

**CENTRAL ELECTRICITY REGULATORY COMMISSION  
NEW DELHI**

**Petition No. 25/MP/2022**

**Coram:**

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

**Date of Order: 17.05.2024**

**In the matter of:**

Petition under Section 79 of the Electricity Act, 2003 read with Regulation 111 and 113 of the CERC (conduct of business) Regulations 1999, seeking issuance of appropriate directions to the respondent to include the Yearly Transmission Charges as determined by LD. APERC vide order dated 07.07.2021 in the POC Transmission Charges for the billing period of FY 2015-16, 2016-17 and 2020-2021, as per the CERC (Sharing of inter-state transmission charges and losses) Regulations, 2010.

**And**

**In the matter of:**

Transmission Corporation of Andhra Pradesh Limited, .  
Eluru Rd, Vijayawada,  
Andhra Pradesh 520004

.....Petitioner

**Versus**

1. Power System Operation Corporation Ltd (POSOCO),  
1<sup>st</sup> Floor, Qutub Institutional Area,  
Katwara Sarai, New Delhi -110016
2. Central Transmission Utility of India Limited (CTUIL),  
First Floor, Saudamini, Plot No.2, Sector29,  
Near IFFCO Chowk Metro Station, Gurgaon-122001, Haryana.
3. Southern Regional Power Committee (SRPC),  
Central Electricity Authority,  
No. 29 Race Course Cross Road, Bengaluru- 560009
4. Southern Regional Load Despatch Centre (SRLDC),  
29, Race Course Cross Road, Bengaluru – 560009, Karnataka ..... Respondents



**Parties Present:**

Shri Sidant Kumar, Advocate, APTRANSCO  
Ms. Manyaa Chandok, Advocate, APTRANSCO  
Ms. Ekssha Kashyap, Advocate, APTRANSCO  
Ms. P. Jyostna Rani, APTRANSCO  
Shri Gajendra Singh, NLDC  
Shri Debajyoti Majumdar, NLDC  
Shri Siddharth Sharma, CTUIL  
Shri Venkatesh Gurli, CTUIL  
Shri Akshayvat Kislay, CTUIL  
Shri M. Venkateshan, SRLDC

**ORDER**

Transmission Corporation of Andhra Pradesh Ltd has filed the instant Petition under Sections 79 of the Electricity Act, 2003 read with Regulation 111 and 113 of the CERC (Conduct of Business) Regulations 1999, seeking to include the Yearly Transmission Charges (YTC) as determined by the Andhra Pradesh Electricity Regulatory Commission (APERC) vide Order dated 07.07.2021 of non-ISTS lines carrying inter-state power in the PoC transmission charges for the billing period of FY 2015-16, FY 2016-17 and FY 2020-2021, in accordance with the CERC (Sharing of inter-state transmission charges and losses) Regulations, 2010.

2. The Petitioner has made the following prayers:
- i. Direct the Respondent to include the YTC charges as determined by Ld. APERC vide order dated 07.07.2021 for non-ISTS lines carrying inter-state power in the PoC transmission charges for the billing period of FY 2015-16 FY 2016-17 and FY 2020-21, in accordance with the Sharing Regulations 2010.*
  - ii. Pass any other or further order(s) as this Hon'ble Commission may deem fit and proper in the interest of justice*

The Respondent referred to in Prayer (i) is Power System Operation Corporation Ltd (POSOCO), which became Respondent No.1 on the subsequent impleadment of other Respondents. The name of Respondent No.1 has changed from POSOCO to Grid Controller of India Limited (GRID-INDIA) during the pendency of the Petition. The Respondent No.1 title in the instant Order has not been changed for the sake of consistency of records.

### **Submission of Petitioner**

3. Petitioner has made the following submissions:
- a) The Petitioner is the State Transmission Utility (STU) of Andhra Pradesh. The Petitioner owns and controls various non-ISTS lines in the State of Andhra Pradesh. These non-ISTS lines are frequently used for the transmission of inter-state power, which is utilised outside Andhra Pradesh. The charges for such inter-state transmission using non-ISTS lines have been duly recovered by the Petitioner under the relevant regulations as notified by this Commission from time to time.
  - b) The procedure for recovering inter-state transmission charges for non-ISTS lines under the CERC (Sharing of inter-state transmission charges and losses) Regulations, 2010 (hereinafter referred to as "Sharing Regulations 2010") is broadly as follows:
    - i. Certification of non-ISTS lines as Natural/ Deemed Inter-State Transmission Systems by the appropriate Regional Power Committee (RPC).
    - ii. Determination of YTC charges/ tariff by the appropriate State Commission for such non-ISTS lines.
    - iii. Inclusion of such determined YTC charges/ tariff in the PoC mechanism formulated by the Implementing Agency, *i.e.* the Respondent.
    - iv. Recovery of YTC charges by the transmission licensee.
  - c) Following the procedure under the then prevailing Sharing Regulations 2010, the Petitioner sought to recover the YTC charges for the periods 2015-16, 2016-17, and 2020-2021 by availing necessary certification from SRPC and consequent tariff determination/ approval of YTC charges from the Ld. APERC.
  - d) By letter dated 23.01.2020, SRPC certified 9 non-ISTS lines owned by the Petitioner for the period 2015-2016 and 14 non-ISTS lines for the period 2016-2017, carrying inter-state power in excess of the 50% benchmark required under the Sharing Regulations 2010. Based on such certification, a Petition bearing O.P. No. 42/2020 was filed before the APERC on 13.03.2020 seeking determination of YTC under the Sharing Regulations 2010 and by letter dated 30.04.2020, SRPC certified 42 non-ISTS lines owned by the Petitioner for the period 2020-21, carrying inter-state power in excess of the 50% benchmark required under the Sharing Regulations 2010. Based on such certification, a Petition bearing O.P. No. 47/2020 was filed before the APERC on 05.10.2020 seeking a determination of YTC under the Sharing Regulations 2010.

- e) While the adjudication of the aforesaid Petitions was pending before the APERC, the CERC (Sharing of inter-state transmission charges and losses) Regulations, 2020 (hereinafter referred to as “Sharing Regulations 2020”) came into effect on 01.11.2020. Regulation 22 of the Sharing Regulation 2020 provides that during the transition period between the former of 2010 and the new Sharing Regulations, the bills raised for the first two billing periods after 01.11.2020, i.e., till 31.12.2020, shall be as per the Sharing Regulations 2010. This has been further clarified by this Commission vide Removal of Difficulties Order dated 14.02.2021 passed under Regulation 28 of the Sharing Regulations 2020. Therefore, it is clear that for the period from 01.11.2020 till 31.12.2020, the claim for transmission charges shall be governed by the Sharing Regulations 2010.
- f) By a common order 07.07.2021 in the Tariff Petitions, the APERC has determined the YTC charges for FY 2015-16, 2016-17, and 2020-2021 to the tune of Rs. 295.32 Crores. APERC also directed such charges to be included in the PoC mechanism formulated by the Respondent in accordance with the Sharing Regulations 2010. These YTC charges undisputedly pertain to billing periods prior to January 2021. Therefore, as per Regulation 22 of the Sharing Regulations 2020, recovery of such YTC charges is required to be in accordance with the Sharing Regulations 2010.
- g) The Petitioner, by letter dated 10.07.2021, intimated to the Respondent that the YTC charges for the period 2015-16, 2016-17, and 2020-2021 were duly determined by APERC, on the basis of certification provided by SRPC. Further, the Petitioner sought the inclusion of such YTC charges in the PoC transmission charges as computed by the Respondent under the Sharing Regulations 2010.
- h) By a response letter dated 15.07.2021, the Respondent has out-rightly refused to include YTC charges in the PoC mechanism. The Respondent has refused the inclusion of PoC charges on the erroneous and faulty assumption that such YTC charges are claimed under the Sharing Regulations 2020. In the said response letter, the Respondent has stated that in the absence of the mandatory approval of YTC charges by this Commission, the Petitioner is not entitled to recover such YTC charges under the Sharing Regulations, 2020.
- i) The Petitioner’s claim of recovering transmission charges pertains to two periods (i) the period prior to 01.11.2021, i.e., the date of Sharing Regulations 2020; (ii) the period after 01.11.2020 until 31.12.2020. Therefore, at the outset, it is ex-facie clear and undisputed that the claim for the period prior to 01.11.2020 shall be governed by the Sharing Regulations, 2010. Understanding is further fortified by the Removal

