

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 463/TT/2020

Coram:

**Shri P. K. Pujari, Chairperson
Shri I. S. Jha, Member
Shri Arun Goyal, Member
Shri P. K. Singh, Member**

Date of Order: 25.11.2021

In the matter of:

Approval of tariff in respect of PTCUL owned transmission lines/system connecting with other States and intervening transmission lines incidental to inter-State transmission of electricity as per the Central Electricity Regulatory Commission's order dated 14.3.2012 in Petition No.15/Suo-Motu/2012, for inclusion in POC charges as provided in the Central Electricity Regulatory Commission (Sharing of inter-State Transmission Charges and Losses) Regulations, 2010 in accordance with the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2019 for 2019-24 period and Regulation 86 of the Central Electricity Regulatory Commission (Conduct of Business) Regulations, 1999.

And in the matter of:

Power Transmission Corporation of Uttarakhand Limited,
Vidyut Bhawan, Near ISBT Crossing,
Saharanpur Road, Majra,
Dehradun - 248002, Uttarakhand

.....Petitioner

Vs.

1. Uttarakhand Power Corporation Limited,
Victoria Cross, Vijeyta Gabar Singh,
Urja Bhawan, Kanwali Road, Balliwala Chowk,
Dehradun - 248001, Uttarakhand.
2. Uttar Pradesh Power Corporation Limited,
(Formerly Uttar Pradesh State Electricity Board),
Shakti Bhawan, 14, Ashok Marg,
Lucknow - 226001.



3. Dakshinanchal Vidyut Vitran Nigam Limited,
Galina Road, Agra.
4. Madyanchal Vidyut Vitran Nigam Limited,
4A - Gokhale Marg,
Lucknow - 226001.
5. Paschimanchal Vidyut Vitran Nigam Limited,
Urja Bhawan, Victoria Park,
Meerut - 250001.
6. Purvanchal Vidyut Vitran Nigam Limited,
Vidyut Nagar Hydrel Colony,
Bhikharipur, P.O. DLW,
Varanasi.
7. Kanpur Electricity Supply Company Limited,
14/71 Kesa House, Civil Lines,
Kanpur - 208001.
8. Noida Power Company Limited,
Commercial Complex, H Block, Alpha-II Sector,
Greater Noida City - 201308.
9. Uttar Pradesh Power Transmission Corporation Limited,
Shakti Bhawan Extension (11th Floor), 14-Ashok Marg,
Lucknow - 226001.
10. North Delhi Power Limited,
Power Trading & Load Dispatch Group,
Cennet Building, Adjacent to 66/11 kV Pitampura-3,
Grid Building, Near PP Jewellers, Pitampura,
New Delhi - 110034.
11. Punjab State Electricity Board,
The Mall,
Patiala - 147001.
12. BSES Yamuna Power Limited,
Shakti Kiran Ground Floor,
Main Road, Karkardooma,
Delhi - 110092.
13. BSES Rajdhani Power Limited,
BSES Bhawan, Nehru Place,
New Delhi - 110019.



14. New Delhi Municipal Council,
Palika Kendra, Sansad Marg,
New Delhi - 110002.
15. Jodhpur Vidyut Vitran Nigam Limited,
New Power House, Industrial Area,
Jodhpur, Rajasthan - 342003.
16. Jaipur Vidyut Vitran Nigam Limited,
Vidyut Bhawan, Jyoti Nagar,
Jaipur, Rajasthan - 302005.
17. Ajmer Vidyut Vitran Nigam Limited,
Vidyut Bhawan, Makarwali Road, Panchsheel Nagar,
Ajmer, Rajasthan - 305004.
18. Chandigarh Administration,
Sector - 9,
Chandigarh - 160009.
19. North Central Railway,
Allahabad - 211011.
20. Himachal Pradesh State Electricity Board Limited,
Vidyut Bhawan, Kumar House Complex Building II,
Shimla, Himachal Pradesh - 171004.
21. Haryana Power Purchase Centre,
Shakti Bhawan, Sector-6,
Panchkula, Haryana - 134109.
22. Power Development Department,
Government of Jammu & Kashmir,
Mini Secretariat,
Jammu (Tawi) - 180007.

