

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. : 37/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 : 23.03.2018

In the matter of:

Determination of transmission tariff for 1 x 500 MVA, 400/220 kV ICT along with associated transformer bays and 220 kV line bays at Itarsi Sub-station from COD to 31.3.2019 under the "Western Region System Strengthening Scheme-XIV" in Western Region.

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. Maharashtra State Electricity Distribution Company Limited,
Prakashgad, 4rd Floor, Andheri (East), Mumbai- 400052
3. Gujarat Urja Vikas Nigam Ltd.,
Sardar Patel Vidyut Bhawan,
Race Course Road, Vadodara-390 007.



4. Electricity Department, Government of Goa,
Vidyut Bhawan, Panaji,
Near Mandvi Hotel, Goa-403 001.
5. Electricity Department,
Administration of Daman and Diu,
Daman-396210.
6. Electricity Department,
Administration of Dadra Nagar Haveli,
U.T. Silvassa-396 230.
7. Chhattisgarh State Electricity Board,
P.O. Sunder Nagar, Dangania,
Raipur Chhattisgarh-492 013
8. Madhya Pradesh Audyogik Kendra Vikas Nigam (Indore) Ltd.,
3/54, Press Complex, Agra-Bombay Road ,Indore-452 008

.....Respondents

For petitioner : Shri Vivek Kumar Singh, PGCIL
Shri S.K. Venkatesan, PGCIL
Shri S.S. Raju, PGCIL
Shri A. Choudhary, PGCIL
Shri Rakesh Prasad, PGCIL

For respondent : None

ORDER

Power Grid Corporation of India Limited (PGCIL) has filed this petition for approval of the transmission tariff for 1 x 500 MVA, 400/220 kV ICT along with associated transformer bays and 220 kV line bays at Itarsi Sub-station under the “Western Region System Strengthening Scheme-XIV” in Western Region 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 petitioner has claimed the tariff based on actual 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:-

Apportioned approved cost as per FR	Expenditure incurred upto COD	Additional Capital Expenditure			Total estimated cost
		2017-18	2018-19	2019-20	
3507.44	2293.16	474.60	396.20	86.14	3250.10

Thus, as against the total apportioned approved cost of ₹3507.44 lakh, the estimated completion cost is ₹3250.10 lakh. Therefore, there is no cost over-run in respect of the instant asset. As per the Investment Approval dated 11.2.2016, the instant asset was scheduled to be commissioned by 27.7.2018. The asset was put under commercial operation on 14.8.2017. Thus, there is no time over-run.

3. The matter was heard on 15.3.2018. 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.



4. 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.

5. 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.

6. 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 para-7 of this order.

7. 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 below:-



(₹ in lakh)

2017-18 (pro-rata)	2018-19
406.14	715.34

B. Annual transmission charges allowed are as below:-

(₹ in lakh)

2017-18 (pro-rata)	2018-19
365.40	643.50

8. The tariff allowed in this order shall be applicable from the actual COD of instant asset 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.

9. The petition shall be listed for final hearing on 7.6.2018.

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

