

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 80/TT/2016 and 81/TT/2016

Coram:

**Shri A. K. Singhal, Member
Shri A.S. Bakshi, Member
Dr. M.K. Iyer, Member**

Date of Order : 20.4.2018

In the matter of

Approval of transmission tariff of licensed transmission business for 400 kV Srinagar Sub-station for tariff block 2014-19 under Sections 61, 62 and 79(1) (c) & 79 (1) (d) of the Electricity Act, 2003 Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2014.”

And in the matter of

Power Transmission Corporation of Uttarakhand Limited,
Vidyut Bhawan, Near ISBT Crossing,
Saharanpur Road, Majra,
Dehradun-248 002

.....**Petitioner**

Vs

1. Power Grid Corporation of India Limited,
Saudamini, Plot No.-2,
Sector-29, Gurgaon-122 001, Haryana
2. North Delhi Power Limited,
Power Trading & Load Dispatch Group,
Cennet Building, Adjacent to 66/11kV Pitampura-3 Grid Building,
Near PP Jewellers, Pitampura, New Delhi-110 034
3. Punjab State Electricity Board,
The Mall, Patiala-147 001
4. BSES Yamuna Power Limited,
BSES Bhawan, Nehru Place,
New Delhi-110 019



5. BSES Rajdhani Power Limited,
BSES Bhawan, Nehru Place,
New Delhi-110 019
6. New Delhi Municipal Council,
Palika Kendra, Sansad Marg,
New Delhi-110 002
7. Jodhpur Vidyut Vitran Nigam Limited,
400 kV GSS Building (Ground Floor),
Ajmer Road, Heerapura, Jaipur
8. Jaipur Vidyut Vitran Nigam Limited,
400 kV GSS Building (Ground Floor),
Ajmer Road, Heerapura,
Jaipur
9. North Central Railway,
Subedarganj,
Allahabad
10. Chandigarh Administration,
Sector-9,
Chandigarh-160 009
11. Ajmer Vidyut Vitran Nigam Limited,
400 GSS Building (Ground Floor),
Ajmer Road, Heerapura,
Jaipur
12. Uttar Pradesh Power Corporation Limited,
10th Floor, Shakti Bhawan Extension, 14,
Ashok Marg, Lucknow-226 001
13. Himachal Pradesh State Electricity Board Limited,
Vidyut Bhawan, Kumar House Complex Building II,
Shimla-171 004 (H.P.)
14. Haryana Power Purchase Centre,
Shakti Bhawan, Sector-6,
Panchkula (Haryana)-134 109



15. Power Development Department,
Government of Jammu & Kashmir,
Mini Secretariat,
Jammu (Tawi)-180 007
16. Uttarakhand Power Corporation Limited,
Victoria Cross Vijeyta Gabar Singh Urja Bhawan,
Kanwali Road, Balliwala Chowk,
Dehradun-248 001, Uttarakhand
17. GVK Industries,
Alaknanda Hydro Power Company Limited,
Paigah House, 156-159, Sardar Patel Road,
Secundrabad-500 003, Telangana
18. NTPC Limited, NTPC Bhawan,
Scope Complex, 7, Institutional Area,
Lodhi Road,
New Delhi-110 016
19. THDC India Limited,
Pragatipuram, Bypass Road,
Rishikesh-249201,
Uttarakhand
20. Lanco Mandakini Hydro Energy Private Limited,
14-H, Pushpanjali Enclave
General Mahadev Singh Road,
Dehradun-248 001, Uttarakhand
21. L & T Uttaranchal Hydro Power Limited,
Landmark A, Ground Floor, Suren Road,
Chakala, Andheri (E),
Mumbai-400 093
22. GMR (Badrinath) Hydro Power Generation Private Limited,
New Sakthi Bhawan, Building No. 302,
Near Terminal-3, IGI Airport,
New Delhi-110 037
23. NHPC Limited, NHPC Office Complex,
Sector-33, Faridabad-121 003,
Haryana



24. SJVN Limited,
SJVN Corporate Office Complex,
Shanan, Shimla-171 006,
Himachal Pradesh

25. UJVN Limited,
Maharani Bagh, G.M.S. Road,
Dehradun-248 006

.....Respondents

Petition No.81/TT/2016

And In the matter of:

Approval of transmission tariff of licensed transmission business for 400 kV Srinagar-Srinagar PH line for tariff block 2014-19 under Sections 61, 62 and 79(1) (c) & 79 (1) (d) of the Electricity Act, 2003 Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2014.

