

CENTRAL ELECTRICITY REGULATORY COMMISSION

NEW DELHI

Petition No. 180/TT/2021

Coram:

Shri Jishnu Barua, Chairperson
Shri Arun Goyal, Member
Shri P.K. Singh, Member

Date of Order: 16.05.2024

In the matter of:

Approval under Regulation 86 of the Central Electricity Regulatory Commission (Conduct of Business) Regulations, 1999 and determination of transmission tariff from the date of commercial operation (COD) to 31.3.2024 under the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2019 in respect of Asset-I: 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 "Western Region System Strengthening Scheme V" in the Western Region.

And in the matter of:

Power Grid Corporation of India Limited,
SAUDAMINI, Plot No-2,
Sector-29, Gurgaon-122001 (Haryana).

.....Petitioner

Versus

1. Madhya Pradesh Power Management Company Limited,
Shakti Bhawan, Rampur,
Jabalpur-482008.
2. Madhya Pradesh Power Transmission Company Limited,
Shakti Bhawan, Rampur,
Jabalpur-482008.
3. Madhya Pradesh Audyogik Kendra Vikas Nigam (Indore) Limited,
3/54, Press Complex, Agra-Bombay Road,
Indore-452008.
4. Maharashtra State Electricity Distribution Company Limited,
Hongkong Bank Building, 3rd Floor, M.G. Road,
Fort, Mumbai-400001.



5. Maharashtra State Electricity Transmission Company Limited,
Prakashganga, 6th Floor, Plot No. C-19, E-Block, Bandra Kurla Complex,
Bandra (East), Mumbai-400051.
6. Gujarat Urja Vikas Nigam Limited,
Sardar Patel Vidyut Bhawan,
Race Course Road, Vadodara-390007.
7. Electricity Department,
Government of Goa, Vidyut Bhawan, Panaji,
Near Mandvi Hotel, Goa-403001.
8. Electricity Department,
Administration of Daman & Diu,
Daman-396210.
9. DNH Power Distribution Corporation Limited,
Vidyut Bhawan, 66 kV Road, Near Secretariat Amla,
Silvassa-396230.
10. Chhattisgarh State Power Transmission Company Limited,
State Load Despatch Building,
Dangania, Raipur-492013.
11. Chhattisgarh State Power Distribution Company Limited,
P.O. Sunder Nagar, Dangania, Raipur,
Chhattisgarh-492013.
12. Mumbai Urja Marg Limited,
DLF Cyber Park, Tower-B, 9th Floor,
Udyog Vihar Phase-III, Sector-20,
Gurugram-122008.

....Respondent(s)

For Petitioner : Ms. Swapana Sheshadhari, Advocate, PGCIL
Shri Utkarsh Singh, Advocate, PGCIL

For Respondent: Shri Ravi Sharma, Advocate, MPPMCL
Shri Sudhanshu S. Choudhary, Advocate, MSETCL
Shri M. Veera Raghavan, Advocate, MSETCL
Shri G. Umapathy, Advocate, MSEDCL
Shri Anup Jain, Advocate, MSEDCL
Shri Vyom Chaturvedi, Advocate, MSEDCL
Shri Akshayvat Kislay, CTUIL
Shri Siddharth Sharma, CTUIL
Shri Bhaskar Wash, CTUIL



ORDER

The instant petition has been filed by Power Grid Corporation of India Limited for the determination of tariff for the period from COD to 31.3.2024 under the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2019 (hereinafter referred to as “the 2019 Tariff Regulations”) of the 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 (hereinafter referred to as the “transmission asset”) under “Western Region System Strengthening Scheme V” in the Western Region (hereinafter referred to as the “transmission project”).

2. The Petitioner has made the following prayers in the instant petition:

- “1) Approve the proposed DOCO as 13.05.2019 under clause as explained at para-4.5*
- 2) Admit the capital cost as claimed in the Petition and approve the Additional Capitalisation incurred / projected to be incurred.*
- 3) Approve the Transmission Tariff for the tariff block 2019-24 block for the asset covered under this petition, as per para –8.3 above.*
- 4) Allow the Petitioner to recover the shortfall or refund the excess Annual Fixed Charges, on account of Return on Equity due to change in applicable Minimum Alternate/Corporate Income Tax rate as per the Income Tax Act, 1961 (as amended from time to time) of the respective financial year directly without making any application before the Commission as provided in Tariff Regulation 2019 as per para 8 above for respective block.*
- 5) Approve the reimbursement of expenditure by the beneficiaries towards petition filing fee, and expenditure on publishing of notices in newspapers in terms of Regulation 70 (1) Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2019, and other expenditure (if any) in relation to the filing of petition.*
- 6) Allow the Petitioner to bill and recover Licensee fee and RLDC fees and charges, separately from the respondents in terms of Regulation 70 (3) and (4) Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2019.*
- 7) Allow the Petitioner to bill and adjust impact on Interest on Loan due to change in Interest rate on account of floating rate of interest applicable during 2019-24 period, if any, from the beneficiaries.*
- 8) Allow the Petitioner to file a separate petition before Hon’ble Commission for claiming the overall security expenses and consequential IOWC on that security*



expenses as mentioned at para 8.8 above.