of Difficulties Order dated 14.02.2021 issued by this Commission wherein it is clearly stated that YTC relatable until November and December 2020 shall be governed by the Sharing Regulations 2010.

- j) Such refusal by the Respondent has resulted in a situation where the Petitioner is being saddled with the liability of incurring the transmission cost for power utilized by the State Utilities outside of Andhra Pradesh. Hence, the Petitioner has been constrained to move this Commission, seeking appropriate directions against the Respondent POSOCO.
- k) This position is also borne from the Statement of Reasons dated 10.08.2020 in respect of the Sharing Regulations 2020, which provide that tariff approval of this Commission for YTC charges is required for recovery of transmission charges. For all other cases where recovery of transmission charges is not sought under the Sharing Regulations 2020, the approval of tariff shall continue to be regulated by the respective State Commissions. The relevant Para 39.3.2 of the Statement of Reasons dated 10.08.2020 for the Sharing Regulations, 2020 is reproduced herein below:

*"39.3.2. Approval of tariff for intra-State system is done by SERCs. However, in circumstances where an intra-State system is used for inter-State flow of power, its tariff is required to be approved by CERC, if such system is to be considered for recovery of transmission charges under the 2020 Sharing Regulations"*

#### **Hearing on 15.07.2022**

4. The Commission admitted the instant Petition on 15.07.2022

#### **Hearing on 15.05.2023**

5. The Commission vide RoP of hearing dated 15.05.2023 has directed the Petitioner to implead CTUIL and to submit the following information:
- a) The reasons for approaching NLDC for the period 2015-17 in 2021.
- b) The location of ISTS interface meters in the transmission lines claimed as ISTS.

#### **Submission of Petitioner**

6. Petitioner on 22.05.2023 filed "Revised Memo of Parties," impleading Central Transmission Utility of India Limited (CTUIL) as a party to the petition.
7. Petitioner vide affidavit dated 05.06.2023 has submitted as below:



- a) By letter dated 09.12.2016, the Petitioner requested the Southern Regional Power Committee (SRPC) to identify and certify the non-ISTS/ intra-state lines carrying inter-state power, for the purpose of inclusion in the PoC mechanism. This request was reiterated by the Petitioner by letters dated 16.12.2016, 09.01.2017 and 03.02.2017.
- b) After approval of the Methodology to identify non-ISTS lines having more than 50% utilization for carrying inter-state power transmission for issuing certifications by SRPC on 25.02.2017, SRPC furnished the appropriate certification for the non-ISTS lines of the Petitioner on 19.06.2017. However, this was granted only for FY 2017-18. Since the certification issued by SRPC on 19.06.2017 was limited to the FY 2017-18, on 25.04.2019, the Petitioner requested SRPC to identify and certify the non-ISTS lines having more than 50% utilization for carrying inter-state power transmission for the previous year's, i.e., FY 2014-17.
- c) The certificate for FY 2014-17 came to be issued by SRPC on 23.01.2020, after a delay of more than 9 months. By this certificate, the subject Non-ISTS Lines were certified by SRPC to be deemed ISTS, utilized for carrying inter-state power. That the aforesaid delay is also admitted by SRPC vide its letter dated 29.05.2023.
- d) On 12.03.2020, the Petitioner filed the Petition bearing O.P. No. 42/2020 before the State Commission for determination of the YTC charges in respect of these Subject Non-ISTS Lines for the FY 2015-17. The State Commission, by Order dated 07.07.2021, determined the YTC charges for these subject Non-ISTS Lines and permitted recovery of such charges from the PoC pool. On 10.07.2021, the Petitioner requested the Respondent POSOCO to include these YTC charges in the PoC pool.
- e) The reason for approaching the Respondent in 2021 in respect of FY 2015-17 is on account of factors beyond the control of the Petitioner. The Petitioner has been requesting SRPC to identify and certify the non-ISTS carrying inter-state power to avail the benefit of the Sharing Regulations 2010. Despite repeated requests and reminders from the Petitioner, there was a substantial delay in finalizing the methodology for identifying such non-ISTS lines carrying inter-state power. This led to a consequential delay in the issuance of the requisite certification by SRPC. The delay is also on account of the pendency of the Petition seeking the determination of YTC charges for more than 15 months before the State Commission.
- f) The details of the location of Energy meters in the transmission lines claimed as ISTS are as under:

SN	Asset	Voltage (kV)	Meter Location	Remarks
1	CHITTOOR-RENIGUNTA:1	220	400kVSS Chittoor-220kVSS Renigunta	Boundary Meters are available at both ends of the line for energy accounting & losses purpose and are owned by Petitioner .
2	RENIGUNTA-NAGARI:1	220	220kVSS Renigunta-220kVSS Nagari	
3	CHITTOOR-NAGARI:2	220	400kVSS Chittoor-220kVSS Nagari	
4	SULURPETA-NELLORE-PG:1	220	220kVSS Sullurpeta-400kVSS Manubolu(Nellore)	
5	NELLORE-NELLORE-PG:1	220	220kVSS Nellore-400kVSS Manubolu(Nellore)	
6	NELLORE-NELLORE-PG:2	220	220kVSS Nellore-400kVSS Manubolu(Nellore)	
7	NELLORE-NELLORE-PG:3	220	220kVSS Nellore-400kVSS Manubolu(Nellore)	
8	KRISHNAPATNAM-NELLORE-AP:1	400	Main Control Room of SDSTPS (APPDCL) Switch yard-400kVSS Manubolu(Nellore) of petitioner.	Interface Meters are available at both ends of the line for energy accounting and losses purpose. Meter at one end belongs to Petitioner and other end to APGenco/APPDCL.
9	KRISHNAPATNAM-NELLORE-AP:2	400	Main Control Room of SDSTPS (APPDCL) Switch yard-400kVSS Manubolu(Nellore) of petitioner.	

