

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 223/TT/2020

And

Petition No.488/TT/2019

Coram:

Shri P.K. Pujari, Chairperson

Shri I.S. Jha, Member

Shri Arun Goyal, Member

Date of order: 24.08.2021

In the matter of:

Approval 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 for determination of transmission tariff for tariff block 2014-19 for installation of 1x250 MVA, 400/220 kV ICT at Bhadrawati HVDC back to back station under "Installation of Transformer & Procurement of Spare convertor Transformer at Bhadrawati Back to Back Station" in Western Region.

And in the matter of:

Power Grid Corporation of India Limited,
"Saudamini", Plot No. 2,
Sector 29, Gurgaon-122001

....Petitioner

Vs

1. Madhya Pradesh Power Management Company Limited,
Shakti Bhawan, Rampur, Jabalpur - 482 008
2. Maharashtra State Electricity Distribution Company Limited,
Hong Kong Bank Building, 3rd Floor,
M. G. RoadFort, Mumbai - 400001
3. Gujarat Urja Vikas Nigam Limited,
Sardar Patel Vidyut Bhawan,
Race Course Road, Vadodara - 390 007
4. Electricity Department,
Government of Goa,
Vidyut Bhawan, Panaji,
Near Mandvi Hotel, Goa - 403 001



5. Electricity Department,
Administration of Daman & Diu,
Daman - 396 210
6. Electricity Department,
Administration of Dadra Nagar Haveli,
U.T.Silvassa - 396 230
7. Chhattisgarh State Electricity Board,
P.O. Sunder Nagar, Dangania, Raipur,
Chhatisgaarh-492013
8. Madhya Pradesh Audyogik Kendra,
Vikas Nigam (Indore) Limited,
3/54, Press Complex, Agra-Bombay Road,
Indore-452 008
9. Karnataka Power Transmission Corporation Limited (KPTCL),
Kaveri Bhavan, Bangalore – 560 009
10. Transmission Corporation of Andhra Pradesh Limited (APTRANSCO),
Vidyut Soudha, Hyderabad– 500082
11. Kerala State Electricity Board (KSEB),
Vaidyuthi Bhavanam
Pattom, Thiruvananthapuram – 695 004
12. Tamil Nadu Electricity Board (TNEB),
NPKRR Maaligai, 800, Anna Salai, Chennai – 600 002
13. Electricity Department,
Government of Pondicherry, Pondicherry – 605001
14. Eastern Power Distribution Company of Andhra Pradesh Limited (APEPDCL),
APEPDCL, P&T Colony, Seethmmadhara,
Vishakhapatnam, Andhra Pradesh,
15. Southern Power Distribution Company of Andhra Pradesh Limited (APSPDCL),
Srinivasasa Kalyana Mandapam Backside,
Tiruchanoor Road, Kesavayana Gunta,
Tirupati-517 501, Chittoor District, Andhra Pradesh
16. Central Power Distribution Company of Andhra Pradesh limited (APCPDCL),
Corporate Office, Mint Compound,
Hyderabad – 500 063, Andhra Pradesh
17. Northern Power Distribution Company of Andhra Pradesh Limited (APNPDCL),
Opposite NIT Petrol Pump, Chaitanyapuri,
Kazipet, WARANGAL – 506 004, Andhra Pradesh



18. Bangalore Electricity Supply Company Limited,
(BESCOM), Corporate Office, K.R. Circle,
Bangalore – 560 001, Karnataka
 19. Gulbarga Electricity Supply Company Limited (GESCOM),
Station Main Road, Gulbarga, Karnataka
 20. Hubli Electricity Supply Company Limited (HESCOM),
Navanagar, PB Road, Hubli, Karnataka
 21. MESCOM Corporate Office,
Paradigm Plaza, AB Shetty Circle
Mangalore – 575 001, Karnataka
 22. Chamundeswari Electricity Supply Corporation Limited (CESC),
927, L J Avenue, Ground Floor, New Kantharaj Urs Road,
Saraswatipuram, Mysore – 570 009, Karnataka
- ...Respondent(s)

And in the matter of:

Revision of order dated 19.2.2021 in Petition No.488/TT/2019 under Regulation 92 of Central Electricity Regulatory Commission (Conduct of Business) Regulations, 1999.

And in the matter of:

Power Grid Corporation of India Ltd.,
“Saudamini”, Plot No. 2,
Sector 29, Gurgaon-122001

....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,
Jaipur-302 017.
3. Jaipur Vidyut Vitran Nigam Ltd.,
132 kV, GSS RVPNL Sub- Station Building,
Caligiri Road, Malviya Nagar,
Jaipur-302 017.
4. Jodhpur Vidyut Vitran Nigam Ltd.,
132 kV, GSS RVPNL Sub- Station Building,
Caligiri Road, Malviya Nagar,
Jaipur-302 017.