- 9) *Allow the Petitioner to claim the capital spares at the end of tariff block as per actual.*
- 10) *Allow the Petitioner to bill and recover GST on Transmission Charges separately from the respondents, if GST on transmission is levied at any rate in future. Further, any taxes including GST and duties including cess etc. imposed by any statutory/Govt./municipal authorities shall be allowed to be recovered from the beneficiaries.*
- 11) *Allow interim tariff in accordance with Regulation 10 (3) of Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2019 for purpose of inclusion in the PoC charges.*

and pass such other relief as Hon'ble Commission deems fit and appropriate under the circumstances of the case and in the interest of justice."

Background

3. The brief facts of the case are as follows:
 - a. The Investment Approval (IA) of the transmission project was accorded by the Board of Directors of the Petitioner's Company in their 203rd meeting held on 30.11.2007, communicated vide Memorandum Ref.: C/CP/WRSSS-V dated 26.12.2007, at an estimated cost of ₹47769 lakh including IDC of ₹3497 lakh based on third quarter, 2007 price level. The transmission project was scheduled to be put into commercial operation (SCOD) within 33 months progressively from the date of IA, i.e., by 30.11.2007.
 - b. Subsequently, the Revised Cost Estimate (RCE-I) of the transmission project was approved by the Board of Directors of the Petitioner's Company in its 277th meeting held on 26.9.2012, communicated vide Memorandum Ref: C/CP/RCE/WRSS-V dated 1.11.2012 at an estimated cost of ₹72181 lakh including IDC of ₹9162 lakh based on April 2012 price level.
 - c. Further, the Revised Cost Estimate (RCE-II) was approved by the Board of Directors of the Petitioner's Company in its 324th meeting held on 12.1.2016, communicated vide Memorandum Ref: C/CP/RCE/RCE-II WRSS-V dated



20.1.2016 at an estimated cost of ₹73848 lakh including IDC of ₹15287 lakh based on June 2015 price level.

d. Further, the Revised Cost Estimate (RCE-III) was approved by the Board of Directors of the Petitioner's Company in its 374th meeting held on 6.3.2020, communicated vide Memorandum dated 12.3.2020 at an estimated cost of ₹87234 lakh including IDC of ₹21535 lakh based on August 2019 price level.

e. The scope of work covered under the transmission project is as follows:

Transmission Line:

- i. Vapi-Kudus (MSETCL) 400 kV D/C line
- ii. LILO of Lonikhand (MSETCL)-Kalwa (MSETCL) 400 kV S/C line at Navi Mumbai
- iii. Vapi-Khadoli (UT of DNH) 220 kV D/C line

Sub-stations:

- i. 400/220 kV, 2x315 MVA New Sub-station (GIS) at Navi Mumbai*
- ii. Extension of 400/220 kV Vapi Sub-station
- iii. Extension of 220/66 kV Khadoli (UT of DNH) Sub-station
- iv. Extension of 400/220 kV Kudus (MSETCL) Sub-station*

**2 Numbers 400 kV GIS bays surplus available, due to termination of 400 kV D/C Vapi-Navi Mumbai line at Kudus (MSETCL) Sub-station instead of Navi Mumbai (originally envisaged, shall be utilized in future).*

f. The entire scope of the transmission project, except for the instant transmission asset, has been completed. The details of the petitions filed by the Petitioner for the determination of tariff for the various elements under WRSS V are as follows:

Sl. No.	Scope as approved in IA	Petition No.	Order Date	Remarks
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Transmission Line				
1	Vapi-Kudus (MSETCL) 400 kV D/C line (COD: 1.4.2013, 1.3.2015, 31.12.2017)	60/TT/2013, 412/TT/2014, 207/TT/2017 (Mundra) and 236/TT/2018	9.10.2015 (60/TT/2013) 22.3.2016 (412/TT/2014) 6.3.2018 (207/TT/2017) and 6.8.2019 (236/TT/2018)	Portions of transmission line filed under various petitions in 2009-14 and 2014-19 tariff block.
2	Vapi-Khadoli (UT of DNH) 220 kV D/C line (COD: 1.10.2010)	241/TT/2013	29.2.2016	Truing up of tariff of the 2009-14 tariff has been done in Petition No.193/TT/2017.
3	LILO of Lonikhand (MSETCL)-Kalwa (MSETCL) 400 kV S/C line at Navi Mumbai	Covered under instant petition		In order dated 22.3.2016 in Petition No. 412/TT/2014, the Commission directed the Petitioner to file petition after actual execution of the asset.
Sub-Station				
1	Extension of 400/220 kV Vapi Sub-station (1.4.2013)	60/TT/2013	9.10.2015	Truing up has been done in Petition No. 193/TT/2017.
2	Extension of 220/66 kV Khadoli (UT of DNH) Sub-station (COD: 1.10.2010)	241/TT/2013	29.2.2016	
3	Extension of 400/220 kV Kudus (MSETCL) Sub-station (COD: 31.12.2017)	236/TT/2018	6.8.2019	
4	400/220 kV, 2x315 MVA New Sub-station (GIS) at Navi Mumbai	Covered under instant petition		In order dated 22.3.2016 in Petition No. 412/TT/2014, the Commission directed the Petitioner to file the petition after actual execution of the asset.

