

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 364/TT/2018

Coram:

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

Date of Order : 24.4.2019

In the matter of:

Approval of transmission tariff from actual/anticipated COD to 31.3.2019 for Asset-I: 400 kV D/C Silchar-Melriat transmission line (Charged at 132 kV) alongwith associated bays, Asset-II: LILO of 132 kV S/C Aizawl-Zemabawk Transmission Line along with associated bays at Melriat Sub-station (New), Asset-III: 132 kV D/C Melriat (New)– Sihmui Transmission Line alongwith associated bays, Asset-IV: 4x5 MVAR (including 01 no hot spare), 132 kV, 1-ph, Bus Reactor at Melriat S/S alongwith Melriat (PG) GIS Sub-station under the transmission system associated with “Transmission system associated with Pallatana GBPP and Bongaigaon TPS” 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. 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 Electricity Distribution Company 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
8. OTPC (ONGC Tripura Power Corporation Limited),
6th Floor, A Wing, IFCI Towers,
New Delhi - 110019
9. NTPC (National Thermal Power Corporation Limited),
NTPC Limited, NTPC Bhawan,
SCOPE Complex, Institutional Area, Lodhi Road,
New Delhi – 11000

...Respondents

For Petitioner : Shri Zafrul Hasan, PGCIL
Shri Vivek Kumar Singh, PGCIL
Shri S. K. Venkatesan, PGCIL
Shri S. S. Raju, 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-I: 400 kV D/C Silchar-Melriat transmission line (Charged at 132 kV) alongwith associated bays, Asset-II: LILO of 132 kV S/C Aizawl-Zemabawk Transmission Line along with associated bays at Melriat Sub-station (New), Asset-III: 132 kV D/C Melriat (New)– Sihhmui Transmission Line alongwith associated bays, Asset-IV: 4x5 MVAR (including 01 no hot spare), 132 kV, 1-ph, Bus Reactor at Melriat Sub-station alongwith Melriat (PG) GIS Sub-station under “Transmission system associated with Pallatana GBPP and Bongaigaon TPS”(hereinafter referred to as “instant assets”) in North-East 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 25.2.2010, the scheduled COD of the instant assets was 24.12.2012. The petitioner initially in the petition claimed tariff for all the assets, on anticipated COD. Later, vide affidavit dated 5.4.2019 has submitted that Assets I, II and IV were put into commercial operation on 1.12.2018, 1.12.2018 and 26.1.2019 respectively. There is a time over-run of 70 months in respect of the instant



assets. The petitioner has proposed COD of Asset-III as 1.12.2018 under proviso (ii) of Regulation 4(3) of the 2014 Tariff Regulation.

4. The petitioner has claimed tariff based on actual/estimated expenditure incurred up to COD and additional capitalization incurred from COD to 31.3.2019. The details of the capital cost claimed by the petitioner are as follows:-

Assets	Expenditure up to COD	Proposed expenditure			Estimated completion cost	(₹ in lakh)
		2018-19	2019-20	2020-21		Estimated completion cost upto 31.3.2019
Asset-I	72345.10	874.81	3497.73	1306.64	78024.28	73219.91
Asset-II	1513.72	0.00	265.68	71.50	1850.90	1513.72
Asset-III	2384.86	25.77	170.08	4.62	2585.33	2410.63
Asset-IV	1157.01	0.00	107.92	0.00	1264.93	1157.01

5. During the hearing on 9.4.2019, the representative of the petitioner requested for grant of Annual Fixed Charges (AFC) in terms of proviso (i) of Regulation 7(7) of the 2014 Tariff Regulations. Further, the petitioner has prayed for approval of COD of Asset III w.e.f. 1.12.2018 in terms of proviso (ii) of Regulation 4(3) of 2014 Tariff Regulations, as it is not able to put the same under use due to delay on the part of the STU of Mizoram.

6. 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.

7. The petitioner has made the applications as per Annexure-I of the 2014 Tariff Regulations. The petitioner has also complied with the requirements of the 2004 Regulations, such as service of the copy of the application on the beneficiaries, publication of notice and web hosting of the application, etc.

8. We have considered the submissions of the petitioner. The petitioner has claimed COD of Asset III under proviso (ii) of Regulation 4(3) of the 2014 Tariff Regulations as the associated Sihhmui Switchyard under the State of Mizoram, STU, was not ready. We would like to hear the STU of Mizoram before approving the COD of Asset –III. Hence, AFC is not allowed for Asset-III in this order. After carrying out preliminary prudence check of the AFC claimed by the petitioner for Assets I, II and IV 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 in terms of proviso (i) of Regulation 7(7) of the 2014 Tariff Regulations as given in paragraph 9 of this order.



9. 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 follows:-

(₹ in lakh)

Name of the Asset	2018-19 (pro rata)
Asset-I	4008.41
Asset-II	110.22
Asset-IV	42.66

B. Annual transmission charges allowed are given below:-

(₹ in lakh)

Name of the Asset	2018-19 (Pro rata)
Asset-I	2536.94
Asset-II	69.96
Asset-IV	34.13

The annual transmission charges has been worked out with reference to the estimated completion cost as on 31.3.2019.

10. 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 2010 Sharing Regulations, 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.



11. The petitioner is directed to submit the details of time over-run and chronology activities along with documentary evidence as per the format given below on affidavit with an advance copy to the beneficiaries by 29.4.2019:-

Slr. No	Activity	Schedule		Actual		Remarks, if any
		From	To	From	To	
1.	LOA					
2.	Supplies					
3.	Foundation					
4.	Tower erection					
5.	Stringing					
6.	Testing and COD					

12. The respondents are directed to file their reply by 5.5.2019 with an advance copy to the petitioner who shall file its rejoinder, if any by 15.5.2019. The parties shall comply with the above directions within the due date mentioned above and no extension of time shall be granted.

13. 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

