CENTRAL ELECTRICITY REGULATORY COMMISSION NEW DELHI

Petition No. 375/TT/2018

Coram:

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

Date of Order : 03.05.2019

In the matter of:

Petition for determination of transmission tariff from COD to 31.3.2019 for 10 nos. of assets under "Northern Regional Transmission Strengthening Scheme" in Northern Region" 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

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



- Jodhpur Vidyut Vitran Nigam Ltd.,
 132 kV, GSS RVPNL Sub- Station Building,
 Caligiri Road, Malviya Nagar, Jaipur-302017 (Rajasthan)
- Himachal Pradesh State Electricity Board, Vidyut Bhawan, Kumar House Complex Building –II, Shimla-171 004
- 6. Punjab State Electricity Board The Mall, Patiala 147 001
- 7. Haryana Power Purchase Centre, Shakti Bhawan, Sector-6, Panchkula (Haryana) 134 109.
- 8. Power Development Department, Government of Jammu & Kashmir Mini Secretariat, Jammu.
- Uttar Pradesh Power Corporation Ltd.
 (Formerly Uttar Pradesh State Electricity Board)
 Shakti Bhawan, 14, Ashok Marg,
 Lucknow 226 001.
- Delhi Transco Ltd.,
 Shakti Sadan, Kotla Road,
 New Delhi-110 002
- 11. BSES Yamuna Power Ltd., Bses Bhawan, Nehru Place, New Delhi.
- BSES Rajdhani Power Ltd.,
 BSES Bhawan, Nehru Place,
 New Delhi.
- Tata Power Delhi Distribution Ltd.33 kV Sub-station, Building,Hudson Lane, Kingsway Camp,North Delhi 110009



- 14. Chandigarh Administration, Sector -9, Chandigarh.
- Uttarakhand Power Corporation Ltd.,
 Urja Bhawan,
 Kanwali Road,
 Dehradun.
- North Central Railway, Allahabad.
- New Delhi Municipal Council, Palika Kendra, Sansad Marg, New Delhi-110002.
- 18. U.P. Power Transmission Corporation Limited, 11th Floor, Shakti Bhawan, 14-Ashok Marg, Lucknow-226001.

.... Respondents

For Petitioner : Shri S.K. Venkatesan, PGCIL

Shri S.S. Raju, PGCIL Shri S.K. Niranjan, PGCIL Shri V.P. Rastogi, 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 Asset-I: 1x63 MVAR, 400 kV Bus Reactor-I at 400/220 kV Sohawal Sub-station, Asset-II: 1x63 MVAR, 400 kV Bus Reactor-II at 400/220 kV Sohawal Sub-station, Asset-III: 2 nos. 220 kV bays of 220 kV(PG)-Sohawal(UP) TL at 400/220 kV Sohawal (PG) Sub-station, Asset-IV: 2 nos. 220 kV bays No. 208 and 209 (Barabanki-I & II of UPPTCL) at 400/220

kV Sohawal (PG) Sub-station, Asset-V: 2 nos. 220 kV Line Bays of Sohawal (PG) - Tanda (UP) TL at 400/220 kV Sohawal (PG) Sub-station, Asset-VI: 2 nos. 220 kV bays No. 206 & 207 of Shahjahanpur (PG)-Shahjahanpur (UPPTCL) at 400/220 kV Shahjahanpur Sub-Station, Asset-VII: 1 No. 220 kV line bays No. 210 of Shahjahanpur (PG)- Shahjahanpur (UPPTCL) at 400/220 kV Shahjahanpur Sub-Station, Asset-VIII: 1 Nos. 220 kV line bays No. 211 of Shahjahanpur (PG)- Shahjahanpur (UPPTCL) at 400/220 kV Shahjahanpur Sub-Station, Asset-IX: 2 Nos. 220 kV Line bays (Vatika-I and Vatika-II) at 400/220 kV Jaipur (South) Sub-station, Asset-X: 2 Nos. 220 kV line bays (211 and 212) at 400/220 kV Jaipur (South) Sub-station under "Northern Regional Transmission Strengthening Scheme" in Northern 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 16.3.2010, the instant assets were scheduled to be put into commercial operation on 15.11.2012. The petitioner vide affidavits dated 2.11.2018 and 5.4.2019 has submitted that Assets-IV, V, VI, VII and VIII have been charged on 'no load' basis in the absence of downstream network under the scope of work of UPPTCL and Asset-X was charged on 'no load' basis in the absence of downstream network under the scope of work of RRVPNL. The petitioner has proposed

COD of Assets-IV, V, VI, VII, VIII and X under proviso (ii) of Regulation 4 (3) of 2014 Tariff Regulations.