g. The details scheduled commercial operation date (SCOD), date of commercial operation (COD), and time over-run in case of the transmission asset are as follows:



IA Date	SCOD	COD claimed	Time over-run
26.12.2007	26.9.2010	13.5.2019	3151 days

4. The Petitioner has filed the instant petition for the determination of the transmission tariff of the LILO of the Lonikhand-Kalwa line of MSEDCL at Navi Mumbai and the Navi Mumbai GIS Sub-station from its COD to 31.3.2024. The Petitioner has claimed its COD of the transmission asset as 13.5.2019 and requested the Commission to exercise the Power to Relax and Power to remove difficulty as the COD of the asset does not strictly fall under Regulation 5(2) of the 2019 Tariff Regulations. This claim of the Petitioner has been opposed by Maharashtra State Electricity Distribution Company (MSEDCL), Respondent No. 4, Maharashtra State Electricity Transmission Company Limited (MSETCL), Respondent No. 5, and Madhya Pradesh Power Management Company Limited (MPPMCL), Respondent No. 1. Therefore, we deal the Petitioner's claim for declaring the COD of the transmission asset as 13.5.2019 before we take up the Petitioner's prayer for determination of tariff of the transmission asset.

5. The Petitioner has submitted that the scheduled COD of the transmission asset was 26.9.2010 and the transmission asset was ready on 13.5.2019 and has submitted the Energisation Certificate dated 13.5.2019 issued by CEA under Regulation 43 of Central Electricity Authority (CEA) (Measures relating to Safety and Electric Supply) Regulations, 2010 and its CMD certificate in support of its claim. The Petitioner has submitted that the present petition does not strictly fall under Regulation 5(2) of the 2019 Tariff Regulations and further there is no specific provision in the 2019 Tariff Regulations under which the present petition may be entertained. Therefore, the Petitioner has prayed before the Commission to exercise the 'Power to Relax' and 'Power to Remove difficulty' in the instant case and approve the COD of the instant



asset. The Petitioner has attributed the time overrun of 3151 days due to the delay in finalisation of the land for the sub-station near Navi Mumbai, the delay in getting forest approval, and RoW issues. The Petitioner has further submitted that MSETCL is not allowing the Petitioner to connect the transmission asset to the associated MSETCL's transmission line and has therefore sought the approval of the COD of the transmission asset as 13.5.2019 on the basis of the CEA Energization certificate dated 13.5.2019 under Regulation 76 'Power to Relax' and Regulation 77 'Power to Remove Difficulty' of the 2019 Tariff Regulations.

6. MPPMCL has objected to the approval of the COD of the transmission asset, and the gist of the submissions made by it vide affidavits dated 21.10.2022 and 25.12.2023 are as follows:

- a) The Petitioner has failed to produce the Trial Run Certificate issued by RLDC, Implementation Agreement with MSETCL, and Minutes of the coordination committee regarding monitoring of the LILO of 400 kV Lonikhand-Kalwa line. The instant petition is premature and liable to be dismissed as it does not fulfil the mandatory requirements prescribed in Regulation 5(2) of the 2019 Tariff Regulations.
- b) The Petitioner has made the averments to invoke Regulation 76 and Regulation 77 of the 2019 Tariff Regulations without any specific prayer. It is settled law that Courts/ Tribunals cannot grant any relief which has not been prayed.
- c) Due to the Petitioner's delay in execution of the transmission asset by more than 11 years, the Petitioner could not complete the trial run of the LILO of 400 kV Lonikhand-Kalwa line even after 3 years of receipt of the Energization



Certificate from CEA on 13.5.2019. The Petitioner has failed to furnish any evidence to show the efforts it has made in the last 3 years.

- d) Regulation 76 and Regulation 77 of the 2019 Tariff Regulations cannot be invoked in a routine manner, and it is an attempt to hide the Petitioner's own operational and execution inefficiencies. The provisions related to "Power to Remove Difficulties" and "Power to Relax" supplement each other and authorizes the Commission to meet any eventuality that comes before it in subsequent or challenged circumstances or predicaments. It is settled law that the exercise of discretion must not be arbitrary and must be exercised reasonably and with circumspection, consistent with justice, equity, and good conscience, in the given facts and circumstances of a case.
- e) The requirement of a trial run of the transmission asset is a subject matter of the Indian Electricity Grid Code, 2010, and the Petitioner has not invoked the provisions of the Indian Electricity Grid Code, 2010 to relax the norms. Therefore, in the absence of specific prayers and invoking the powers under the relevant regulations, the Commission may not invoke its extraordinary powers and allow the prayers beyond the scope of the pleadings.

7. The gist of the submissions made by MSEDCL against approval of the COD of the transmission asset vide affidavits dated 7.12.2022 and 29.12.2023 are as follows:

- a) The Petitioner has failed to issue one month prior notice before claiming COD and, hence, the Petitioner has failed to adhere to the pre-requisite laid down for approval of the COD.
- b) The Petitioner has not yet submitted the trial operation certificate issued by the WRLDC, which is mandatory under Regulation 5(2) of the 2019 Tariff



Regulations. Therefore, the Petitioner's prayer to approve the proposed COD as 13.5.2019 should not be approved, and the petition is not maintainable and is liable to be dismissed.