## 2016-17

S N	Asset	Voltage (kV)	Meter Location	Remarks
1	KONDAPALLI-CHILAKALLU:1	220	220kVSS Kondapally-220kVSS Chillakallu	Boundary Meters are available at both ends of the line for energy accounting & losses purpose and are owned by Petitioner .
2	KONDAPALLI-CHILAKALLU:2	220	220kVSS Kondapally-220kVSS Chillakallu	
3	KURNOOL-BRAHMANKTKUR:1	220	220kVSS Kurnool-220kVSS Brahmankotkur	
4	SULURUPETA-NELLORE42:1	220	220kVSS Sullurpeta-400kVSS Manubolu (Nellore)	
5	KONDAPALLI-VTPS:1	220	220kVSS Kondapally- Main Control Room of VTPS Switchyard (AP Genco)	Interface Meters are available at both ends of the line for energy accounting and losses purpose. Meter at one end belongs to Petitioner and other end to APGenco.
6	KONDAPALLI-VTPS:2	220	220kVSS Kondapally- Main Control Room of VTPS Switchyard (AP Genco)	
7	VTPS-CHILAKALLU:1	220	Main Control Room of VTPS Switchyard (AP Genco)- 220kVSS Chillakallu	
8	VTPS-CHILAKALLU:2	220	Main Control Room of VTPS Switchyard (AP Genco)- 220kVSS Chillakallu	
9	VTPS-RENTACHINTALA:2	220	Main Control Room of VTPS Switchyard (AP Genco)- 220kVSS Rentachintala	
10	CHITTOOR-SDSTPS:1	400	400kVSS Chittoor- Main Control Room of SDSTPS Switchyard (APPDCL)	
11	CHITTOOR-SDSTPS:2	400	400kVSS Chittoor- Main Control Room of SDSTPS Switchyard (APPDCL)	
12	NUNNA2-VTPS-IV:1	400	400kVSS Nunna (PGCIL)-Main Control Room of Switch yard of VTPS (APGenco)	Interface Meters are available at both ends of the line for energy accounting and losses purpose. Meter at one end belongs to APGenco and other end belongs to PGCIL .
13	GAZUWAKA1-KALAPAKA1:1	400	400kVSS Gajuwaka (PGCIL)-400kVSS Kalapaka	Interface Meters are available at both ends of the line for energy accounting and losses purpose. Meter at one end belongs to Petitioner and other end belongs to PGCIL .
14	GAZUWAKA1-KALAPAKA1:2	400	400kVSS Gajuwaka (PGCIL)-400kVSS Kalapaka	

Chief General Manager/Commercial &amp; Legal



Sl No	Asset	Voltage (kV)	Meter Location	Remarks	
1	KURNOOL2-JAMALAMADUGU1:Q1	400	400kVSS Kurnool-400kVSS Jammalamadugu	Boundary Meters are available at both ends of the line for energy accounting & losses purpose and are owned by Petitioner .	
2	KURNOOL2-JAMALAMADUGU1:Q2	400	400kVSS Kurnool-400kVSS Jammalamadugu		
3	VEMAGIRI1-SATTENAPALLI:T1	400	400kVSS Vemagiri-400kVSS Sattenapalli		
4	JAMALAMADUGU1-TALARICHER1:Q2	400	400kVSS Jammalamadugu-400kVSS Talaricheruvu		
5	JAMALAMADUGU1-TALARICHER1:Q1	400	400kVSS Jammalamadugu-400kVSS Talaricheruvu		
6	URAVAKONDA-HINDUPUR3:Q1	400	400kVSS Uravakonda-400kVSS Hindupur		
7	URAVAKONDA-HINDUPUR3:Q2	400	400kVSS Uravakonda-400kVSS Hindupur		
8	URAVAKONDA-TALARICHER1:Q1	400	400kVSS Uravakonda-400kVSS Talaricheruvu		
9	URAVAKONDA-TALARICHER1:Q2	400	400kVSS Uravakonda-400kVSS Talaricheruvu		
10	CHITTOOR42-CHITTOOR1:1	220	400kVSS Chittoor-220kVSS Chittoor		
11	CHITTOOR42-CHITTOOR1:2	220	400kVSS Chittoor-220kVSS Chittoor		
12	CHITTOOR1-KALIKIRI1:1	220	220kVSS Chittoor-220kVSS Kalikiri		
13	GOOTY-PG-DHONE1:2	220	220kVSwitching Station Gooty-220kV Switching Station Dhone		
14	GOOTY-PG-DHONE1:1	220	220kVSwitching Station Gooty-220kV Switching Station Dhone		
15	KONDAPALLI1-CHILLAKALLU1:1	220	220kVSS Kondapally-220kVSS Chillakallu		
16	KONDAPALLI1-CHILLAKALLU1:2	220	220kVSS Kondapally-220kVSS Chillakallu		
17	KURNOOL1-BRAHMANKTKUR:1	220	220kVSS Kurnool-220kVSS Brahmanakotkur		
18	URVAKONDA-BORAMPALLI:2	220	400kVSS Uravakonda-220kVSS Borampalli		
19	URVAKONDA-BORAMPALLI:1	220	400kVSS Uravakonda-220kVSS Borampalli		
20	URVAKONDA-BORAMPALLI:4	220	400kVSS Uravakonda-220kVSS Borampalli		
21	URVAKONDA-BORAMPALLI:3	220	400kVSS Uravakonda-220kVSS Borampalli		
22	MACHERLA-RENTCHINTHALA:1	132	132kVSS Macharla-220kVSS Rentachintala		
23	MACHERLA-RENTCHINTHALA:2	132	132kVSS Macharla-220kVSS Rentachintala		
24	SULURPET1-NELLORE42:1	220	220kVSS Sullurpeta-400kVSS Manubolu (Nellore)		
25	SULURPET1-NELLORE42:3	220	220kVSS Sullurpeta-400kVSS Manubolu (Nellore)		
26	SULURPET1-NELLORE42:2	220	220kVSS Sullurpeta-400kVSS Manubolu (Nellore)		
27	CHITTOOR2-SDSTPS:Q2	400	400kVSS Chittoor- Main Control Room of SDSTPS Switchyard (APPDCL)		Interface Meters are available at both ends of
28	CHITTOOR2-SDSTPS:Q1	400	400kVSS Chittoor- Main Control Room of SDSTPS Switchyard (APPDCL)		
29	SRISAILAMRB1-TALLAPALLI:1	220	Main Control Room of Srisaillam Switchyard (AP Genco)-220kVSS Tallapalli		
30	SRISAILAMRB1-TALLAPALLI:2	220	Main Control Room of Srisaillam Switchyard (AP Genco)-220kVSS Tallapalli		

