-III and Asset-IV were put into commercial operation on 8.3.2018 and 30.3.2018 respectively. The petitioner submitted in the petition that Assets-I and II were anticipated to be put into commercial operation on 30.6.2018. However, vide affidavit dated 20.11.2018 has submitted that Assets-I and II were put into commercial operation on 3.9.2018 and 7.8.2018 respectively. Thus, there is a time over run of 5 months and 2 days and 4 months and 6 days respectively with respect to Assets-I and II respectively.

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



(₹ in lakh)

Name of the element	Cost as per FR (apportioned)	Exp. Up to COD	Projected Add Cap from COD to 31.3.2018	Projected Add Cap 2018-19	Projected Add Cap 2019-20	Total Estimated Cost
Asset-I	28811.54	22898.28	-	2600.14	2000.00	27498.42
Asset-II	5736.61	4354.81	-	574.66	420.00	5349.47
Asset-III	142.26	61.00	3.25	46.00	30.00	140.25
Asset-IV	1649.95	992.83	0.00	266.01	200.00	1458.84
TOTAL	36340.3	28306.92	3.25	3486.81	2650.00	34446.98

The estimated completion cost is within the FR apportioned approved cost. Hence, there is no cost over-run.

4. The matter was heard 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. After carrying out preliminary prudence check of the AFC claimed by the petitioner for Assets and taking into consideration the time over-run which will be considered in detail at the time of issue of final order, the Commission has decided to allow tariff for Assets-I and II in terms of proviso (i) of Regulation 7(7) of the 2014 Tariff Regulations as given in paragraph 8 of this order. Asset-III is conversion of 50 MVAR Fixed Line Reactor at Subhasagram end of Sagardighi-Subhasagram 400 kV S/C line to Switchable Line Reactor. The tariff for the existing 50 MVAR Fixed Line Reactor has already been granted and the petitioner should claim the cost of the conversion of the said line reactor in the respective tariff petition. Therefore, we are not inclined to grant tariff for Asset-III at this stage. Further, tariff for Asset-IV is not allowed in this order and the same will be considered on the basis of the SCM/RPC approval.



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

A. Annual transmission charges claimed are as follows:-

Particulars	(₹ in lakh)	
	2017-18	2018-19
Asset-I	-	2283.57
Asset-II	-	495.73

B. Annual transmission charges allowed are given below:-

Particulars	(₹ in lakh)	
	2017-18	2018-19
Asset-I	-	1826.86
Asset-II	-	396.58

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 petitioner is directed to submit the following information on affidavit with an advance copy to the beneficiaries by 28.12.2018:-

a. Details of time over-run and chronology of activities along with documentary evidence as per the format given below: -



Srl. No	Activity	Schedule		Actual		Remarks, if any
		From	To	From	To	
1.	LOA					
2.	Supplies					
3	Stringing					
4.	Testing & COD					

b. The RPC/SCM approved for swapping of one 400 kV line bay at Bahrapur Sub-station with reactor.

c. If tariff for LILO of Farakka-Jeerat S/C line at Bahrapur has been claimed, the details thereof.

11. The respondents are directed to file their reply by 11.1.2019 with an advance copy to the petitioner who shall file its rejoinder, if any by 21.1.2019. 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