8. The gist of the submissions made by MSETCL against the approval of the COD of the transmission line vide affidavits dated 14.12.2022, 2.2.2023 and 8.1.2024 is as follows:

a) The LILO of 400 kV Lonikand-Kalwa line (presently Kharghar-Talegaon(PG) line) should not be allowed without a strong ISTS source to the Navi Mumbai Sub-station irrespective of the COD of the transmission assets.

b) MSETCL has submitted that the deemed execution of the proposed LILO arrangement of the 400 kV Lonikand-Kalwa line (presently Kharghar-Talegaon (PG) line) should not be allowed.

c) In the event of allowing temporary test charging to the proposed LILO arrangement of 400 kV Lonikand-Kalwa line (presently Kharghar-Talegaon(PG) line), as discussed and deliberated upon in the 40th WRPC meeting, the transmission network reliability of the Mumbai system may be hampered without any benefit to the state transmission system. MSETCL cannot take the risk of allowing such temporary test charging even for a short period after the event of the occurrence of partial grid disturbance in Mumbai on 12.10.2020, as these Mumbai lines are very critical.

d) If such deemed execution is allowed, the existing transmission network reliability will be hampered without any benefit to the state transmission system. Such prejudice, especially when caused without any fault of MSETCL, is against the principles of natural justice and cannot be allowed.



e) The Petitioner has not yet furnished the trial operation certificate of WRLDC. Hence, the Petitioner's prayer to approve the proposed COD as 13.5.2019 should not be approved.

9. In response to MPPMCL's contention, the Petitioner, vide affidavits dated 14.11.2022 and 9.1.2024, has submitted that charging of the system could not be done because MSETCL did not permit it to connect its transmission asset with MSETCL's existing line on a "no load basis," and hence, the trial run certificate issued by RLDC could not be obtained. Therefore, the Petitioner has sought deemed COD under Regulation 5(2) of the 2019 Tariff Regulations. The Petitioner has further submitted that the Petitioner's main prayer in the petition is to "approve the proposed COD of the transmission asset as 13.5.2019 under Regulation 5(2) of the 2019 Tariff Regulations as explained in para 4.5 of the petition" and the same may be allowed. The Petitioner has supported its contentions regarding permission for exemption from the requirements of trial run certificate by RLDC by invoking the powers under Regulation 76 and Regulation 77 of the 2019 Tariff Regulations and on the basis of the various judgments of the Hon'ble Supreme Court, Hon'ble High Court of Rajasthan and APTEL.

10. In response to MSEDCL and MSETCL contentions, the Petitioner, vide affidavit dated 26.12.2022 and 9.1.2024, has submitted that the Kalwa-Lonikhand Line has already been LILoed at the Petitioner's Talegaon Sub-station which is an ISTS node. Hence, by charging LILo, the Navi Mumbai Sub-station will be connected to Talegaon, which facilitates the ISTS power to Navi Mumbai for drawal at Navi Mumbai. By charging this LILo, Navi Mumbai will be indirectly connected to Vapi as Navi Mumbai-Talegaon-Shikrapur-Padghe-Kudus-Vapi. Accordingly, the Petitioner has completed the scope of the project to facilitate the ISTS power source at Navi-Mumbai. The Petitioner may not



be held back from charging the transmission assets and also the capitalisation of the assets under the scope of WRSS-V due to the unavailability of a downstream network for the drawl of power at Navi Mumbai, which is to be developed by MSETCL. Therefore, by refusing permission to charge the Petitioner's transmission assets, MSEDCL and MSETCL are preventing the Petitioner from seeking the invocation of deemed COD under Regulation 5(2) of the 2019 Tariff Regulations. The contention of MSEDCL that one month's notice was not served on the DICs is not correct as the transmission asset could not be charged and put under deemed commercial operation as MSETCL has denied the permission to connect the LILO portion with their existing line. Therefore, there is no question of issuing any notice under Regulation 5(2) of the 2019 Tariff Regulations. The Petitioner has submitted that the letter dated 26.3.2019 intimating the completion of all construction works, along with the request for charging of the LILO portion from the existing line, served as the notice required under Regulation 5 of the 2019 Tariff Regulations. The Petitioner has further submitted that the trial run certificate issued by WRLDC regarding the charging of the system could not be obtained because MSETCL did not permit the connection with their existing line. If the Petitioner was permitted to carry out a trial run operation on a "no load basis," the Petitioner could have sought a deemed COD.

