

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 312/TT/2018

Coram:

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

Date of Order : 30.04.2019

In the matter of:

Approval of transmission tariff from COD to 31.3.2019 for Combined Asset:(i) 1 No. of 12 Ω Series Bus reactor at Mandola 400/220 kV (Powergrid) Sub-station along with associated bays, (ii) 1 No. of 12 Ω Series Bus reactor at Ballabgarh 400/220 kV (Powergrid) Sub-station along with associated bays, (iii) 1 no. Series Line Reactor of 12 Ω in Dadri-Mandola 400 kV, Ckt-I and (iv) 1 no. Series Line Reactor of 12 Ω in Dadri-Mandola 400 kV, Ckt-II under "Provision of Series Reactors in Northern Region" for tariff block 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 Ltd.,
"Saudamini", Plot No.2,
Sector-29, Gurgaon -122 001

.....Petitioner

Vs

1. Rajasthan Rajya Vidyut Prasaran Nigam Ltd.,
Vidyut Bhawan, Vidyut Marg,
Jaipur - 302 005.
2. Ajmer Vidyut Vitran Nigam Ltd.,
132 kV, GSS RVPNL Sub- station Building,
Caligiri Road, Malviya Nagar,
Jaipur-302017 (Rajasthan).



3. Jaipur Vidyut Vitran Nigam Ltd.,
132 KV, GSS RVPNL Sub-station Building,
Caligiri Road, Malviya Nagar,
Jaipur-302017 (Rajasthan).
4. Jodhpur Vidyut Vitran Nigam Ltd.,
132 KV, GSS RVPNL Sub- station Building,
Caligiri Road, Malviya Nagar,
Jaipur-302017 (Rajasthan).
5. Himachal Pradesh State Electricity Board.
Vidyut Bhawan,
Kumar House Complex Building-II,
Shimla-171 004.
6. Punjab State Electricity Board,
The Mall,
Patiala- 147001.
7. Haryana Power Purchase Centre,
Shakti Bhawan, Sector-6,
Panchkula (Haryana) 134109.
8. Power Development Deptt.
Government of Jammu & Kashmir,
Mini Secretariat, Jammu
(J & K).
9. Uttar Pradesh Power Corporation Ltd.
(formerly Uttar Pradesh State Electricity Board),
Shakti Bhawan, 14, Ashok Marg,
Lucknow- 226 001.
10. Delhi Transco Ltd.,
Shakti Sadan, KotlaRoad,
NewDelhi-110002.
11. BSES Yamuna Power Ltd.,
BSES Bhawan, Nehru Place,
New Delhi.



12. BSES Rajdhani Power Ltd.,
BSES Bhawan, Nehru Place,
New Delhi.
13. North Delhi Power Ltd.,
Power Trading & Load Dispatch Group,
Cennet Building,
Adjacent To 66/11 kV Pitampura-3,
Grid Building, Near PP Jewellers,
Pitampura, New Delhi – 110034.
14. Chandigarh Administration,
Sector -9, Chandigarh.
15. Uttarakhand Power Corporation Ltd.,
Urja Bhawan,
Kanwali Road,
Dehradun.
16. North Central Railway,
Allahabad.
17. New Delhi Municipal Council,
Palika Kendra, Sansad Marg,
New Delhi-110002.

...Respondents

For Petitioner: Shri S.K Venkatesan, PGCIL
 Shri S.S.Raju, PGCIL
 Shri S.K Nitranjan, PGCIL
 Shri V.P Rastogi, PGCIL
 Shri Amit Yadav, PGCIL

For Respondents: Shri R.B. Sharma, Advocate, BRPL
 Shri Mohit Mudgal, Advocate, BRPL

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



Combined Asset :(i) 1 No. of 12Ω Series Bus reactor at Mandola 400/220 kV (Powergrid) Sub-station along with associated bays, (ii) 1 No. of 12Ω Series Bus reactor at Ballabgarh 400/220 kV (Powergrid) Sub-station along with associated bays, (iii) 1 no. Series Line Reactor of 12Ω in Dadri-Mandola 400 kV, Ckt-I and (iv) 1 no. Series Line Reactor of 12Ω in Dadri-Mandola 400 kV, Ckt-II under “Provision of Series Reactors”(hereinafter referred to as “asset”) in Northern 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 29.8.2016, the instant asset was scheduled to be put into commercial operation on 28.2.2019. The petitioner initially claimed the COD of the assets as 31.8.2018. Thereafter, the petitioner vide affidavit dated 8.3.2019, submitted that the instant asset have been split into two parts and were put into commercial operation on 4.11.2018 and 7.12.2018 respectively. Hence, there is no time over-run in declaring commercial operation of the instant assets.

3. The petitioner has claimed the tariff of the expenditure incurred up to COD and additional capitalization projected to be incurred from COD to 31.3.2020 in respect of the instant assets. The details of the capital cost claimed by the petitioner are as follows:-

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(₹ in lakh)

Asset	Approved apportioned cost	Estimated expenditure up to COD	Estimated completion cost		Estimated completion cost	Estimated completion cost as on 31.3.2019
			2018-19	2019-20		
Asset-I	4957.83	2943.79	817.21	273.36	4034.36	3761.00
Asset-II	12794.18	6372.92	1542.77	545.77	8461.46	7915.69
Total	17752.01	9316.71	2359.98	819.13	12495.82	11676.69

4. The matter was heard on 9.4.2019. 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. He submitted that COD letter, RLD certificate, CMD certificate and CEA certificate and all other information of the assets has been furnished as required under the 2014 Tariff Regulations. Learned counsel for BRPL has submitted that the instant assets are made by the petitioner for its own benefit to safeguard its interest and hence the capital cost should be borne by the petitioner and should not be loaded on the respondents.

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 and, the Commission has decided to allow tariff for 2018-19 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 are as under:-

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

(₹ in lakh)

Assets	Tariff claimed
Asset-I	257.25
Asset-II	444.62

B. Annual transmission charges allowed are given below:-

(₹ in lakh)

Assets	Tariff allowed
Asset-I	218.66
Asset-II	377.93

The annual transmission charges have been calculated based on estimated completion cost till 31.3.2019.



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 10.5.2019:-

- (i) Management approval for bifurcation of combined asset into two categories;
- (ii) Management approval for increase in estimated completion cost;
- (iii) PERT and CPM chart based on actual;
- (iv) The information for period of activity (planned vs achieved) for the Assets (asset-wise) covered under the instant petition in the format below:-

Srl. No.	Assets (Asset-wise)	Activity	Period of activity				Remarks if any
			Planned		Achieved		
			From	to	From	to	
1		LOA					
2		Supplies of structure, equipment etc.					
3		Civil works and erection					
4		Testing and COD					

11. The respondents are directed to file their reply by 17.5.2019 with an advance copy to the petitioner who shall file its rejoinder, if any by 24.5.2019. 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