Chief General Manager/Commercial

31	SRISAILAMRB1-MYDUKUR:1	220	Main Control Room of Srisaillam Switchyard (AP Genco)-220kVSS Mydukur	the line for energy accounting and line losses purpose. Meter at one end belongs to Petitioner and other end to APGenco/APPDCL .
32	VTS1-CHILLAKALLU1:1	220	Main Control Room of VTPS Switchyard (AP Genco)-220kVSS Chillakallu	
33	VTS1-CHILLAKALLU1:2	220	Main Control Room of VTPS Switchyard (AP Genco)-220kVSS Chillakallu	
34	VTS1-RENTACHINTHALA1:2	220	Main control room of VTPS Switchyard (AP Genco)-220kVSS Rentachintala	
35	SRISAILAMRB1-SOMYZULPALLI:1	220	Main Control Room of Srisaillam Switch yard (AP Genco)-220kVSS Somayazulapalli	
36	SRISAILAMRB1-BELKALAGUDUR:1	220	Main Control Room of Srisaillam Switch yard (AP Genco)-220kVSS Belakalagudur	
37	HINDUJA-KVKOTA1:T2	400	Hinduja Switch yard-400kVSS Kamavarapukota	Interface Meters are available at both ends of the line for energy accounting and line losses purpose. Meter at one end belongs to Petitioner and other end to M/s HINDUJA (Private Generator) .
38	HINDUJA-KVKOTA1:T1	400	Hinduja Switch yard-400kVSS Kamavarapukota	
39	NUNNA2-VEMAGIRI1:T3	400	400kVSS Nunna (PGCIL)-400kVSS Vemagiri	Interface Meters are available at both ends of the line for energy accounting and losses purpose. Meter at one end belongs to Petitioner and other end belongs to PGCIL.
40	GAZUWAKA2-KALPAKKA 1:T2	400	400kVSS Gajuwaka (PGCIL)-400kVSS Kalapaka	
41	GAZUWAKA2-KALPAKKA 1:T1	400	400kVSS Gajuwaka (PGCIL)-400kVSS Kalapaka	
42	SUZLON-W1-VAJRAKUR:1	220	Suzlon Pooling Station-220kVSSVajrakur	Interface Meters are available at both ends of the line for energy accounting and losses purpose. Meter at one end belongs to Petitioner and other end belongs to M/s Suzlon (Private Developer)






## **Submission of POSOCO**

8. Respondent No.1, POSOCO, vide Affidavit dated 21.06.2022, has submitted as under:
- a) SRPC vide letter dated 23.01.2020 certified 9 non-ISTS lines owned by the Petitioner for the period 2015-2016 and 14 non-ISTS lines for the period 2016-2017, and vide letter dated 30.04.2020 certified 42 non-ISTS lines owned by the Petitioner for the period 2020-21, carrying inter-state power in excess of the 50% benchmark required the Sharing Regulations 2010. By a common order dated 07.07.2021, the APERC has determined the YTC charges for FY 2015-16, 2016-17, and 2020-2021 to the tune of Rs. 295.32 Crores in accordance with Sharing Regulations 2010. However, the Sharing Regulation 2010 was repealed on 1st Nov 2020. It is hereby pertinent to mention that for the period of 2017-18, 2018-19 & 2019-20, no such requests were made.
  - b) Consequent to the said order, vide letter dated 10.7.2021, the Petitioner had requested the Respondent to include YTC charges determined by the APERC for the period from 2015-16, 2016-17, and 2020-21 in the PoC mechanism as per the Sharing Regulations, 2010. In reply vide letter dated 15.07.2021, NLDC had intimated to the petitioner that CERC had notified (Sharing of inter-State Transmission Charges & Losses) Regulations 2020 vide notification dated 04.05.2020, which came into force w.e.f. 01.11.2020. In view of the provisions of the Sharing Regulations, 2020, which entail that in circumstances where an Intra-State system is used for inter-State flow of power, its tariff is required to be approved by CERC. Further, it was informed to APTRANSCO that in the absence of the tariff approved by CERC, the Intra-state transmission assets, as provided vide its letter dated 10.07.2021, shall not be considered for recovery of transmission charges under the Sharing Regulations, 2020.

## **Submission of Petitioner**

9. Petitioner vide affidavit dated 19.07.2023 has filled a Rejoinder to the POSOCO submission dated 21.06.2022, as under:
- a) That Respondent No.1's refusal, based on alleged non-compliance with the Sharing Regulations 2020, is erroneous. This is for the reason that the Petitioner's YTC claims are governed by the Sharing Regulations 2010. The Sharing Regulations 2020 was enforced on 01.11.2020, with prospective effect. Clearly, these Regulations shall govern claims for the period after its enforcement. Therefore, the

Petitioner's YTC claims for the period prior to 01.11.2020, i.e., until 31.10.2020, are governed by the Sharing Regulations 2010. This position has been affirmed and applied by this Commission by its recent orders dated 29.04.2023 in Petition No.297/TT/2022, 06.04.2023 in Petition No.113/TT/2022 and 10.04.2023 in Petition No.37/TT/2022.

- b) Respondent No.1 contends that upon enforcement of the Sharing Regulations 2020, YTC claims as per the Sharing Regulations 2010 are not maintainable. If Respondent No.1's contention is accepted, it would result in a retrospective application of the Sharing Regulations 2020. This shall also abrogate substantive and valuable rights that accrued in favor of the Petitioner, when it commenced the application procedure for the YTC claims under the Sharing Regulations 2010. This is contrary to the settled position that no law may retrospectively deny vested rights without it being specifically applicable on a retrospective basis. Since the application procedure was completed prior to the enforcement of the Sharing Regulations 2020, there is no basis for the Respondents to refuse inclusion of the Petitioner's YTC claims in the PoC mechanism.
- c) In respect of the assertion of Respondent No.1 that the Petitioner made no requests for inclusion of YTC claims for FY 2017-18, 2018-19, and 2019-20 by letter dated 10.07.2021, it is stated that in response to the request letters dated 19.01.18 for 2017-18, dated 23.07.18 for 2018-19 and 28.11.19 for 2019-20, sent by the Petitioner, Respondent No.1 has included the YTC claims for FY 2017-18, 2018-19, and 2019-20 in the respectively monthly transmission charges. The Petitioner also received the appropriate amounts from Respondent No.2 in respect of these YTC claims. Since YTC claims for FY 2017-18, 2018-19, and 2019-20 have already been allowed and recovered from the PoC mechanism, the Petitioner did not make any request for these claims vide the letter dated 10.07.2021.

### **Hearing on 26.07.2023**

- 10. The Commission directed the Petitioner to implead SRPC & SRLDC and further directed to furnish the following information:
  - i. The reason for the delay in approaching (on 25.4.2019) the SRPC for certification of non-ISTS lines carrying inter-State power for the years 2014-15, 2015-16, and 2016-17.

- ii. Clarify whether the meters owned/ installed by the Petitioner are ABT meters, as per the Central Electricity Authority (Installation and Operation of Meters) Regulations, 2006, under the control area of RLDC.
11. The Commission also directed POSOCO, CTUIL, and SRPC to provide the following information:
    - i. POSOCO to provide the methodology followed by the RPCs for certification of non-ISTS lines carrying inter-State power and confirm whether the methodology adopted by the SRPC is similar to the other RPCs.
    - ii. CTUIL to submit their analysis on the use of such non-ISTS lines in transmitting inter-state power vis-a-vis the adequacy of the inter-state system.
    - iii. SRPC issued certification on 19.6.2017, which was only for the year 2017- 18 and not for the period 2014-17. SRPC is directed to clarify what has changed between February 2017 (as per the methodology approved by SRPC during the 31st SRPC meeting held on 25.2.2017) and January 2020, when SRPC did not issue the Certification of non-ISTS lines carrying inter-State power for the years 2014- 15, 2015-16, and 2016-17 in June 2017 but certified for such periods vide letter 23.1.2020, which SRPC had previously specifically denied vide letter dated 13.5.2019.

**Submission of Petitioner:**

12. Petitioner on 07.08.2023 has filed “Amended Memo of Parties,” impleading SRPC and SRLDC as parties under the instant Petition.