11. It is observed that the issue of charging the transmission assets was discussed in the 40th WRPC Meeting held on 7.6.2021. The issues like MSETCL's unwillingness to allow the Petitioner to connect the transmission asset to the existing transmission line of MSETCL, the WRPC's recommendation to test charge the transmission line so that the Petitioner could complete its contractual obligations, and a declaration by the Petitioner that the same would not result in a declaration of COD of the transmission,



were discussed. The relevant minutes of the said meeting dated 7.6.2021 are as follows:

“Item No. 17. Charging of LILO of 400kV S/C Lonikhand (MSETCL) - Kalwa(MSETCL) Line (Presently 400kV Padghe-Khargar Line) at Navi-Mumbai alongwith 400/220 KV Navi Mumbai (GIS Substation) at Navi Mumbai under ‘Western Region System Strengthening Scheme V’

As per CEA Energization certificate issued on 13.05.2019, LILO of 400kV S/C Lonikhand (MSETCL) - Kalwa(MSETCL) Line at Navi-Mumbai alongwith 400/220 KV Navi Mumbai (GIS Substation) at Navi Mumbai under ‘Western Region System Strengthening Scheme V’ is ready for charging.

However, the system could not be charged due to non-availability of permission from MSETCL to connect LILO Portion with their existing Line, inspite of numerous requests made to MSETCL. The substation is ready for charging since 2012, but idled due to unavailability of feed. 400kV LILO portion of line is completed with EHV Cable which is prone to Theft and Damage. Due to past incidence of sabotage of 400 kV cable, POWERGRID is incurring additional cost for security of the laid cable. In the wake of above reasons and the new project for Additional feed to Navi Mumbai (WRSS-XIX) which is under pipeline, the substation need to be charged and made operational at the earliest. Accordingly, necessary permissions is required from MSETCL for tapping of LILO portion at their existing 400kV S/C Lonikhand-Kalwa line (Presently 400kV PadgheKhargar Line). This would also facilitate closing of the contracts, which is pending for 09 years for the want of successful charging and operation.

TCC Discussions

MS, WRPC informed the above agenda position. PGCIL, informed the following

- *The Navi Mumbai substation has been completed long ago, however permission for charging LILO of Kalwa-Lonikhand at Navi Mumbai was not agreed by Maharashtra in the past. The substation of Navi Mumbai is not charged for several years due to the above disputes. Provisional charging clearance from CEA has been received for Navi Mumbai GIS Sub station.*

- *PGCIL has already referred the tariff determination of Navi Mumbai s/s to Hon'ble CERC.*

- *PGCIL requested that Navi Mumbai GIS S/s may be charged through the LILO at Lonikhand(now Talegaon)-Kalwa line of MSETCL. Due to the non charging of the substation, PGCIL needs to ascertain the substation's cable health, and also the contractual obligations are required to be completed by PGCIL.*

- *After the permission is granted for charging of LILO portion then the station would be technically charged and the contractual obligations of all the agencies that have been waiting to be cleared and closed for so many years could be completed.*

Maharashtra representative raised the concern that if the Substation is charged then all the tariff implications have to be borne by Maharashtra and requested PGCIL to state on record that the LILO arrangement would be temporary in nature and would be removed once the contractual obligations of PGCIL are completed.



S.E, Comml, WRPC stated that through this charging PGCIL should not claim the COD of the asset and PGCIL needs to go on record stating the same. Further he stated that Lonikhand -Kalwa line of MSETCL is an important line as it has been observed during the Mumbai incidence and this LILO arrangement should not have an adverse effect on Lonikhand -Kalwa line.

PGCIL representative agreed to provide an undertaking clarifying that the charging of Navi Mumbai GIS S/s through LILO is only for the purpose of completion of contractual obligations and PGCIL would not claim COD based on this charging arrangement. Further PGCIL also had no objections to removing the LILO once the above testing works are completed. MSEDCL representative stated that Navi Mumbai s/s was envisaged in the western grid strengthening scheme and as per the original plan the source to Navi Mumbai was from Vapi. However, this line did not materialize and existing MSETCL lines is only LILoed at Navi Mumbai, no new source would be available at 400 kV Navi Mumbai S/s and MSETCL has no advantage in such a situation.

MS, WRPC concluded the discussion as follows

- The problem of evacuation inlets from Vapi side was not available to Navi Mumbai sub station due to severe ROW issues. This matter has been deliberated in Standing Committee continuously. The main point of importance is new evacuation outlets at Navi Mumbai are being planned and expected in the following year. Since the substation is not charged for many years, the healthiness of the cables requires to be ascertained. Also contractual obligations has to be cleared by PGCIL. It should not happen that when the new evacuation outlets are ready, the cables are not ready. Hence from pure technical testing and contractual obligations closure. He opined that PGCIL's request for charging the Navi Mumbai substation for the above reasons should be allowed by MSETCL/MSEDCL. Further, PGCIL has already committed that the charging of Navi Mumbai S/s through LILO is a temporary arrangement and PGCIL would not claim COD based on this charging. They are also open to removal of the LILO once the testing is over. Also the tariff/commercial issues would be as per Hon'ble CERC order for which PGCIL has already approached the Hon'ble commission. With these assurances from PGCIL, MSETCL may immediately allow the charging on technical grounds. TCC agreed with MS WRPC suggestion.