.....Respondents

For Petitioner: Shri Ajay Kumar Agarwal, PTCUL
Shri S.P. Arya, PTCUL

For Respondents: None



ORDER

The Petitioner, Power Transmission Corporation of Uttarakhand Limited (PTCUL), is a registered Company under the Companies Act, 1956. In exercise of powers conferred under sub-section 4 of Section 131 of the Electricity Act, 2003 (in short, “the 2003 Act”), the Government of Uttarakhand through transfer scheme dated 31.5.2004 initially vested all the interests, rights and liabilities related to power transmission and load dispatch of Uttaranchal Power Corporation Limited onto itself and thereafter re-invested them in PTCUL. The State Government vide notification dated 31.5.2004 declared PTCUL as the State Transmission Utility (STU) in terms of provisions of the 2003 Act.

2. PTCUL has filed the present petition for approval of tariff for 2019-24 tariff period in respect of five transmission lines connecting other States and intervening transmission lines incidental to inter-State transmission of electricity owned by it in accordance with the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2019 (hereinafter referred to as “the 2019 Tariff Regulations”). The details of the transmission lines are as follows:

Sl. No.	Name of Transmission Line	Connecting States	Line Length in km	COD
1.	Asset-1: 400 kV S/C line from Puhana (Roorkee)-Muzaffarnagar	Uttarakhand – Uttar Pradesh	64.87	7.1.2005
2.	Asset-2: 400 kV S/C line from Kashipur-Moradabad	Uttarakhand – Uttar Pradesh	107.7	11.11.2006
3.	Asset-3: 220 kV S/C line from Pantnagar-Baikantpur (Bareilly)	Uttarakhand – Uttar Pradesh	71.718	22.5.2002
4.	Asset-4: 400 kV S/C line from Nehtaur-Rishikesh line	Uttarakhand – Uttar Pradesh	73.580	3.6.2017*
5.	Asset-5: 400 kV S/C line from Kashipur-Nehtaur line	Uttarakhand – Uttar Pradesh	94.514	3.6.2017*



**The natural ISTS lines at Sl. Nos. 4 and 5 were created after commissioning of 400 kV sub-Station at Nehtaur (UPPTCL), Uttar Pradesh on 3.6.2017 by constructing LILO line (15.435 km) by UPPTCL at Loc. No. 233 of existing 400 kV Rishikesh-Kashipur line.*

Background

3. The Commission vide order dated 14.3.2012 in Petition No. 15/SM/2012 had given the following directions:

"5. It has come to the notice of the Central Commission that the some of the owners/developers of the inter-State transmission lines of 132 kV and above in North Eastern Region and 220 kV and above in Northern, Eastern, Western and Southern regions as mentioned in the Annexure to this order have approached the Implementing Agency for including their transmission assets in computation of Point of Connection transmission charges and losses under the Central Electricity Regulatory Commission (Sharing of inter-State Transmission Charges and Losses) Regulations, 2010 (hereinafter "Sharing Regulations").

6. As a first step towards inclusion of non-ISTS lines in the PoC transmission charges, the Commission proposes to include the transmission lines connecting two States, for computation of PoC transmission charges and losses. However, for the disbursement of transmission charges, tariff for such assets needs to be approved by the Commission in accordance with the provisions of Sharing Regulations. Accordingly, we direct the owners of these inter-State lines to file appropriate application before the Commission for determination of tariff for facilitating disbursement.

7. We direct the respondents to ensure that the tariff petition for determination of tariff is filed by the developers/owners of the transmission line or by State Transmission Utilities where the transmission lines are owned by them in accordance with the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2009, by 20.4.2012."

4. In compliance of the aforesaid directions of the Commission, the Petitioner filed Petition No. 215/TT/2013 claiming transmission tariff for 2009-14 tariff period, in respect of eleven number of natural ISTS transmission lines owned by it and are physically crossing the territory of Uttarakhand to other States. However, the Commission vide order dated 11.12.2015 in Petition No. 215/TT/2013 granted YTC in respect of only Asset-1, Asset-2 and Asset-3, which were certified by NRPC (Northern Regional Power Committee) as non-ISTS lines in terms of order dated



14.3.2012 in Petition No. 15/SM/2012. As regards the remaining eight number of non-ISTS lines, the Commission in its aforesaid order dated 11.12.2015 granted liberty to the Petitioner to file fresh petition along with RPC approval.