**Submission of POSOCO:**

13. Respondent No.1 POSOCO vide affidavit dated 14.08.2023 has submitted the procedure followed by RPCs, as under:
  - a) Methodology followed by NRPC - A meeting was held for the Certification of Non-ISTS line for inclusion in PoC Charges on 08.01.16 at the NRPC Secretariat, New Delhi. The relevant extract of the minutes of this meeting is quoted below for reference:

*“(ii) It was proposed that a transmission line may be construed as being used for inter-state purposes only if average utilization for inter-state purposes based on the studies for 2nd and 4th quarter comes out to be more than 50 %. This was based on the logic that if the majority of the load utilization is by the other states then only the line should be considered as an inter-sate line. Also, if lines are certified for a minor fraction of ISTS*

power, a large number of lines will get included in the PoC charges. Thus, on one hand a state may receive payment for usage of its lines for inter-state transmission but on the one hand it will have to pay for lines of other states. Further, if a state 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 loads, then it would be merely an academic exercise as major part of transmission charges would be allocated to home state only. In view of the above, most of the members of the group agreed to the aforesaid proposal except that of RRVPNL. Latter had neither given any proper justification for its disagreement nor given any alternative proposal for such threshold utilization. It was also agreed that the threshold of 50% utilization may be reviewed next year, if required.

(iii) Certification of state-owned Transmission lines carrying ISTS will be valid for 01 year and claims for certification will have to be submitted by end of December every year.  
(iv) The study would be carried out for network with Transmission Line of 132 kV and above. Transmission line below 132 kV level would not be certified under this procedure.”

- b) Methodology followed by ERPC - Certification of non-ISTS line for inclusion in PoC Charges was discussed in the 35th ERPC meeting dated 25th February 2017. The relevant extract of the minutes of this meeting is quoted below for reference:

*“128th OCC decided that ISTS power flowing through STU lines greater than 50% of the total power as per the WebNet software of the validated data for each quarter will be considered as ISTS line.*

*In 129th OCC, OPTCL pointed that the PoC charges for STU lines should be calculated based on the actual ISTS power flow through STU lines as per the WebNet software of the validated data for each quarter.*

*However, after detailed deliberation all the STUs including OPTCL agreed that STU lines carrying ISTS power greater than 50% of the total power as per the WebNet software of the validated data for each quarter will be considered as non-ISTS line carrying ISTS power.”*

- c) Methodology followed by WRPC - in the 31st WRPC meeting, the Certification of 400 KV Seoni-Sarni and Seoni-Bhilai STU lines were discussed. The relevant extract of the minutes of this meeting is quoted below for reference:

*“(i) MS WRPC informed the agenda position. He stated that in case of 400 kV Seoni (in MP) – Bhilai (in Chhattisgarh) it being a Natural ISTS line by definition and so can be claimed under POC without certification of WRPC.*

*TCC agreed to this.*

*(ii) In case of 400kV Seoni (in MP) - Sarni(in MP) this line was recommended by TCC as deemed ISTS line, based on WRLDC studies, since 51% of the tariff of the said line is being used by other states.*

*(iii) TCC then discussed the possibility of the above line carrying less than 50% other states power in future. Since once a line has been declared deemed ISTS, it would be difficult to revert it to its original status as state line, as this would unnecessarily cause a lot of financial calculations and confusion.*

*Therefore, TCC recommended that once the state line is declared deemed ISTS based upon study, that line will retain the status of deemed ISTS for the rest of its life.*

*(iv)TCC recommended that for future claims for deemed ISTS status, the latest PoC study case validated by Validation Committee shall be used to decide the usage of the claimed lines by the home State and other than home State.”*

- d) Methodology followed by SRPC - certification of Non-ISTS line was discussed in the 33rd SR Commercial Committee Meeting held on 30.01.2018 and 31st SRPC meeting held on 25.02.2017. The relevant extract of the minutes of this meeting is quoted below for reference:

*“The certification would be valid for a financial Year. The base case of each quarter submitted by DIC to validation committee for PoC Computation of the previous financial year would be examined for certification in the current Year. If in each base case the usage of state owned line is more by other state than home state then those lines would be certified as Non-ISTS lines carrying Inter State Power. The usage of lines would be obtained through WebNet Software.”*

- e) Methodology followed by NERPC - certification of non-ISTS line was discussed in the 17th NERPC Meeting held on 03rd October 2016. The relevant extract of the minutes of this meeting is quoted below for reference:

*“Based on initial studies by MeECL the following lines have been found to cater loads of other states in addition to Meghalaya, so they may be declared as ISTS line:*

- 1. 220kV D/C Misa - Killing*
- 2. 132 kV S/C Agia - Nagalbibra*
- 3. LILO of 400kV D/C Pallatana - Bongaigoan at 400/220kV Killing S/S*

*The matter was discussed in one of the sub-group meetings and it was suggested that NLDC/NERLDC may conduct studies by WebNet software and inform the members of load flow patterns.*

*During 125th OCCM, NERLDC presented the details of the study results as follows:*

- |  |             |
|--|-------------|
| <input type="checkbox"/> 400kV Silchar - Byrnihat    | : 12.9971 % |
| <input type="checkbox"/> 400kV Bongaigaon - Byrnihat | : 10.1268%  |
| <input type="checkbox"/> 220 kV Misa - Byrnihat I    | : 26.1397%  |
| <input type="checkbox"/> 220 kV Misa - Byrnihat II   | : 26.1397%  |

*The OCC members thanked NERLDC/NLDC for conducting the study and Meghalaya may approach SERC/CERC after TCC/RPC approval. Placed for approval of TCC/NERPC*

*Deliberation of the TCC*

*Based on the study of NERLDC, TCC approved the declaration of:*

- 1. 220kV Misa – Killing D/C Line and*
- 2. LILO of 400kV, D/C Pallatana - Bongaigoan at 400/220kV Killing S/S as ISTS Line and recommended for approval of NERPC.*

*TCC recommended for approval of NERPC.”*

### **Submission of SRPC:**

14. Respondent SRPC vide affidavit dated 14.08.2023 has submitted as under:
- a) APTRANSCO, vide letter dated 09.12.2016, requested the SRPC Secretariat to certify certain intra-state lines so that the same line can be considered for inclusion in POC charges. The methodology for SRPC certification of intra-State lines, carrying power to other states, which shall be applicable to all the Utilities, was deliberated & recommended to be put up for approval of SRPC in the 33<sup>rd</sup> Meeting of Commercial Sub Committee (CCM) of SRPC held on 31.01.2017. Subsequently, in the 31<sup>st</sup> SRPC meeting held on 25.02.2017, SRPC deliberated and approved the Methodology for certification of non –ISTS lines having more than 50 % utilization for carrying inter-state power transmission by the SRPC Secretariat.
  - b) SRPC Secretariat in consultation with SRLDC has been carrying out Certification of non-ISTS lines having more than 50% utilization for carrying inter-state power transmission on yearly basis based on the Base Case of each quarter submitted by DIC to the validation Committee for PoC computation. Certifications in consultation with SRLDC were issued by the SRPC Secretariat during the Period of 2017-2020.
  - c) APSLDC, vide letter dated 31.07.2018, requested for certification of natural ISTS lines for the years 2014-15, 2015-16 and Non-ISTS lines carrying ISTS power for the years 2014-15, 2015-16, 2016-17, and requested to take up the issue of removing 50% cutoff for certifying non-ISTS lines carrying ISTS power in the forthcoming 34<sup>th</sup> SRPC Meeting held on 11.08.2018. Based on the recommendation of the special meeting held on 11.01.2019 to review the criteria for certification of non-ISTS lines, the SRPC Secretariat in the 35<sup>th</sup> SRPC meeting held on 02.02.2019 had decided to retain the criteria of greater than 50% for certifying the non-ISTS lines as deemed ISTS lines.
  - d) APSLDC, vide letter dated 25.04.2019, requested SRPC Certification for non-ISTS lines carrying interstate power having more than 50% utilization during the financial years 2014-15, 2015-16, and 2016-17 for filing a petition before CERC/APERC. SRPC Secretariat, vide letter dated 13.05.2019 informed that the Certification could be processed only for the subsequent period from the date of adoption of procedure by SRPC, which is 25.02.2017.
  - e) The matter was discussed in the 36<sup>th</sup> meeting of SRPC held on 12.07.2019, wherein the following was deliberated:

- i. SRPC Secretariat had informed that the certification could be processed only for the subsequent period from the date of adoption of the procedure by SRPC. POC rates could not be revised.
  - ii. SRPC Secretariat was suggested to look into possibility of certifying for previous period. STUs would approach CERC and as per CERC directive, future course of action will be taken.
  - iii. POSOCO was requested to provide details to the SRPC secretariat. NLDC stated that they would examine the matter and revert.
- f) Subsequently, SRPC Secretariat vide letters dated 24.09.2019 and 29.10.2019, requested NLDC to provide the PoC-based Data Files for the years 2013-14, 2014-15, and 2015-16 to SRPC Secretariat. Using the details obtained, the Certification of non-ISTS lines carrying inter-State power having more than 50 % utilization for the years 2014-15, 2015-16 & 2016-17 had been carried out by the SRPC Secretariat and communicated to the State Utilities vide letter dated 23.01.2020.

### **Submission of Petitioner**

15. Petitioner vide affidavit dated 11.09.2023 has submitted as follows:
- a) Petitioner has been repeatedly requesting SRPC to issue the necessary certification since December 2016. This request was reiterated by letters dated 31.07.2018 and 25.04.2019. Between 2016 and 2019, the Petitioner issued at least 6 written communications to SRPC for the issuance of the requisite certification of Subject Non-ISTS lines.
  - b) Delay in issuing the certification is on account of (i) delay of more than 22 months in finalisation of the methodology to identify non-ISTS lines having more than 50% utilization for carrying inter-state power transmission; (ii) delay by SRPC in seeking approval from Respondent No.1, NLDC and SRLDC for issuing certification retrospectively for the previous financial years and (iii) delay of more than 3 years by SRPC in processing the petitioner's request. There is no delay by the Petitioner in approaching SRPC for issuance of the requisite certification under the Sharing Regulations 2010. In any event, the delay of the Petitioner, if any, has been principally condoned by APERC vide order dated 07.07.2021 permitting the Petitioner to include YTC for FY 2015-17, and 2020-21 in the PoC mechanism.
  - c) Ownership of the ABT meters is irrelevant for the adjudication of this Petition. The necessary due diligence has already been conducted by SRPC at the time of issuing

the necessary certification for the Subject Non-ISTS Lines in consultation with POSOCO, NLDC, and SRLDC. In principle, this has also been approved by APERC while determining the YTC charges for inclusion in the PoC pool. Further, without prejudice to the foregoing submissions, the details regarding ownership and installation of the ABT meters are also submitted as follows:

- i. The energy meters are installed by the Petitioner at both ends of transmission lines for accounting and audit purposes.
- ii. There are some non-ISTS lines between the Petitioner and Power Grid Corporation of India Ltd. or National Thermal Power Corporation. These lines are under the control of the SRLDC, accordingly, ABT meters have been installed, and the data is available with SRLDC.
- iii. The list of these non-ISTS lines having ABT meters under the control of SRLDC and having non-ABT meters installed by the Petitioner for accounting and audit purposes as per the CEA Regulations for the relevant financial years is as under:

<b>FY 2015-16</b>			
<b>S. No.</b>	<b>Asset</b>	<b>Voltage (kV)</b>	<b>Meter Information</b>
1.	SULURPETA-NELLORE-PG:1	220	ABT Meters are available and energy details are being sent to SRLDC (under the control of RLDC).
2.	NELLORE-NELLORE-PG:1	220	
3.	NELLORE-NELLORE-PG:2	220	
4.	NELLORE-NELLORE-PG:3	220	
5.	CHITTOOR-RENIGUNTA:1	220	Non-ABT meters are available at both ends of the line and are under the control of APSLDC
6.	RENIGUNTA-NAGARI:1	220	
7.	CHITTOOR-NAGARI:2	220	
8.	KRISHNAPATNAM-NELLORE-AP:1	400	
9.	KRISHNAPATNAM-NELLORE-AP:2	400	
<b>2016-17</b>			
<b>S. No.</b>	<b>Asset</b>	<b>Voltage (kV)</b>	<b>Meter Information</b>
1.	SULURUPETA-NELLORE42:1	220	ABT Meters are available and energy details are being sent to SRLDC (under the control of RLDC).
2.	NUNNA2-VTPS-IV:1	400	
3.	GAZUWAKA1-KALAPAKA1:1	400	
4.	GAZUWAKA1-KALAPAKA1:2	400	
5.	KONDAPALLI-CHILAKALLU:1	220	Non-ABT meters are available at both ends of the line and are under the control of APSLDC.
6.	KONDAPALLI-CHILAKALLU:2	220	
7.	KURNOOL-BRAHMANKTKUR:1	220	
8.	KONDAPALLI-VTPS:1	220	
9.	KONDAPALLI-VTPS:2	220	
10.	VTPS-CHILAKALLU:1	220	



11	VTPS-CHILAKALLU:2	220	
12	VTPS-RENTACHINTALA:2	220	
13	CHITTOOR-SDSTPS:1	400	
14	CHITTOOR-SDSTPS:2	400	

2020-21			
S. No	Asset	Voltage (kV)	Meter Information
1.	SULURPET1-NELLORE42:1	220	ABT Meters are available and energy details are being sent to SRLDC (under the control of RLDC).
2.	SULURPET1-NELLORE42:3	220	
3.	SULURPET1-NELLORE42:2	220	
4.	NUNNA2-VEMAGIRI1:T3	400	
5.	GAZUWAKA2-KALPAKKA 1:T2	400	
6.	GAZUWAKA2-KALPAKKA 1:T1	400	
7.	KURNOOL2-JAMALAMADUGU1:Q1	400	Non-ABT meters are available at both ends of the line and are under the control of APSLDC.
8.	KURNOOL2-JAMALAMADUGU1:Q2	400	
9.	VEMAGIRI1-SATTENAPALLI:T1	400	
10.	JAMALAMADUGU1-TALARICHER1:Q2	400	
11.	JAMALAMADUGU1-TALARICHER1:Q1	400	
12.	URAVAKONDA-HINDUPUR3:Q1	400	
13.	URAVAKONDA-HINDUPUR3:Q2	400	
14.	URAVAKONDA-TALARICHER1:Q1	400	
15.	URAVAKONDA-TALARICHER1:Q2	400	
16.	CHITTOOR42-CHITTOOR1:1	220	
17.	CHITTOOR42-CHITTOOR1:2	220	
18.	CHITTOOR1-KALIKIRI1:1	220	
19.	GOOTY-PG-DHONE1:2	220	
20.	GOOTY-PG-DHONE1:1	220	
21.	KONDAPALLI1-CHILLAKALLU1:1	220	
22.	KONDAPALLI1-CHILLAKALLU1:2	220	
23.	KURNOOL1-BRAHMANKTKUR:1	220	
24.	URVAKONDA-BORAMPALLI:2	220	
25.	URVAKONDA-BORAMPALLI:1	220	
26.	URVAKONDA-BORAMPALLI:4	220	
27.	URVAKONDA-BORAMPALLI:3	220	
28.	MACHERLA-RENTCHNTHALA:1	132	
29.	MACHERLA-RENTCHNTHALA:2	132	
30.	CHITTOOR2-SDSTPS:Q2	400	
31.	CHITTOOR2-SDSTPS:Q1	400	
32.	SRISAILAMRB1-TALLAPALLI:1	220	
33.	SRISAILAMRB1-TALLAPALLI:2	220	
34.	SRISAILAMRB1-MYDUKUR:1	220	
35.	VTS1-CHILLAKALLU1:1	220	
36.	VTS1-CHILLAKALLU1:2	220	
37.	VTS1-RENTACHNTHALA1:2	220	
38.	SRISAILAMRB1-SOMYZULPALLI:1	220	
39.	SRISAILAMRB1-BELKALAGUDUR:1	220	
40.	HINDUJA-KVKOTA1:T2	400	
41.	HINDUJA-KVKOTA1:T1	400	
42.	SUZLON-W1-VAJRAKUR:1	220	