WRPC Discussions

MS WRPC explained the above TCC agenda position. MSEDCL, representative informed that once the substation is charged then the cost would be included in the POC mechanism and have an effect on all DICs. Further technically also the charging of this substation won't benefit the downstream system as no load being catered at 220 kV side. MSETCL reiterated the statement made by MSEDCL and requested that this arrangement should be temporary in nature and only till the time testing works are completed. MS WRPC clarified that the tariff determination of Navi Mumbai station would be as per Honble CERC order for which PGCIL has already approached the CERC. As regards to benefits to MSETCL network, once the planned downstream network is commissioned and line from Vapi to Navi Mumbai is completed, there would be benefit to MSETCL network.

PGCIL, representative informed that the commercial issue i.e. COD is not being linked to the charging of the substation and hence requested MSETCL to permit for the LILO so that the station could be charged, technical parameters checked and all contractual



obligations completed. Further PGCIL agreed to give an undertaking as discussed in the TCC, if required by MSETCL. MS WRPC informed that contractual obligations, cable healthiness and in view of new evacuation outlets coming for Mumbai Power Navi Mumbai station must be in operational readiness. Hence the PGCIL request may be favourably considered by MSETCL/MSEDCL.

WRP Committee recommended the test charging of 400 kV Kalwa-Talegaon line LILO at Navi Mumbai of PGCIL so that the contractual obligations would be completed by PGCIL. The WRP Committee also recommended PGCIL to provide an undertaking stating that the charging of 400 kV line at Navi Mumbai will not result in the declaration of CoD of the asset (as desired by MSETCL).

12. Taking into consideration the rival claims and the discussions in the 40th WRPC meeting held on 7.6.2021, the Commission vide Record of Proceedings dated 9.1.2023 directed the Petitioner to implead CTUIL and directed CTUIL to submit its views regarding the possibility of using the transmission asset in future, especially in light proposed transmission lines under the TBCB route.

13. Accordingly, the CTUIL has traced the details of the transmission asset from the date of its approval in the 25th SCM of WR held on 30.9.2016 to the 38th meeting of the Joint Coordination Committee Meeting of the Western Region held on 26.12.2022 in its affidavit dated 15.3.2023. The CTUIL has submitted that the transmission elements covered in the transmission asset will be utilised with the completion of the transmission lines being implemented by Mumbai Urjan Marg Limited (“MUML”) under the TBCB route, and the MUML’s transmission assets are anticipated in May and June 2024. Similar submissions were made by CTUIL vide affidavit dated 31.10.2023. The submissions made by CTUIL in its affidavit dated 15.3.2023 are extracted hereunder:

“3. in the 25th Standing Committee Meeting on Power System Planning in the Western Region held on 30.09.2006 [“25th SCM PSP(WR)”], the following scope of works was agreed, which are being implemented by POWERGRID as Western Regional system strengthening scheme (WRSS-V):

- (i) 400kV Vapi - Navi Mumbai D/c line
- (ii) (LILO of 400kV Lonikhand/Pune - Kalwa line at Navi Mumbai
- (iii) Establishment of 400/220kV 2X315MVAnew (GIS) at Navi Mumbai
- (iv) 220kV Vapi - Khadoli D/c line



4. That along with the above transmission scheme, the following 220 kV downstream network was planned to be implemented by MSETCL:

- (a) LILO of Apta - Kalwa 220 kV Sic line at Navi Mumbai
- (b) LILO of Khandalgaon- Kharghar 220 kV Sic line at Navi Mumbai

The minutes of the 25~ SCM PSP(WR) are annexed herewith as "Annexure R1211".

5. That in the 35th Standing Committee Meeting on Power System Planning in the Western Region held on 03.01.2013 ["35th SCM PSP(WR)"] J. LILO of Kharghar - Padghe section of Lonikhand - Kalwa line-I at Navi Mumbai instead of LILO of LonikhandIPune - Kalwa 400kV Sic line-2 was agreed under WRSSS - V. Laying of 1.5 km of 400 kV underground cable near gantry of Navi Mumbai substation was also agreed to expedite the implementation of LILO arrangement, which was held up due to severe RoW issues. Further, in view of the severe RoW problem, termination of 400kV Vapi - Navi Mumbai D/c line at Kudus Sis of MSETCL was agreed. The minutes of the 35th SCM PSP(WR) are annexed herewith as "Annexure R 1212".

6. That in the 38th Standing Committee Meeting on Power System Planning in the Western Region held on 17.07.2015 ["38th SCM PSP(WR)"], MSETCL had stated that there is no ISTS source to Navi Mumbai, and the Vapi – Navi Mumbai 400kV D/c line is being terminated at Kudus, which is about 80km away from Navi Mumbai. Thus, the LILO of Kharghar - Padghe 400kV line at Navi Mumbai, presently under implementation, will only recirculate the power from the intrastate network of MSETCL. In case of no ISTS network connection to Navi Mumbai 400kV substation, MSETCL has suggested to shift Navi Mumbai 400kV substation to some other location. In the meeting, it was agreed that CEA, CTU and MSETCL would carry out joint studies for exploring effective utilization of Navi Mumbai 400 kV substation and put a proposal in the next standing committee meeting. The minutes of the 38th SCM PSP(WR) are annexed herewith as "Annexure R 1213".

