CENTRAL ELECTRICITY REGULATORY COMMISSION NEW DELHI

Petition No. 368/TT/2018

Coram:

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

Date of Order : 14.03.2019

In the matter of:

Approval under section 62 and 79(1)(d) of the Electricity Act, 2003 read with regulation 86 of Central Electricity Regulatory Commission (Conduct of Business) Regulations, 1999 for determination of transmission tariff for circuit 1 (b) of 400 kV D/C Teesta III-Rangpo Section upto LILO point at Rangpo for control period 2014-19 under Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2014

And in the matter of:

Teestavalley Power Transmission Ltd. 2nd Floor, Vijaya Building 17, Barakhamba Road, New Delhi – 110001

.....Petitioner

Vs

- PTC India Ltd.
 2nd Floor, NBCC Tower
 Bhikaji Cama Place, New Delhi-110066
- Energy and Power Department Government of Sikkim Kazi Road, Gangtok-737101, Sikkim
- Teesta Urja Ltd.
 2nd Floor, Vijaya Building
 17, Barakhamba Road, New Delhi-110001



- Sneha Kinetic Power Projects Pvt. Ltd.
 Sonam Complex, Jeevan Theng Marg Development Area Near Little Pixel International School, Gangtok-737101, Sikkim
- 5. Power Grid Corporation of India Ltd. Saudamini, Plot No.2, Sector 29, Near IFFCO Chowk Gurgaon-122001, Haryana
- 6. Punjab State Power Corporation Ltd. The Mall, Patiala-147001, Punjab
- 7. Uttar Haryana Bijli Vitran Nigam Ltd. Vidyut Sadan, Plot No. C16, Sector-6 Panchkula-134109, Haryana
- 8. Dakshin Haryana Bijli Vitran Nigam Ltd. Vidyut Sadan, Vidyut Nagar, Hisar-125005, Haryana
- 9. Haryana Power Purchase Centre Shakti Bhawan, Sector-6 Panchkula-134109, Haryana
- Ajmer Vidyut Vitran Nigam Ltd.
 Vidyut Bhawan, Panchsheel Nagar,
 Makarwali Road
 Ajmer-305004, Rajasthan
- 11. Jaipur Vidyut Vitran Nigam Ltd. Vidyut Bhawan, Janpath Jaipur-302005, Rajasthan
- Jodhpur Vidyut Vitran Nigam Ltd.
 New Power House, Industrial Area Jodhpur-342003, Rajasthan
- Rajasthan Urja Vikas Nigam Ltd.
 Vidyut Bhawan, Janpath
 Jyoti Nagar Jaipur-302005, Rajasthan



 Uttar Pradesh Power Corporation Ltd. Shakti Bhawa, 14, Ashok Marg

Lucknow-226001, Uttar Pradesh

...Respondents

For petitioner : Shri Abhishek Vats, TPTL

Shri Piyush Shandilya, TPTL Shri S. K. Bhowmick, TPTL

For respondents : None

<u>ORDER</u>

Teestavalley Power Transmission Ltd. (TPTL) has filed the instant petition for determination of transmission tariff for circuit 1(b) of 400 kV D/C Teesta III-Rangpo Section upto LILO point at Rangpo for 2014-19 tariff 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 Commission granted inter-State transmission licence to the petitioner for 400

kV D/C Teesta III HEP-Kishanganj Transmission Line vide order dated 14.5.2009 in

Petition No.116/2008, which comprised of the following transmission elements:-

a. 400 kV D/C transmission line with quad Moose conductor from Teesta III

generating station to Mangan pooling station-2 km

- b. 400 kV D/C transmission line with quad Moose conductor from Mangan to new pooling station at Kishanganj including 2 line bays and 2 nos. 63 MVAR reactors at Kishanganj switchyard-204 km.
- 3. The petitioner has submitted that the Standing Committee on Power System Planning in ER on 14.9.2009 decided that the 400 kV D/C Teesta III HEP-Kishanganj transmission would be LILOed at proposed Mangan Pooling Station, executed by PGCIL, at a later date for future generation projects in northern part of Sikkim. Further, the Standing Committee on 20.9.2010 decided to loop-in-loop-out of the 400 kV D/C Teesta III HEP-Kishanganj transmission line at Rangpo Sub-station of PGCIL. In view of the above, the configuration of the 400 kV D/C Teesta III HEP-Kishanganj transmission line underwent changes and the transmission line was divided into four sections as follows:-