- d) The subject Non-ISTS lines in this Petition are intra-state lines owned by the Petitioner. The energy meters are installed by the Petitioner at both ends of transmission lines for accounting and audit purposes. There are some non-ISTS lines between the Petitioner and Power Grid Corporation of India Limited or National Thermal Power Corporation. These lines are under the control of the SRLDC. Accordingly, for these lines, ABT meters have been installed and the data is available with SRLDC.

### **Hearing on 15.12.2023**

16. The Commission reserved the order in the matter on 15.12.2023.

### **Submission of CTUIL**

17. Respondent CTUIL vide affidavit dated 08.01.2024 has submitted as under:
- a) CTUIL carries out system studies and identifies the transmission system for future time frame with certain assumptions and analysis for 9 nos. of scenarios wherein different Load Generation Balance (LGB) are considered for finalization of the transmission schemes. CTUIL then submits the same in consultation with stakeholders for approval and its implementation in consultation.
- b) Under some of the scenarios, the Southern Region imports a large quantum of power from the NEW grid during peak demand, and under other scenarios (like Off-peak demand conditions & peak RE generation scenario) Southern Region exports surplus power to the NEW grid. In these scenarios, power flow on the ISTS line, as well as STU lines, varies significantly, so much so that on some of the transmission lines, power flow changes in the reverse direction. It is difficult to determine the quantum of ISTS power flowing on STU lines, and CTU does not have any tool for the purpose. CTU is not in a position to submit the analysis on the use of non-ISTS lines in transmitting inter-State power as sought by the Commission. GRID-INDIA would be in a better position to submit their analysis as they have the real time data for power flow on the transmission lines mentioned in the subject petition.
- c) With regard to the adequacy of the inter-State transmission system, the ISTS network in SR is adequate for transferring of shares of the SR beneficiaries from ISGS and Open Access.

## **Written Submission of Petitioner**

18. Petitioner vide written submission dated 08.01.2024 has reiterated the submission previously made.

## **Analysis and Decision**

19. We have considered the submissions of the Petitioner and perused all relevant documents on record.
20. The Petitioner, vide the instant Petition, is seeking issuance of appropriate direction to the Respondent POSOCO to include the Yearly Transmission Charges ('YTC') determined by the APERC vide order dated 7.7.2021 for inter-State transmission lines owned by the Petitioner in the PoC mechanism for the period from 2015-16, 2016-17 and 2020-21 (up to 31.12.2020), as per the Sharing Regulations 2010 and Regulation 22 of the Sharing Regulations 2020. The Petitioner has submitted that the claim of recovering transmission charges pertains to two periods (i) the period prior to 01.11.2020, i.e., the date of effectiveness of the Sharing Regulations 2020; (ii) the period from 01.11.2020 until 31.12.2020. The Petitioner approached POSOCO vide letter dated 10.07.2021 for inclusion of such YTC charges in the PoC transmission charges. POSOCO, vide letter dated 15.07.2021, had refused the inclusion of such YTC in PoC charges and stated that in the absence of the mandatory approval of YTC by this Commission, the Petitioner is not entitled to recover such YTC under the Sharing Regulations 2020.
21. Respondent POSOCO has submitted that CERC had notified (Sharing of inter-State Transmission Charges & Losses) Regulations 2020, which came into force on 01.11.2020, as per which if an Intra-State system is used for an inter-State flow of power, its tariff is required to be approved by CERC. POSOCO also informed APTRANSCO that in the absence of the tariff approved by CERC, the Intra-state transmission assets, as provided vide its letter dated 10.07.2021, shall not be considered for recovery of transmission charges under the Sharing Regulations 2020.
22. CTUIL has submitted that the Southern Region imports a large quantum of power from the NEW grid during peak demand. Under other scenarios (like Off-peak demand conditions and peak RE generation scenario) the Southern Region exports surplus power to the NEW grid. In these scenarios, power flow on ISTS line as well as STU lines varies significantly, so much so that on some of the transmission lines power flow changes in the reverse direction.

23. We have considered the submission of the Petitioner, Respondents, and facts on record. The following issues arise for our consideration:

**Issue No.1: Whether the petitioner is entitled to inclusion of transmission charges determined by the APERC for non-ISTS lines certified by SRPC to be carrying inter-state power, for the period from 2015-16, 2016-17, and 2020-21 (up to 31.10.2020) in the PoC mechanism as per the Sharing Regulations, 2010?**

**Issue No.2: Whether the petitioner is entitled to include transmission charges determined by the APERC for non-ISTS lines certified by SRPC to carry inter-state power for the period 01.11.2020 to 31.12.2020 in the PoC mechanism as per the Sharing Regulations, 2010?**

The issues shall be dealt with in the subsequent Paragraphs.

**Issue No.1: Whether the petitioner is entitled to inclusion of transmission charges determined by the APERC for non-ISTS lines certified by SRPC to be carrying inter-state power for the period from 2015-16, 2016-17 and 2020-21 (up to 31.10.2020) in the PoC mechanism as per the Sharing Regulations, 2010?**

24. The relevant extract of the SRPC letter dated 23.01.2020 and letter dated 30.04.2020 vide which SRPC has certified non-ISTS lines carrying interstate power during 2015-16, 2016-17 and 2020-21:

SRPC letter dated 23.01.2020

“.....

*Subject: Certification of Non-ISTS Line carrying interstate power for the period 2014-15, 2015-16 and 2016-17, which were having more than 50% utilization for interstate power transmission during the Years 2013-14, 2014-15 and 2015-16 respectively-reg.*

Sir,

*CERC Third Amendment of Sharing of Inter-State Transmission Charges and Losses Regulations 2015, Clause 2. 1. 3 of Annexure – I stipulate as below;*

*“Certification of non-ISTS lines carrying inter-state power, which were not approved by the RPCs on the date of notification of the Central Electricity Regulatory Commission (Sharing of Transmission Charges and Losses) Regulations, 2009, shall be done on the basis of load flow studies. For this purpose, STU shall put up proposal to the respective RPC Secretariat for approval. ROC Secretariat, in consultation with RLDC, using WebNet software would examine the proposal. The results of the load flow studies and participation factor indicating flow of Inter State power on these lines*

shall be used to compute the percentage of usage of these lines as inter state transmission The software in the considered soenarlo will give percentage of usage of these lines by, home state and other than home state for testing the usage, tariff of similar ISTS line may be used. The tariff of the line will also be allocated by software to the home state and other than home stat. Based on percentage usage of ISTS in base case, RPC will approve whether the particular state line is being used as ISTS or not.”