5. The Commission vide its order dated 12.5.2017 in Petition No. 7/SM/2017 directed the State utilities to file tariff petitions for the ISTS lines connecting two States, along with the certificate from the concerned RPC for 2014-19 tariff period as per the 2014 Tariff Regulations. The relevant portion of the order dated 12.5.2017 is extracted as follows:

“7. Further, Statement of Reason (SOR) dated 26.10.2015 of Sharing Regulations (Third Amendment) provides as follows:-

15.21 A question arises for consideration is whether to fix a minimum percentage figure to consider a STU line as an ISTS line or not. As per Electricity Act and Tariff Policy, all lines which are incidental to Inter-state flow of power are to be considered as ISTS. In a meshed transmission system, many intra-State transmission lines carry inter-State power and therefore become incidental to inter-State transmission system. However, as Electricity Grid is being operated in a cooperative manner, for a minor fraction of ISTS power, it is expected that STU would not insist on considering its line(s) to be inter-State as on the one hand it will receive payment for its own lines, on the other it has to pay for usage of other States' lines. If a STU puts up a proposal for considering its line as ISTS and it is found that it is being utilized to a large extent by its own drawee nodes, then it would be merely an academic exercise as major part of tariff would be allocated to home State only. So keeping in view the regulatory process involved in getting a line certified as carrying ISTS power, getting its tariff approved and then adjustment from STU's ARR, it is expected that this claim will be raised judiciously. An interesting situation happened during 2011 when in Eastern and Northern Regions, many lines were submitted to RPCs for approval as ISTS, Southern States realizing that they all are using each other State's line, decided that they will not put up any line for certification by RPC as ISTS. While Commission wants to consider legitimate claims but this must not result in making process too complex. The RPC may therefore uniformly decide a percentage below which (say 10%) such a line would not be considered as an ISTS. Further, it is intended that for assessment of a particular line being used for carrying inter-State power, technical knowhow and tools will be provided by Secretariat of RPCs and NLDC/ RLDCs shall provide all necessary support to States in this regard.

8. In view of the above, State utilities whose lines have been certified by respective RPCs to be considered under PoC should also file the tariff petition under the 2014 Tariff Regulations.”



6. Pursuant to the aforesaid order dated 12.5.2017 in Petition No. 7/SM/2017, the Petitioner filed Petition No. 221/TT/2017 claiming transmission tariff for 2014-19 period and the Commission *vide* its order dated 22.6.2018 allowed transmission tariff in respect of Asset-1, Asset-2 and Asset-3 (hereinafter referred to as 'the transmission assets') for inclusion in PoC charges for 2014-19 period.

Submissions of the Petitioner

7. The Petitioner has made the following submissions:

a) The transmission tariff for 2014-19 period in respect of Asset-1, Asset-2 and Asset-3 was granted by the Commission *vide* order dated 22.6.2018 in Petition No. 221/TT/2017. Asset-4 and Asset-5 are natural ISTS lines between Uttar Pradesh and Uttarakhand States and have been created after commissioning of 400 kV Sub-station at Nehtaur (UPPTCL), U.P. on 3.6.2017 by constructing LILO line by UPPTCL and LILoed at Location No. 233 of existing 400 kV Rishikesh-Kashipur line.

b) NRPC in its 40th meeting of TCC and 43rd meeting held on 30.10.2018 *vide* its additional agenda Item-II (Annexure-3 to the petition) submitted complete category-wise list of transmission lines furnished by STUs, annexed as Annexure B.33.1 of Agenda Note which includes Asset-4 and Asset-5, namely, 400 kV Nehtaur-Rishikesh line (Rishikesh to LILo point at Location No. 233) and 400 kV Kashipur-Nehtaur line (Kashipur to LILo point at Location No. 233) transmission lines owned by the Petitioner. Asset-4 and Asset-5 are natural ISTS lines and as such they need not be certified as ISTS and this fact is evident from the e-mail of NRPC dated 5.8.2019.

c) Technical parameters of the transmission assets are as follows:



Sl. No.	Assets	S/C or D/C	Number of Sub-Conductors	Voltage Level	Length of Line (km)	COD
1	Asset-1	S/C	Twin Moose Bundle	400 kV	64.87	7.1.2005
2	Asset-2	S/C	Twin Moose Bundle	400 kV	107.7	11.11.2006
3	Asset-3	S/C	ACSR Zebra	220 kV	71.718	22.5.2002
4	Asset-4	S/C	ACSR Moose	400 kV	73.580	3.6.2017
5	Asset-5	S/C & D/C	ACSR Moose	400 kV	94.514	3.6.2017

d) The capital cost of the individual assets is not available as the said lines were part of large projects, are very old and were put into commercial operation before formation of Uttarakhand State. The Petitioner is maintaining these transmission lines and as such has prayed for recovery of O&M Expenses as these lines are being used for transfer of inter-State power.

e) Following transmission charges consisting of only O&M Expenses have been claimed:

(₹ in lakh)

Sl. No.	Assets	2019-20		2020-21		2021-22		2022-23		2023-24	
		Line	Bay	Line	Bay	Line	Bay	Line	Bay	Line	Bay
1	Asset-1	32.63	0.00	33.80	0.00	0.00	34.96	36.20	0.00	37.49	0.00
2	Asset-2	54.17	32.15	56.11	33.28	58.05	34.45	60.10	35.66	62.25	36.91
3	Asset-3	18.07	22.51	18.65	23.30	19.36	24.12	20.01	24.96	20.73	25.84
4	Asset-4	37.01	32.15	38.34	33.28	39.66	34.45	41.06	35.66	42.53	36.91
5	Asset-5	47.54	32.15	49.24	33.28	50.94	34.45	52.74	35.66	54.63	36.91
Total		189.43	118.96	196.13	123.14	202.98	127.47	210.10	131.94	217.63	136.57

8. The Petitioner has served a copy of the petition upon the Respondents and notice of this application has also been published in newspapers in accordance with Section 64 of the 2003 Act. No comments or suggestions have been received from the public in response to the notice in newspaper. No reply to the petition has been filed by any of the Respondent in the matter.



9. In term of directions of the Commission *vide* Record of Proceedings for the hearing dated 31.7.2020, the Petitioner has impleaded all the beneficiaries of the Northern Region as Respondents, served copy of the petition on them and submitted revised 'Memo of Parties' vide affidavit dated 21.8.2020.

10. This order is issued on consideration of Petitioner's submissions made in the petition and affidavit dated 21.8.2020.

11. Having heard the representatives of the Petitioner and perused the material on record, we proceed to dispose of the petition.

12. The existing 400 kV S/C Kashipur-Rishikesh line was put into commercial operation on 12.5.1985. However, LILO portion between location no. 233 to Nehtaur was put into commercial operation on 3.6.2017 after formation of 400 kV sub-station at Nehtaur. Therefore, the line has been bifurcated and is now reconfigured as Asset-4: 400 kV S/C Nehtaur-Rishikesh line and Asset-5: 400 kV S/C Kashipur-Nehtaur line. The aforesaid Asset-4 and Asset-5 were transferred from Uttar Pradesh to the Petitioner on "as is where is basis".

13. During the course of hearing on 27.4.2021, in response to a query of the Commission as to why tariff for Asset-4 and Asset-5 was not claimed for 2014-19 period especially when these lines were completed in June 2017, the Petitioner submitted that these two lines are mixture of old and new lines and their details have been given in the petition. The Petitioner has further submitted that before filing the



tariff petition in respect of the two transmission lines, they were required to be certified by RPC.

14. The Petitioner *vide* affidavit dated 21.8.2020 has furnished the copy of Additional Agenda-II for 40th meeting of TCC and 43rd meeting of NRPC held on 30.10.2018, wherein complete category-wise list of transmission lines submitted by STUs is enclosed. The said list includes Asset-4 and Asset-5, namely, 400 kV Nehtaur-Rishikesh line (Rishikesh to LILO point at Location No. 233) and 400 kV Kashipur-Nehtaur line (Kashipur to LILO point at Location No. 233) respectively and they are owned by the Petitioner.