5. 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.
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, Kotla Road,
New Delhi-110 002.
11. BSES Yamuna Power Ltd.,
BSES Bhawan, Nehru Place,
New Delhi.
12. BSES Rajdhani Power Ltd.,
BSES Bhawan, Nehru Place,
New Delhi.
13. Tata Power Delhi Distribution Ltd.,
33 kV Sub-Station, Building,
Hudson Lane, Kingsway Camp,
North Delhi-110 009
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-110 002.

...Respondents



INTERIM ORDER

The instant petition has been filed by Power Grid Corporation of India Ltd. (PGCIL) for determination of transmission tariff for the period from COD to 31.3.2019 of 1x250 MVA, 400/220 kV ICT at Bhadrawati HVDC sub-station (back-to-back) (hereinafter referred to as “transmission asset”), shifted from Moga sub-station, under the “Installation of Transformer & Procurement of Spare convertor Transformer at Bhadrawati Back to Back Station” (hereinafter referred to as “the transmission project”) under the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2014 (hereinafter referred to as “the 2014 Tariff Regulations”).

2. It has come to the notice of the Commission that based on the submissions of the Petitioner in Petition No. 488/TT/2019, the Commission vide its order dated 19.2.2021 has trued up the tariff of the 2014-19 tariff period and approved the tariff of the 2019-24 tariff period for Chamera Stage-I Transmission System associated with the Northern Region including the 250 MVA 400/220/33 kV ICT which has been shifted from Moga to Bhadrawati and no more forms part of Chamera Stage I Transmission System. Since the Petitioner has claimed tariff for the subject transmission asset in Petition No.488/TT/2019 as well as Petition No.223/TT/2020, the Commission considers it necessary to revisit the tariff already granted for the subject asset vide order dated 19.2.2021 in Petition No.488/TT/2019 and decide the tariff of the subject asset afresh after considering all relevant factors including de-capitalisation and re-capitalisation of the subject transmission asset.

3. The brief background of the shifting of 250 MVA 400/220/33 kV ICT from Moga to Bhadrawati is capitulated as under:-



(a) The Petitioner had earlier filed Petition No. 56/TT/2015 for determination of tariff for installation of 1x315 MVA, 400/220 kV ICT at Bhadrawati HVDC sub-station for the period from its COD to 31.3.2019 under the 2014 Tariff Regulations. The Commission vide order dated 29.7.2016 rejected the Petitioner's claim for grant of tariff for the said 1x315 MVA, 400/220 kV ICT as it was catering to only 2 MVA load of HVDC, Bhadravati HVDC sub-station. The Petitioner was further directed to move the ICT elsewhere where it can be fully utilized and subsequently approach the Commission for tariff. Accordingly, the Petitioner has shifted the 1x315 MVA, 400/220 kV ICT from Bhadrawati HVDC sub-station to Daltonganj sub-station and its tariff was approved by the Commission vide order dated 21.11.2019 in Petition No. 105/TT/2018.

(b) The Petitioner in the 31st SRPC meeting held on 25.2.2017 offered to install an ICT of a lower capacity at Bhadrawati HVDC sub-station at its own cost in place of the 1x315 MVA, 400/220 kV ICT as removal of the ICT (from Bhadrawati HVDC sub-station to Daltonganj sub-station) would affect the supply of auxiliary power leading to more trippings of HVDC, Bhadrawati poles. Accordingly, the Petitioner has shifted the 250 MVA 400/220/33 kV ICT from Moga sub-station to Bhadrawati HVDC sub-station for increasing reliability of power supply to auxiliary system of Bhadrawati HVDC sub-station. This 250 MVA 400/220/33 kV ICT (shifted from Moga sub-station to Bhadrawati HVDC sub-station) was originally installed at Moga sub-station on 1.4.1994. However, the Commission vide order dated 25.4.2018 in Petition No. 182/MP/2017 did not approve use of 250 MVA ICT at Moga sub-station as a regional spare. Therefore, in the instant petition instead of zero cost, depreciated cost of the diverted 250 MVA 400/220/33 kV ICT from Moga sub-station and bay



equipment cost has been claimed which is to be shared by Southern Region beneficiaries. The Petitioner in the instant petition has submitted that the 250 MVA 400/220/33 kV ICT has been installed at Bhadrawati HVDC sub-station on 8.9.2017.

(c) The Petitioner was directed to furnish the details of the petition wherein the tariff of 250 MVA, 400/220/33 kV ICT (shifted from Moga sub-station to Bhadrawati HVDC sub-station) was earlier granted tariff. The Petitioner was also directed to clarify whether the shifted 250 MVA 400/220/33 kV ICT has been de-capitalised where it was installed earlier. In response, the Petitioner has submitted that only the depreciated cost of the 250 MVA, 400/220/33 kV ICT has been claimed in the instant petition, which is comparatively less compared to the new ICT of any rating at 400/33 kV voltage. The Petitioner has submitted that this ICT was de-capitalized by the Commission vide order dated 29.3.2020 in Petition No. 147/TT/2019 when a 500 MVA ICT was installed at Moga sub-station in place of the aforesaid 250 MVA 400/220/33 kV ICT. The Commission allowed tariff of 500 MVA ICT after deducting the de-capitalized cost of 250 MVA, 400/220/33 kV ICT. The Petitioner has submitted that the same de-capitalized amount has been re-capitalized in the instant petition.

