

**CENTRAL ELECTRICITY REGULATORY COMMISSION
New Delhi**

Petition No. 180/TT/2021

- Subject** : Petition for determination of transmission tariff 2019-24 period for LILO of 400 kV S/C Lonikhand (MSETCL)-Kalwa (MSETCL) Line at Navi-Mumbai alongwith 400/220 kV Navi Mumbai (GIS Sub-station) at Navi Mumbai under the 'Western Region System Strengthening Scheme V'.
- Date of Hearing** : 9.1.2023
- Coram** : Shri Arun Goyal, Member
Shri P.K. Singh, Member
- Petitioner** : Power Grid Corporation of India Limited
- Respondents** : Madhya Pradesh Power Management Company Limited and 10 others
- Parties Present** : Ms. Swapana Sheshadhari, Advocate, PGCIL
Ms. Neha Garg, Advocate, PGCIL
Shri G. Umopathy, Advocate, MSEDCL
Shri Anup Jain, Advocate, MSEDCL
Shri Vyom Chaturvedi, Advocate, MSEDCL
Shri S.S. Raju, PGCIL
Shri D.K. Biswal, PGCIL
Shri Ved Rastogi, PGCIL
Shri Zafrul Hassan PGCIL
Shri Vipin Joseph, PGCIL
Shri Ravi Sharma, Advocate, MPPMCL
Shri Anindya Khare, MPPMCL

Record of Proceedings

Case was called out for virtual hearing.

2. Learned counsel for the Petitioner has made the following submissions:
 - a. Instant petition is filed for determination of transmission tariff for the 2019-24 period in respect of LILO of 400 kV S/C Lonikhand (MSETCL)-Kalwa (MSETCL) Line at Navi-Mumbai along with 400/220 kV Navi Mumbai (GIS Sub-station) at Navi Mumbai under the 'Western Region System Strengthening Scheme V'.
 - b. The entire scope under the transmission project is complete except for the instant asset. Hence, the instant petition has been filed under Regulation 9 of the 2019 Tariff Regulations. The present petition does not fall under Regulation 5(2) of the 2019 Tariff Regulations. There is no specific provision in the 2019



Tariff Regulations under which the present petition can be entertained, therefore, the Petitioner has urged the Commission to exercise 'Power to Relax' and 'Power to Remove difficulty' in the instant case and approve the COD of the instang asset.

- c. As per the energization certificate dated 13.5.2019 issued by CEA, LILO portion alongwith 400/220 kV GIS Navi Mumbai Sub-station is ready for charging from 13.5.2019. However, the same has not been charged and put under commercial operation as MSETCL is not allowing to connect the LILO portion with its existing line as it believes if LILO is connected, MSETCL will have to bear the charges and its POC charges will increase. The details of various correspondences done with MSETCL regarding progress of construction work and tapping of LILO portion at the existing 400 kV S/C Lonikhand-Kalwa line have been submitted along with the petition.
- d. Execution of the transmission asset was delayed due to severe RoW, land acquisition and forest clearance issues and details thereof with supporting documents have been provided in the petition.
- e. The Petitioner has filed rejoinder to the reply of MSETCL vide affidavit dated 26.12.2022.
- f. Reasons for cost variation of the instant asset are due to increase in the costs of line compensation and cable, increase in the cost of land of sub-station, increase in the cost of township and colony, increase in the cost of sub-station equipment and increase in IDC and IEDC.

3. In response to a specific query of the Commission, learned counsel for the Petitioner submitted that the lines are under the PoC mechanism for which the beneficiaries agreed in the 34th and 35th meetings of Standing Committee on Power System Planning of Western Region held on 9.5.2012 and 4.2.2013 respectively.

4. In response to another query of the Commission as to who will bear the cost of the transmission system, learned counsel for the Petitioner submitted that the beneficiaries of Western Region will bear the transmission charges.

5. Learned counsel for the MPPMCL referring to its reply filed vide affidavit dated 21.10.2022, made detailed submissions on the issues of time over-run, beneficiaries not to be burdened with the transmission charges till actual execution of LILO line, cost over-run on account of increase in line compensation and cable cost, increase in land cost of sub-station, increase in township and colony cost, sub-station equipment cost, increase in IEDC, high O&M Expenses, additional Capital Expenditure etc. Learned counsel further submitted that the Petitioner did not pray in the instant petition regarding 'Power to Relax' or 'Power to Remove Difficulty'.

6. In response to a query of the Commission whether or not the inter-connection of the transmission line should be done, learned counsel for MPPMCL submitted that due to delay in LILO of 400 kV S/C Lonikhand-Kalwa line, the line has lost its importance as



the Petitioner failed to perform its contractual obligations on time. The Petitioner was negligent and inefficient during the completion of the project and as such the increase in the cost of the project on account of delay should not be passed on to any of the beneficiaries.

7. Learned counsel for MSEDCL adopted the arguments addressed by learned counsel for MPPMCL. Learned counsel referring to the reply affidavit dated 7.12.2022, of MSEDCL, has made the following additional submissions:

- a. Allowing deemed COD of the transmission asset in question as well as its tariff would lead to increase in the PoC charges of the distribution licensees without getting the actual benefit of the transmission system.
- b. Initial scope of the transmission project was changed in due course and the claim made by the Petitioner to charge Navi Mumbai line will not serve the purpose as it will add on to the transmission constraints and overloading.
- c. The Petitioner has claimed deemed COD under Regulation 5(2) of the 2019 Tariff Regulations without submitting the trial operation certificate. Hence, COD of the transmission asset should not be approved as it will lead to severe financial implications on the beneficiaries.
- d. The Petitioner's submissions for Power to Relax and Power to Remove Difficulty should not be considered as there is enormous delay on the part of the Petitioner.
- e. WRPC, in the 40th WRPC meeting recommended that PGCIL should fulfil its contractual obligations regarding charging of LILO of 400 kV Lonikhand-Kalwa line at Navi Mumbai Sub-station and also provide an undertaking that charging would not result in the declaration of COD of the transmission asset (as desired by MSETCL).

8. After hearing the parties, the Commission directed the parties to submit the following information on affidavit by 3.2.2023, after exchanging copy of the same with one another:

- a. With respect to 40th WRPC meeting, views of the Respondents and the Petitioner whether the inter-connection of LILO of 400 kV S/C Lonikhand-Kalwa line should be allowed without COD of the transmission asset in question.
- b. CTUIL may be impleaded as party to the present petition and amended memo of parties may be filed by the Petitioner by 3.2.2023. The Petitioner is also required to serve a copy of the petition with complete documents on CTUIL by 3.2.2023 to enable it to submit its views by way of an affidavit by 10.2.2023 with respect to future plans of the transmission asset in question as new TBCB lines have been allotted.
- c. The Petitioner has submitted that 2 No. of 400 kV GIS bays are surplus and available due to termination of 400 kV D/C Vapi-Navi Mumbai line at Kudus



(MSETCL) Sub-station instead of Navi Mumbai (originally envisaged). The Petitioner is required to clarify whether any of these bays are covered in the instant petition? The Petitioner is further required to clarify whether tariff been granted for any of these bays.

9. The Commission directed MSETCL to be present on the next date of hearing and to make its submissions. The Commission further observed that no extension of time will be allowed and directed the parties to comply with the directions within the specified timelines.

10. The petition shall be listed for further hearing on 2.3.2023.

By order of the Commission

sd/-
(V. Sreenivas)
Joint Chief (Law)