SI. No.	Assets	COD Actual/Proposed
1.	Asset-I: 1x63 MVAR, 400 kV Bus Reactor-I at 400/220 kV Sohawal Sub-station.	29.7.2017 (actual)
2.	Asset-II : 1x63 MVAR, 400 kV Bus Reactor-II at 400/220 kV Sohawal Sub-station.	7.5.2018 (actual)
3.	Asset-III: 2 nos. 220 kV bays of 220 kV(PG)-Sohawal(UP) TL at 400/220 kV Sohawal (PG) Substation.	5.3.2017 (actual)
4.	Asset-IV: 2 nos. 220 kV bays nos. 208 and 209 (Barabanki-I &II of UPPTCL) at 400/220 kV Sohawal (PG) Sub-station.	12.2.2017 (Proposed COD)
5.	Asset-V: 2 nos 220 kV Line Bays of Sohawal (PG) -Tanda (UP) TL at 400/220 kV Sohawal (PG) Substation.	12.12.2018 (Proposed COD)
6.	Asset-VI: 2 nos. 220 kV bays nos. 206 & 207 of Shahjahanpur (PG)-Shahjahanpur (UPPTCL) at 400/220 kV Shahjahanpur Sub-Station.	3.11.2016 (Proposed COD)
7.	Asset-VII: 1 no. 220 kV line bays no. 210 of Shahjahanpur(PG)-Shahjahanpur(UPPTCL) at 400/220 kV Shahjahanpur Sub-Station.	5.8.2016 (Proposed COD)
8.	Asset-VIII: 1 no. 220 kV line bays no. 211 of Shahjahanpur(PG)-Shahjahanpur(UPPTCL) at 400/220 kV Shahjahanpur Sub-Station.	5.8.2016 (Proposed COD)
9.	Asset-IX: 2 nos. 220 kV line bays (Vatika-I and Vatika-II) at 400/220 kV Jaipur(South) Sub-station.	14.5.2017 (actual)
10	Asset-X: 2 nos. 220 kV line bays (211 and 212) at 400/220 kV. Jaipur (South) Substation	28.9.2017 (Proposed COD)

There is time over-run in case of all the aforesaid assets ranging from 44 months to 71 months. The petitioner vide affidavits dated 2.11.2018 and 4.4.2019 has submitted COD letters, RLDC certificates, CEA certificates and CMD certificates of all the assets.



- 3. The petitioner has submitted that the estimated completion cost of the instant assets is within the RCE approved apportioned cost.
- 4. The matter was heard on 9.4.2019. The representative of the petitioner submitted that Assets-IV, V, VI, VII and VIII have been charged on "no load" basis as the downstream network under the scope of work of UPPTCL is not ready. He further submitted Asset-X has also been charged on "no load" basis as the downstream network under the scope of work of RRVPNL is not ready. He has prayed for approval of the COD of Assets-IV, V, VI, VII, VIII and X under proviso (ii) of Regulation 4(3) of the 2014 Tariff Regulations.
- 5. 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 further submitted that all the information as required under the 2014 Tariff Regulations has been furnished.
- 6. Learned counsel for BRPL objected to the grant of approval of COD in respect of Assets- IV, V, VI, VII, VIII and X referring that successful charging of the transmission system or an element thereof is not as per Regulations 5(2) of 2014 Tariff Regulations and that as per Regulation 9(6) of 2014 Tariff Regulations the capital cost of the assets not in regular use have to be removed from the project cost.
- 7. 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. 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.

8. We have considered the submissions of the petitioner. The petitioner has sought approval of COD of Assets-IV, V, VI, VII, VIII and X under proviso (ii) of Regulation 4(3) of the 2014 Tariff Regulations as their associated downstream systems under the scope of works of UPPTCL and RRVPNL are not ready. We would like to hear UPPTCL and RRVPNL before approving the COD and tariff of Assets-IV, V, VI, VII, VIII and X. Accordingly, AFC for Assets-IV, V, VI, VII, VIII and X are not approved at this stage. Further, as tariff for Reactors under Assets-I and II is already being claimed under Petition No.560/TT/2014, we are not inclined to allow tariff for Assets-I and II at this stage. A view shall be taken at the time of determination of final tariff. After carrying

out preliminary prudence check of the AFC claimed by the petitioner for Assets-III and IX, the Commission has decided to allow tariff in terms of proviso (i) of Regulation 7(7) of the 2014 Tariff Regulations for inclusion in the computation of PoC charges.

- 9. The details of the tariff claimed by the petitioner and tariff awarded are as under:-
 - A. Annual transmission charges claimed are as follows:-

		(₹ in lakh)			
Asset	2016-17	2017-18	2018-19		
III	13.26	185.82	191.27		
IX	-	165.72	191.74		

B. Annual transmission charges allowed are given below:-

			(₹ in lakh)		
Asset	2016-17	2017-18	2018-19		
III	10.61	148.66	153.02		
IX	-	132.57	153.39		

- 10. The tariff allowed in this order shall be applicable from the actual COD 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 petitioner is directed to submit the following information on affidavit with an advance copy to the beneficiaries by 29.5.2019:-

a. Details of reasons for time over-run (asset-wise) covered under the instant petition in the following format:-

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

- b. Status of associated downstream network of UPPTCL and RRVPNL and submit documentary evidence of COD, if achieved COD.
- c. Implementation agreement made with UPPTCL and RRVPNL, if any.
- 12. The respondents are directed to file their reply by 10.6.2019 with an advance copy to the petitioner who shall file its rejoinder, if any by 26.6.2019. 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