4. We have considered the submissions of the Petitioner. It is observed that the shifted 250 MVA, 400/220/33 kV ICT was earlier installed at Moga sub-station and was part of Chamera Stage-I Transmission System associated with the Northern Region. The Commission vide order dated 19.2.2021 in Petition No. 488/TT/2019 has already tried up the tariff of the 2014-19 tariff period and approved the tariff of the 2019-24 tariff period for Chamera Stage-I Transmission System associated with



the Northern Region which includes subject 250 MVA 400/220/33 kV ICT (shifted from Moga sub-station to Bhadrawati HVDC sub-station) originally installed on 1.4.1994. It is further observed that though the Petitioner has submitted that the cost of this 250 MVA ICT has been de-capitalised in Petition No. 147/TT/2019, the Petitioner in the instant petition has not disclosed the fact that the tariff of the subject 250 MVA ICT for the 2014-19 tariff period was trued up and tariff for the 2019-24 tariff period was allowed vide order dated 19.2.2021 in Petition No. 488/TT/2019 under Chamera Stage-I Transmission System associated with the Northern Region. We are of the view that the Petitioner should have brought to the notice of the Commission that tariff for the subject 250 MVA, 400/220/33 kV ICT has already been allowed in Petition No. 488/TT/2019.

5. It is further observed that the Petitioner has filed Petition No. 676/TT/2020 for truing up of tariff for 2014-19 tariff period and for determination of tariff for 2019-24 tariff period for the assets covered in the transmission project "Augmentation of Transformers in Northern Region Part-A" in the Northern Region, (which includes the transmission assets earlier covered under Petition No. 147/TT/2019) wherein the subject 250 MVA, 400/220/33 kV ICT was de-capitalised. Petition No. 676/TT/2020 was heard on 9.7.2021 and order is reserved in the matter.

6. We observe that there are issues as regards de-capitalization and re-capitalization of various assets covered in Petition No. 488/TT/2019 (order issued on 19.2.2021), Petition No. 676/TT/2020 (matter heard on 9.7.2021 and order reserved) and the instant petition. Accordingly, in order to take a comprehensive view for appropriate treatment of re-capitalisation and de-capitalisation of 250 MVA, 400/220/33 kV ICT (shifted from Moga sub-station to Bhadrawati HVDC sub-station)



and 500 MVA ICT at Moga sub-station, we are of the view that the order dated 19.2.2021 in Petition No. 488/TT/2019 has to be revisited and the instant petition is required to be considered alongwith Petition No.676/TT/2020 and Petition No.488/TT/2019.

7. Regulation 92 of Central Electricity Regulatory Commission (Conduct of Business) Regulations, 1999 (1999 Regulations) provides for suo motu revision of the tariff allowed earlier, if the Commission is satisfied that there is a need for such a revision. The said provision provides as follows:

“92. The Commission on its own being satisfied that there is a need to review the tariff of any utility shall initiate the process of revision in accordance with the procedure prescribed. The processing of the suo motu review of the tariff shall be the same as set out in Chapter II of these regulations.”

8. Further, the said power of the Commission under Regulation 92 of the 1999 Regulations to revisit the tariff allowed was upheld by the Hon'ble Supreme Court in Civil Appeal No.1110 of 2007 (UPPCL Vs NTPC) dated 3.3.2019. The relevant portion of the judgement dated 3.3.2019 is as follows:

“Regulations 92 and 94, in our opinion, do not restrict the power of the Central Commission to make additions or alterations in the tariff. Making of a tariff is a continuous process. It can be amended or altered by the Central Commission, if any occasion arises therefor. The said power can be exercised not only on an application filed by the generating companies but by the Commission also on its own motion.”

9. Accordingly, in accordance with Regulation 92 of the 1999 Regulations, the proceedings in Petition No.488/TT/2019 shall be reopened for the purpose of revising the tariff allowed for 250 MVA, 400/220/33 kV ICT in order dated 19.2.2021. Pending revision of tariff, the order dated 19.2.2021 in Petition No. 488/TT/2019 is



suspended. And we direct to relist Petition No.488/TT/2019 for reconsideration alongwith Petition No. 676/TT/2020 and Petition No. 223/TT/2020.

sd/-
(Arun Goyal)
Member

sd/-
(I.S. Jha)
Member

sd/-
(P. K. Pujari)
Chairperson