15. It is observed that existing 400 kV S/C Kashipur-Rishikesh line was put into commercial operation in 1985. However, the LILO portion was put into commercial operation in 2017, after a gap of nearly 32 years. The Petitioner has not submitted the purpose and reason of creating LILO at Location No. 233 on existing 400 kV Rishikesh-Kashipur Transmission Line and has also not placed on record any approvals of SCM and RPC. From the record placed before us, it appears that creation of LILO at Location No. 233 on existing 400 kV Rishikesh-Kashipur line was discussed by the Petitioner on its own with UPPTCL and tariff has been claimed for natural ISTS lines. The Petitioner has failed to place on record any documents showing that LILO at Location No. 233 was commissioned on existing 400 kV Rishikesh-Kashipur line after consulting NRPC or that it was approved by NRPC/SCM. Therefore, we are not inclined to approve the tariff in respect of Asset-4 and



Asset-5. Accordingly, we are considering and determining tariff in the present petition in respect of only Asset-1, Asset-2 and Asset-3.

16. The transmission charges of natural ISTS lines/ deemed ISTS lines of the State Transmission Utilities are determined based on the benchmark capital cost derived on the basis of average cost of CTU lines for old transmission lines or based on the audited cost and other data in accordance with the 2014 Tariff Regulations or the 2019 Tariff Regulations, as the case may be, for transmission lines put into commercial operation on or after 1.4.2014. The tariff determined by the Commission is deducted from the ARR of identified lines approved by the respective SERCs. The Commission *vide* order dated 22.6.2018 in Petition No. 221/TT/2017 approved the transmission tariff for 2014-19 tariff period consisting of RoE, IoL, Depreciation, IWC & O&M Expenses for Asset-1, Asset-2 and Asset-3.

17. However, the Petitioner has submitted that capital cost of the Asset-1, Asset-2 and Asset-3 is not available as they were part of larger projects and has prayed for recovery of only O&M Expenses for the transmission line and the bays in case of Asset-1, Asset-2 and Asset-3. The Commission has been allowing O&M Expenses for only transmission lines and O&M Expenses are not being allowed for bays and other elements in case of natural ISTS cases. In a similar case, the Commission *vide* order dated 4.2.2021 in Petition No 276/TT/2020 pertaining to KPTCL allowed O&M Expenses only for the transmission lines. Accordingly, only O&M Expenses are allowed for transmission line portion in case of Asset-1, Asset-2 and Asset-3. The



O&M Expenses are approved for the 2019-24 tariff period as per the norms specified in Regulation 35(3)(a) of the 2019 Tariff Regulations and are as follows:

	(₹ in lakh)				
Assets	2019-20	2020-21	2021-22	2022-23	2023-24
Asset-1	32.63	33.80	34.96	36.20	37.49
Asset-2	54.17	56.11	58.05	60.10	62.25
Asset-3	18.07	18.65	19.36	20.01	20.73

Filing Fee and Publication Expenses

18. The Petitioner has sought reimbursement of fee paid by it for filing the petition and publication expenses. The Petitioner shall be entitled for reimbursement of the filing fees and publication expenses in connection with the present petition, directly from the beneficiaries on pro-rata basis in accordance with Regulation 70(1) of the 2019 Tariff Regulations.

Sharing of Transmission Charges

19. With effect from 1.7.2011, sharing of transmission charges for inter-State transmission systems was governed by the provisions of the 2010 Sharing Regulations and with effect from 1.11.2020 (after repeal of the 2010 Sharing Regulations), sharing of transmission charges is governed by the provisions of the 2020 Sharing Regulations. Accordingly, the liabilities of DICs for arrears of transmission charges determined through this order shall be recovered from the concerned DICs through Bills under Regulation 15(2)(b) of the 2020 Sharing Regulations. Billing, collection and disbursement of transmission charges for subsequent period shall be recovered in terms of the provisions of the 2020 Sharing Regulations as provided in Regulation 57 of the 2019 Tariff Regulations. Further, the



transmission charges allowed in this order shall be adjusted against the ARR approved by the Uttarakhand Electricity Regulatory Commission.

20. This order disposes of Petition No. 463/TT/2020 in terms of the above discussions and findings.

sd/-
(P.K. Singh)
Member

sd/-
(Arun Goyal)
Member

sd/-
(I.S. Jha)
Member

sd/-
(P. K. Pujari)
Chairperson