7. That in line with the decision of the 38th SCM PSP(WR), the following scheme was studied and proposed in the 40th Standing Committee Meeting on Power System Planning in the Western Region held on 01.06.2016 ["40th SCM PSP(WR)1]:

- (i) Padghe (765/400kV) - Navi Mumbai 400kV D/c (Quad) line
- (ii) 1 X 500MVA, 400/220 kV 3rd ICT at Navi Mumbai S/s
- (iii) Installation of 220/33kV Transformer at Navi Mumbai substation and planning of 33kV outlets from Navi Mumbai substation in coordination with DISCOM/MSEDCL.

8. That in the 40th SCM PSP(WR), MSETCL had requested to review the scheme, as overloading was observed on 400kV Kharghar - Navi Mumbai Sic line and severe RoW problems were there in implementation of 400kV Padghe – Navi Mumbai D/c line. The minutes of the 40th SCM PSP(WR) are annexed herewith as "Annexure R 1214".

9. That accordingly, joint studies were carried out by CEA, CTU and MSETCL from 10.08.2016 to 12.08.2016, in which, several alternatives were discussed, and subsequently studies were carried out with the 8 nos. of alternatives.

10. That further, in 41st Standing Committee Meeting on Power System Planning in the Western Region held on 21.12.2016 ["41st SCM PSP(WR)1. the matter was deliberated and 2 alternatives were found to be better ISTS feed as compared to other alternatives. After deliberations, the members agreed on implementation of the 400kV ISTS feed to Navi Mumbai along with the 220kV outlets from Navi Mumbai as an ISTS scheme to be implanted through tariff based competitive bidding route. Some unbalanced loading on



220 kV outlets from Navi Mumbai was observed for which it was decided to further deliberate the same in the joint meeting of CEA, CTU and MSETCL. The minutes of the 41st SCM PSP(WR) are annexed herewith as "Annexure R 1215".

11. That based on the deliberation in the 41st SCM PSP(WR), a meeting was held on 13.01.2017 amongst CEA, CTU, POSOCO & MSETCL at CEA, New Delhi wherein after detailed deliberations, the following transmission system was agreed for providing ISTS feed to Navi Mumbai 400/220kV S/s subject to implementation feasibility of 220kV outlets from Navi Mumbai S/s:

- (i) Padghe (PG)-Kharghar 400 kV D/c quad line to be terminated into one ckt. of Kharghar- Ghatkopar 400 kV D/c line (thus forming Padghe (PG)-Kharghar 400 kV S/c quad line and Padghe (PG)- Ghatkopar 400 kV Sic quad line)
- (ii) LILO of Padghe (PG) - Ghatkopar 400 kV Sic line at Navi Mumbai (PG)
- (iii) LILO of Taloja-Kalwa 220kV S/c line at Navi Mumbai (PG)
- (v) LILO of Apta-Kalwa 220 kV S/c line at Navi Mumbai (PG)

12. That in line with the decision in 41st SCM PSP(WR), a joint site visit was carried out on 07.04.2017 by CEA, CTU & MSETCL for ascertaining the implementation feasibility of 220 kV outlets from Navi Mumbai 400/220 kV S/s.

13. That the matter was further deliberated in 42nd Standing Committee Meeting on Power System Planning in the Western Region held on 17.11.2017 ["42nd SCM PSP(WR)"J, wherein after deliberations the following transmission system for providing ISTS feed to Navi Mumbai and drawl of power from Navi Mumbai was agreed:

A. Under Inter-State Transmission System (through TBCB) Transmission System for providing ISTS feed to Navi Mumbai and drawl of power:

- (i) Padghe (PG) - Kharghar 400 kV D/C (quad moose ampacity) line to be terminated into one ckt. of Kharghar - Ghatkopar 400 kV D/c line (thus forming Padghe (PG) - Kharghar 400 kV S/c (quad moose ampacity) line, Padghe (PG) - Ghatkopar 400 kV S/c (quad moose ampacity) line)
- (ii) LILO of Padghe (PG) - Ghatkopar 400kV S/c (quad moose ampacity) line at Navi Mumbai (PG)
- (iii) LILO of Apta - Taloja and Apta - Kalwa section of the Apta -Taloja/Kalwa 220 kV D/c line at Navi Mumbai (PG)

B. Under Intra State Transmission System (by MSETCL/ Intra state Transmission Licensee)

- (i) Reconfiguration of the Kharghar - Kandalgaon 220kV D/c line and Apta - Taloja I Kalwa 220kV D/c at their crossing point for achieving balanced power on the 220kV outlets from Navi Mumbai 400/220 substation.
- (ii) Implementation of the planned Kharghar-Ghatkopar 400kV D/C line (Twin Moose conductor) as Kharghar-Ghatkopar 400kV D/C (quad moose ampacity) line.

The minutes of the 42nd SCM PSP(WR) are annexed herewith as "Annexure R 12/6".

14. That the above transmission system at 13(A) above is presently under implementation by Mumbai Urjan Marg Ltd. ("MUMML") [erstwhile, Vapi-II North Lakhimpur Transmission Ltd. (a subsidiary of Sterlite Grid 4 Ltd.)]. As per TSA, the SCOD of the transmission element mentioned at sl. no. 13A(i) & 13A(ii) above was 22.12.2023, whereas that for transmission element mentioned at 13A(iii) was 22.12.2022.