And in the matter of:

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Scope Complex, 7, Institutional Area,
Lodhi Road, New Delhi-110 016
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Uttarakhand
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Uttarakhand
 20. L & T Uttaranchal Hydro Power Limited,
Landmark A, Ground Floor,
Suren Road, Chakala, Andheri (E), Mumbai-400 093
-Respondents**

For Petitioner :

Shri Kamal Kant, PTCUL
Shri Anurag Kumar, PTCUL
Shri S.P. Arya, PTCUL

For Respondents :

Shri Mukesh Khanna, PGCIL
Ms. Rashmi Pant Joshi, PGCIL



ORDER

Power Transmission Corporation of Uttarakhand Limited (PTCUL) has filed Petition Nos. 80/TT/2016 and 81/TT/2016 for approval of transmission tariff for 400 kV Srinagar Sub-station and for 400 kV Srinagar-Srinagar PH line for 2014-19 tariff period under Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2014 (referred as "the 2014 Tariff Regulations"). The petitioner has also prayed for allowing 90% of the Annual Fixed Charges claimed, in terms of proviso (i) of Regulation 7(7) of the 2014 Tariff Regulations. As the assets covered in Petition Nos. 80/TT/2016 and 81/TT/2016 are part of a same scheme, the petitioner's request for grant of transmission tariff under Sub-clause 7 of Clause 7 is covered together in this order.

2. The petitioner has submitted that Government of Uttarakhand (GoU) along with the Ministry of Power (MoP) and Central Electricity Authority (CEA) defined an investment program for development of generation, transmission and distribution of power in the state. The financing plan for the program involves inter alia, international financial institutions such as Asian Development Bank (ADB). The petitioner has submitted that accordingly, GoU identified hydro potential of Uttarakhand existing along four major river basins namely Alakananda basin, Bhagirathi Basin, Yamuna basin and Sharda basin. Thus, an integrated transmission system was planned in Uttarakhand under the aegis of the CEA to evacuate power from these new generation capacities, being developed in the four major basins, in the region having regard to the



environmental considerations and also the difficulty in developing separate transmission systems for the generators situated in each of the basins. Hydro power potential being river basin specific, both generation and transmission require to be developed on an integrated basin approach. As such, the Uttarakhand Integrated Transmission Project (UITP) was conceived as a feasible, economic and optimal plan for development of transmission system to pool power from several hydro generating plants in the State to designated pooling points within Uttarakhand, from where inter-state network could be developed to convey such power to beneficiaries outside the state.

3. During the hearing on 15.12.2016, the representative of the petitioner submitted that the instant assets were put into commercial operation on 31.3.2016. The representative of PTCUL submitted that post January, 2013, the generators were supposed to enter into connectivity agreement and LTA with the CTU and Implementation Agreement with PTCUL. He submitted that Lanco and L&T have entered into Implementation Agreement with PTCUL. Lanco and NTPC had applied for LTA in 2007 but later sought LTA from 2011 as their date of commissioning was revised to 2011. The generators again approached PTCUL in September, 2011 for signing Connectivity Agreement stating that their date of commissioning was revised to 2014. In the meantime, the Commission granted deemed inter-State Transmission status vide order dated 31.1.2013 and it was to be utilised as ISTS with the commissioning of the first generator, that it was an intra-State transmission system till then. In 2015, the generators applied for LTA, shifting their date of commissioning to 2019. He further



submitted that several meetings were held with generators and CTU to match the commissioning of the transmission system with the generation and to have proper agreement, however, no agreement has been reached.

4. The petitioner, on 27.12.2016, has submitted the trial operation certificate dated 14.12.2016 issued by the Northern Regional Load Dispatch Centre (NRLDC) in respect of the assets covered in Petition Nos. 80/TT/2016 and 81/TT/2016. As per the NRLDC Certificate, the trial run in respect of the assets covered in Petition Nos. 80/TT/2016 and 81/TT/2016 was completed on 30.7.2016 and 26.7.2016 respectively. Accordingly, the COD of the assets covered in Petition Nos. 80/TT/2016 and 81/TT/2016 is provisionally as 31.7.2016 and 27.7.2016 respectively and a final view will be taken at the time of final order. The actual COD is considered as per the trial operation certificate issued by the NRLDC. There is a time over run in commissioning of both the assets. The details of the commercial operation date are as follows:-

Petition	Name of the Asset	Scheduled COD	Anticipated COD	Actual COD*
Petition No. 80/TT/2016	400 kV Srinagar Sub-station (Asset-A)	2.9.2013	31.3.2016	31.7.2016
Petition No. 81/TT/2016	400 kV Srinagar-Srinagar PH line (Asset-B)	2.9.2013	31.3.2016	27.7.2016

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 the 2014 Tariff 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 has submitted that the assets covered in the instant petitions 80/TT/2016 and 81/TT/2016 are crucial part of UITP scheme. The petitioner during hearing on 15.12.2016 requested to grant Annual Fixed Charges (AFC) in terms of proviso (i) of Regulation 7(7) of the 2014 Tariff Regulations for the instant assets. The Commission, vide interim order dated 15.3.2017, has formed a Committee to study and work out the modalities for smooth recovery of the UITP. The relevant portion of the said order is as follows:-

"13. We have considered the submissions of the petitioner and PGCIL. Though, the transmission assets have been commissioned, there is delay in commissioning of the generation projects resulting in non-utilisation of the



transmission assets. The representative of the petitioner has also submitted that several meetings were held with generators and CTU to match the commissioning of the transmission system with the generation but no agreement has been reached. The Commission is of the view that if no agreement could be reached with the generators for whom the transmission lines were being executed, the petitioner should have approached the Commission for further directions on whether in the changed scenario the transmission lines should be executed or not. It is observed that issues regarding connectivity agreement and the LTA have still not yet been sorted out. In order to sort out the issues, we direct that a committee headed by Chief (Engineering) of the Commission with members from CEA, CTU, NLDC, NTPC and other generators shall be constituted to look into all the issues with respect to connectivity agreement, LTA and Implementation Agreement and work out modalities for smooth implementation and recovery of the cost of the UITP within 60 days of issue of this order.”