Srl. No.	Particulars	Length	Details of petition number	
1.	Circuit No. 2: Teesta III- Rangpo Section	36 km	Covered under Petition No. 108/TT/2016	
2.	Circuit No. 1(a): Teesta- III-Dikchu Section	14 km		
3.	Circuit No. 1(b): Dikchu- Rangpo Section	22 km	Instant petition	
4.	Rangpo-Kishanganj D/C Section	179 km	Yet to be filed.	

4. As per the approval of the Board of Directors of the petitioner Company dated 9.11.2009, the instant asset was scheduled to be put into commercial operation within 35 months, i.e. 31.10.2012. The asset was put into commercial operation on 2.7.2018.

There is a time over-run of 68 months. The details of the capital cost claimed by the petitioner are as follows:-

			(₹ in lakh)
Apportioned approved cost as per FR	Cost upto	Projected expenditure from COD to 31.3.2019	Total Cost
5029.75	10106.22	147.07	10253.29

- 5. During the hearing on 28.2.2019, learned counsel for the petitioner submitted that the time over-run in case of the instant asset is due to RoW issues, stay granted by the Hon'ble High Court of Delhi and other *force majeure* conditions which are beyond the control of the petitioner. He submitted that time over-run in case of circuit 1(a) upto 30.6.2016 has already been condoned while approving tariff for Circuit 1(a) in Petition No. 108/TT/2016. He requested to condone the time over-run in case of the instant asset. Approve Annual Fixed Charges (AFC) in terms of proviso (i) of Regulation 7(7) of the 2014 Tariff Regulations for inclusion in the PoC computation.
- 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. 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.

- 7. The petitioner has made the applications as per Annexure-I of the 2014 Tariff Regulations. The petitioner has also serviced the copy of the application on the beneficiaries.
- 8. The projected completion cost is ₹10253.29 lakh as against the apportioned approved cost of ₹5029.75 lakh and there is time over-run of 68 months. After carrying out preliminary prudence check of the AFC claimed by the petitioner and taking into consideration the time and cost over-run, which will be considered in detail at the time of issue of final order, the Commission has decided to allow tariff based on the projected completion cost 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 allowed are as under:-

	(₹ in lakh)
2018-19	2018-19*
(Pro-rata)	(Pro-rata)
(claimed)	(allowed)
1510.24	592.68

*(₹5029.75/₹10253.29x₹1510.24 lakh) x 80%

- 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 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.
- 11. The Commission directed the petitioner to submit the following information on affidavit with an advance copy to the beneficiaries by 29.3.2019:-
 - (i) CEA certificate under Regulation 43 of CEA (Measures related to safety and electric supply) Regulations, 2010 for the assets covered in the instant petition.
 - (ii) The basis of apportionment and details of apportioned approved cost as per FR, RCE-I, RCE-II, and RCE-III.
 - (iii) With regard to additional capital expenditure, the nature/works against which the payment is withheld.
 - (iv) Details of IDC and IEDC during the period of delay in COD of the instant assets i.e. from scheduled COD to actual COD.
 - (v) The proof of publication of notice in the newspapers and hosting of the application on its website.
- 12. The respondents are directed to file their reply by 8.4.2019 with an advance copy to the petitioner who shall file its rejoinder, if any by 17.4.2019. 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/-sd/-(I. S. Jha)(Dr. M. K. Iyer)(P. K. Pujari)MemberMemberChairperson