15. That in the 38th meeting of the Joint Coordination Committee of the Western Region meeting for WR held on 26.12.2022 ["38th JCC(WR)"], MUML informed that due to severe ROW issues, transmission elements mentioned at sl. no. 13A(i) & 13A(ii) above are anticipated to be commissioned by 22.06.2024, whereas those mentioned at sl. no. 13A(iii) above are anticipated to be commissioned by 22.06.2023. The relevant extracts of the minutes of the 38th JCC(WR) are annexed herewith as "Annexure R 1217".

16. That however, DOCO of Vapi - Khadoli 220kV D/c line covered under WRSS-V was declared on 01 ,10.2010. Further, as per the energization certificate dated 13.05.2019 issued by CEA, LILO of Kharghar - Padghe section of Lonikhand (MSETCL) - Kalwa (MSETCL) line-1 at Navi Mumbai along with 400/220kV Navi Mumbai (GIS) SIs under WRSS-V was ready for charging from 13.05.2019.

17. That after the implementation of transmission element at 13A(i) & 13A(ii) above, 2 nos. 400kV line bays at Navi Mumbai(GIS) which were laying vacant due to the termination of 400kV transmission line from Vapi to Kudus (MSETCL) instead of Navi Mumbai(GIS) would get utilized. Further, with the implementation of transmission element at 13A(iii) above, 4 nos. 220kV line bays which are ready for charging since 13.05,2019, shall also get utilized."

14. The transmission system referred to by the CTUIL is presently under implementation by MUML. The elements A (i) and A (ii) above are anticipated to be put into commercial operation by 22.6.2024, and the transmission element A (iii) above was anticipated to be put into commercial operation by May 2024, but as of now, it has not been put into commercial operation. As per the CTUIL's submissions, with the implementation of the transmission element at A(i) and A(ii) above, the two 400 kV line bays at Navi Mumbai (GIS), which are laying vacant due to the termination of 400 kV transmission line from Vapi to Kudus (MSETCL) instead of Navi Mumbai (GIS) would be utilized and also Navi Mumbai would get connected with a strong ISTS source at Phadge (PG) 765/400 kV Sub-station. Further, it appears that with the implementation of the transmission element at A(iii) above, the four 220 kV line bays, which have been ready for charging since 13.5.2019, will also be utilized.

15. Without going into the merits of the claims of the Petitioner for approval of the COD of the transmission asset as 13.5.2019, condonation of the time over-run, cost over-run and the sharing of the transmission charges, and the objections raised by



MMPCL, MSEDCL, and MSETCL in the instant petition, we hereby direct the petitioner in the exercise of regulatory power to file a fresh petition within 60 days of COD of the above-referred transmission elements, i.e., A(i), A(ii) and A(iii) under the scope of MUML and the declaration of the COD of the transmission asset. The Respondents are at liberty to raise their concerns in the said petition. The Petitioner's claims and the Respondent's objections, if any, will be dealt with as per the applicable regulations.

16. It is further observed that the Petitioner, in the 40th WRPC meeting held on 7.6.2021, sought permission to connect the transmission asset to the existing transmission lines of MSETCL and charge the same. The Petitioner submitted that earlier charging of the line is required to avoid theft and damage to the EHV cable of the transmission line and to avoid the additional cost of security to secure the cable and to close its contracts pending for nine years. However, it was objected to by Maharashtra on technical grounds and that it would have tariff implications on Maharashtra. , Further, it requested the Petitioner to assure MSETCL that the LILO arrangement would be temporary and would be removed once the contractual obligations are completed by the Petitioner. The Petitioner also agreed to provide an undertaking stating that the charging of the transmission asset is only for completion of contractual obligations, and the Petitioner would not claim COD based on its charging. It is also observed that WRPC also asked the Petitioner to provide an undertaking that the charging of the transmission asset would not amount to a declaration of the COD of the transmission asset. We have not been apprised of the subsequent developments in this regard.

17. It is observed that the Petitioner is apprehensive of theft and damage to the EHV cable of the transmission line and that the Petitioner is not able to meet its contractual



obligations because of its inability to charge the line and complete the transmission asset. Therefore, the Petitioner is seeking to charge the line by connecting it to the MSEDCL's Sub-station. Taking cognisance the Petitioner's compulsion to charge the line at the earliest and the assurance in the WRPC that the Petitioner would not claim any declaration of the COD of the transmission line on the basis of charging of the line, we direct MSEDCL to allow charging of the line . We would also make it clear that the charging of the transmission asset would not entail any right on the Petitioner to declare the COD of the transmission asset.

18. The Commission, after taking into consideration the submissions from the Respondents and the Petitioner, directs the Petitioner to file a fresh petition once the transmission elements A (i), A (ii), and A (iii) mentioned in paragraph 25 above, are put into commercial operation and the instant transmission asset is utilized

19. Accordingly, Petition No. 180/TT/2021 is disposed of in terms of the above discussions.

sd/-
(Arun Goyal)
Member

sd/-
(P.K. Singh)
Member

sd/-
(Jishnu Barua)
Chairperson