8. The Commission will examine the report of the above said Committee separately.

The 400 kV Srinagar- Srinagar PH Line and 400 kV Srinagar Substation were conceived as a part of UITP scheme to evacuate the power from various HEP. It is observed that the petitioner has commissioned the transmission elements i.e. 400 kV Srinagar-Srinagar PH Line and 400 kV Srinagar Substation to evacuate the share of home state as of now. The transmission system of the UITP scheme is not connected with the inter-state transmission system till date.

9. We have considered the submissions of the petitioner. None of the Respondents have filed reply. The instant assets are part of deemed inter-state transmission assets as per the license granted by the Commission vide order dated 31.2.2013 in Petition no 133/MP/2012.



10. 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 details at the time of issue of final order, we are inclined to grant AFC for the assets covered in the instant petitions in terms of proviso (i) of Regulation 7(7) of the 2014 Tariff Regulations as given in Para 11 for the year 2016-17 to 2018-19.

11. The details of the tariff claimed by the petitioner and tariff allowed are as under:-

Petition No. 80/TT/2016

A. Annual transmission charges claimed by the petitioner vide affidavit dated 31.3.2016 are as follows:-

Particulars	(₹ in lakh)			
	2015-16 (Pro-rata)	2016-17	2017-18	2018-19
400 kV Srinagar Sub-station (Asset-A)	14.00	5122.00	5059.00	4996.00

B. Annual transmission allowed are as follows:-

Particulars	(₹ in lakh)			
	2015-16	2016-17 (Pro-rata)	2017-18	2018-19
400 kV Srinagar Sub-station (Asset-A)	-	2173.02	3210.64	3170.66

Petition No. 81/TT/2016

A. Annual transmission charges claimed by the petitioner vide affidavit dated 31.3.2016 are as follows:-



Particulars	(₹ in lakh)			
	2015-16 (Pro-rata)	2016-17	2017-18	2018-19
400 kV Srinagar-Srinagar PH line (Asset-B)	2.00	881.00	860.00	838.00

B. Annual transmission allowed are as follows:-

Particulars	(₹ in lakh)			
	2015-16	2016-17 (Pro-rata)	2017-18	2018-19
400 kV Srinagar-Srinagar PH line (Asset-B)	-	372.09	534.57	520.90

12. The AFC allowed in this order shall be applicable from the date of commercial operation of the transmission system. Since the assets covered in the instant case are used to transfer power of home state from Srinagar PH of GVK Industries Ltd, the use of the assets is attributed to the home state till the transmission elements are connected to the inter-State transmission system. The petitioner shall recover the transmission charges allowed as above from the distribution licensee of the state i.e. Uttarakhand Power Corporation Ltd. through billing as per the Commission order in Petition No.155/MP/2016. The relevant portion of the order dated 4.1.2017 in Petition No.155/MP/2016 is as under:-

"17. The petitioner is directed to provide YTC details of its assets to NLDC and CTU. NLDC shall provide the same to RPC for inclusion in RTAs. The assets shall be billed along with bill 1 under the provisions of the Central Electricity Regulatory Commission (Sharing of inter-State Transmission charges and losses), Regulations, 2010 as amended from time to time. ISTS licensees shall forward the details of YTC to be recovered as per formats provided under the



Sharing Regulations to NLDC. ISTS licensees shall forward the details of entity along with YTC details from whom it needs to be recovered as per applicable order`s of the Commission to NLDC (only in cases of bilateral billing due to non-availability of upstream/downstream system). Based on the input received from respective licensees and the Commission`s order, NLDC shall provide details of billing pertaining to non-availability of upstream/downstream system to respective RPCs for incorporation in RTAs for all cases of bilateral billing. On this basis, CTU shall issue the bills. The process given in this para shall be applicable to all future cases of similar nature and all concerned shall duly comply with the same."

Accordingly, the billing, collection and disbursement of the transmission charges shall be made along with bill 1 under the provisions of Central Electricity Regulatory Commission (Sharing of Inter-State Transmission Charges and Losses) Regulations, 2010, as amended from time to time in terms of the procedure specified in order dated 4.1.2017 in Petition No.155/MP/2016. Further, the transmission charges allowed in this order shall be subject to adjustment as per Regulation 7(7) of the 2014 Tariff Regulations.

13. Petitioner is directed to submit details related to the date of Commissioning of 132 kV downstream assets of Srinagar substation.

14. The petition shall be listed for final order separately.

Sd/-
(Dr. M.K. Iyer)
Member

Sd/-
(A.S. Bakshi)
Member

Sd/-
(A.K. Singhal)
Member

