

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 295/TT/2018

Coram:

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

Date of Order : 12.06.2019

Petition for determination of transmission tariff for **Asset-1**: Replacement of existing 1 no.50 MVA, 220/132 kV ICTs by 160 MVA, 220/132 kV ICT at Balipara Sub-station along with replacement of 132 kV equipment **Asset-2**: 2nd 400/220 kV, 315 MVA ICT, new 220 kV Bus arrangement (GIS) with 4 nos. of 220 kV Bays at Bongaigaon Sub-station of POWERGRID along with stringing of 2nd Circuit of 220 kV D/C Bongaigaon-Salakati TL and 1 no. of 220 kV line bay at Salakati Sub-station(for 220kV D/C Bongaigaon-Salakati TL)

And in the matter of:

Power Grid Corporation of India Limited
"Saudamini", Plot No.2,
Sector-29, Gurgaon -122 001

.....Petitioner

Verses

1. Assam Electricity Grid Corporation Limited
(Formerly Assam State Electricity Board)
Bijulee Bhawan, Paltan Bazar,
Guwahati- 781001, Assam.
2. Meghalaya Energy Corporation Limited
(Formerly Meghalaya State Electricity Board)
Short Round Road, "Lumjingshai"
Shillong – 793001, Meghalaya.
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, Tripura .. Respondents

For Petitioner : Shri S.S. Raju, PGCIL
Shri Zafrul Hasan, PGCIL
Shri S.K. Venkatesan, PGCIL
Shri Vivek Kumar Singh, 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 COD to 31.3.2019 for **Asset-1**: Replacement of existing 1 no.50MVA, 220/132 kV ICTs by 160 MVA, 220/132 kV ICT at Balipara Sub-station along with replacement of 132 kV equipment **Asset-2**: 2nd 400/220 kV, 315 MVA ICT, new 220 kV Bus arrangement (GIS) with 4 nos. of 220 kV Bays at Bongaigaon Sub- station of POWERGRID along with stringing of 2nd Circuit of 220 kV D/C Bongaigaon-Salakati TL and 1 no. of 220 kV line bay at Salakati Sub-station(for 220kV D/C Bongaigaon-Salakati TL) (hereinafter referred to as “assets”) under “North Eastern Region Strengthening Scheme–III” in North-Eastern Region



under Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2014 (for short, “2014 Tariff Regulations”). The petitioner has also prayed for grant of 90% of the Annual Fixed Charges (AFC) 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 24.9.2015, the instant assets were scheduled to be put into commercial operation on 24.12.2017. The instant assets were put under commercial operation on 1.10.2017 and 31.3.2019 respectively. Hence, there is a time over-run of about 15 months in case of Asset-2 and no time over-run in case of Asset-1.

3. The petitioner has claimed tariff based on actual/estimated expenditure incurred up to COD and additional capitalization incurred from COD to 31.3.2020. The details of the capital cost claimed by the petitioner are as follows:-

Asset	Apportioned approved cost		Expenditure Up to COD	Projected Expenditure for FY			Total cost
	FR	RCE		2017-18	2018-19	2019-20	
Asset-1	895.85	1224.07	956.40	155.66	74.06	17.15	1203.27
Asset-2	7420.30	9778.33	7526.84	-	1765.31	476.27	9768.42
Total	8316.15	11002.40	8483.24	155.66	1839.37	493.42	10971.69

4. During the hearing on 24.5.2019, the representative of the petitioner requested to grant Annual Fixed Charges (AFC) in terms of proviso (i) of Regulation 7(7) of the 2014 Tariff Regulations. He submitted that the estimated completion cost of the instant assets is more than the FR cost but within the RCE approved apportioned cost. He submitted that time over-run in case of Asset-2 was mainly due to natural water accumulation in



the excavated foundation area, ROW issues and law and order problem. He further submitted, vide affidavit dated 15.5.2019, that Asset-2 was charged on 30.3.2019, however COD shall be declared after receipt of RLDC certificate.

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 (hereinafter referred to as "the 2010 Sharing Regulations"). 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 "the 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 application 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 and taking into consideration the time over-run with respect to Asset-2, which will be considered in detail at the time of issue of final order, the Commission has decided to



allow tariff for instant assets 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 allowed are as under:-

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

(₹ in lakh)		
Asset	2017- 18	2018- 19
Asset -1	126.94	274.54
Asset -2	4.30	1741.48

B. Annual transmission charges allowed are given below:-

(₹ in lakh)		
Asset	2017-18	2018-19
Asset-1	107.90	233.36
Asset-2	-	3.82*

*Transmission charges claimed for the year, however, tariff allowed for one day for 31.3.2019 on the basis of ATC of ₹1741.48 lakh x .80/365.

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 Regulation.

10. The Commission directed the petitioner to submit the following information on affidavit with an advance copy to the Respondents by 28.6.2019:-



- a) Details of replaced 50 MVA, 220/132 kV ICRs at 220/132 kV ICT at Balipara Substation. The tariff details of 50 MVA ICT at Balipara Sub-station and decapitalisation details if any;
- b) RLDC certificate, CEA Energisation certificate, CMD certificate and revised Tariff Forms for Asset-II;
- c) Tariff forms along with Auditors Certificate in respect of Asset-2;
- d) Statement of discharge of IDC, IEDC and initial spares from SCOD to COD in respect of Assets1 and 2;
- e) Details of reasons for time over-run in a chronological order along with documentary evidence in the following format:-

Asset (Asset-wise)	Activity	Period of activity				Reason(s) for time over-run
		Planned		Achieved		
		From	To	From	To	
	LOA					
	Supplies (Structures, equipment, etc.)					
	Civil works & Erection					
	Testing & COD					
	Any other activity leading to time over-run.					

11. The respondents are directed to file their reply by 5.7.2019 with an advance copy to the petitioner who shall file its rejoinder, if any by 12.7.2019. 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/-
(I.S. Jha)
Member

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

sd/-
(P.K. Pujari)
Chairperson