In compliance with the regulations, the lines as listed in the respective Annexures are certified as lines carrying power, in consultation with SRLDC:

- (i) For the year 2014-15, no Non-ISTS lines have qualified for certification. The data used for the study is taken from Quarter- 1 to Quarter-4 of 2013-14, which is considered for POC computation.
- (ii) For the year 2015-16, 10 non ISTS lines, given at Annexure I hereto. The data used for did study is taken from Quarter- 1 to Quarter-4 of 2014-15, which is considered for POC computation.
- (iii) For the Year 2016-17, 17 non ISTS lines, given at Annexure II hereto. The data used for the study is taken from Quarter-1 to Quarter-4 of 2015-16, which is considered for POC computation.

*Annexure-I*

*Non-ISTS Lines Certified for the year 2015-16*

<b>Sl. No.</b>	<b>Lines Certified by RPC</b>	<b>Voltage (kV)</b>	<b>State</b>
1	CHITTOOR-RENGUNTA:1	220	AP
2	CHITTOOR-NAGARI:2	220	AP
3	SULURETA-NLR-PG:1	220	AP
4	KRPTNAM-NLR-AP:1	400	AP
5	KRPTNAM-NLR-AP:2	400	AP
6	NELLORE-NLR-PG:1	220	AP
7	NELLORE-NLR-PG:2	220	AP
8	NELLORE-NLR-PG:3	220	AP
9	RENIGUNTA-NAGARI:1	220	AP
10	PONDY42-BHAHUR2:1	220	PY

*Annexure-II*

*Non-ISTS Lines Certified for the year 2016-17*

<b>S. No.</b>	<b>Lines Certified by RPC</b>	<b>Voltage (kV)</b>	<b>State</b>
1.	SULURETA-NLR42:1	220	AP
2	KONAPLLY -VTPS:1	220	AP
3	KONAPLLY I-VTPS:2	220	AP
4	KONAPLLY-CHILAALLU:1	220	AP
5	KONAPLLY -CHILAALLU:2	220	AP
6	VTPS-CHILAALLU:1	220	AP
7	VTPS-CHILAALLU:2	220	AP
8	VTPS-RENACALA:2	220	AP



9	KURNOOL-BKOTKUR:1	220	AP
10	CHITTOOR-SDSTPS:1	400	AP
11	CHITTOOR-SDSTPS:2	400	AP
12	NUNNA2-VTPS-IV:1	400	AP
13	GAZUWAKA1-KALAPAKA1:1	400	AP
14	GAZUWAKA1-KALAPAKA1:2	400	AP
15	TANDUR2-YDMLRM2: 1	220	TS
16	ABISEK42-KAYTHAR2:I	220	TN
17	ABISEK42-VERANAM2: I	220	TN

SRPC Letter dated 30.04.2020

“ .....

*Subject: Certification of Non-ISTS Line carrying interstate power for the period 2020-21, which were having more than 50% utilization for interstate power transmission during the Year 2019-20 -Regarding.*

.....

.....

*In compliance with the regulations, 66 non ISTS lines as listed in the Annexure are certified as lines carrying interstate power, in consultation with SRLDC. The data used for the study is taken from Quarter -I to Quarter-IV of 2019-20, which is considered for POC computation as discussed.*

Annexure

S. No	Lines Certified by RPC	Voltage (kV)	State
1.	CHITTOOR2-SDSTPS:Q2	400	AP
2.	CHITTOOR2-SDSTPS:Q1	400	AP
3.	NUNNA2-VEMAGIRI1:T3	400	AP
4.	GAZUWAKA2-KALPAKKA1:T2	400	AP
5.	GAZUWAKA2-KALPAKKA 1:T1	400	AP
6.	KURNOOL2-JAMALAMADUGU1:Q1	400	AP
7.	KURNOOL2-JAMALAMADUGU1:Q2	400	AP
8.	VEMAGIRI1-SATTENAPALLI:T1	400	AP
9.	HINDUJA-KVKOTA1:T2	400	AP
10.	HINDUJA-KVKOTA1:T1	400	AP
11.	JAMALAMADUGU1-TALARICHER1:Q2	400	AP
12.	JAMALAMADUGU1-TALARICHER1:Q1	400	AP
13.	NPKUNTA-HINDUPIJR3:Q2	400	AP
14.	NPKUNTA-HINDUPIJR3:Q1	400	AP
15.	URAVAKONDA-HINDUPUR3:Q1	400	AP
16.	URAVAKONDA-TALARICHER1:Q1	400	AP
17.	URAVAKONDA-HINDUPUR3:Q2	400	AP
18.	URAVAKONDA-TALARICHER1:Q2	400	AP
19.	KHAMMAM-ASUPAKAI:TI	400	TS
20.	GUMDIP2-NCTPS-I: 1	230	TN
21.	ABISEK42-SANKNR12: 1	230	TN
22.	ABISEK42-KAYTHAR2:1	230	TN
23.	ABISEK42-VERANAM2:1	230	TN
24.	ABISEK42-UDAYATR2:1	230	TN



25.	ABISEK42-VERANAM2:2	230	TN
26.	UDMLPT2-MYVADY42:1	230	TN
27.	UDMLPT2-MYVADY42:2	230	TN
28.	CHITTOOR42-CHITTOOR1:1	220	AP
29.	CHITTOOR42-CHITTOOR1:2	220	AP
30.	SULURPET1-NELLORE42:1	220	AP
31.	SULURPET1-NELLORE42:3	220	AP
32.	SULURPET1-NELLORE42:2	220	AP
33.	CHITTOOR1-KALIKIRI1:1	220	AP
34.	GOOTY-PG-DHONE1:2	220	AP
35.	GOOTY-PG-DHONE1:1	220	AP
36.	KONDAPALLI1-CHILLAKALLU1:1	220	AP
37.	KONDAPALLI1-CHILLAKALLU1:2	220	AP
38.	SRISAILAMRB1-TALLAPALLI:1	220	AP
39.	SRISAILAMRB1-MYDUKUR:1	220	AP
40.	SRISAILAMRB1-TALLAPALLI:2	220	AP
41.	SRISAILAMRB1-SOMYZULPALLI:1	220	AP
42.	SRISAILAMRB1-BELKALAGUDUR:1	220	AP
43.	VTS1-CHILLAKALLU1:1	220	AP
44.	VTS1-RENTACHNTHALA1:2	220	AP
45.	VTS1-CHILLAKALLU1:2	220	AP
46.	KURNOOL1-BRAHMANKTKUR:1	220	AP
47.	SUZLON-W1-VAJRAKUR:1	220	AP
48.	URVAKONDA-BORAMPALLI:2	220	AP
49.	URVAKONDA-BORAMPALLI:1	220	AP
50.	URVAKONDA-BORAMPALLI:4	220	AP
51.	URVAKONDA-BORAMPALLI:3	220	AP
52.	SEDAMI-RAICHURTPS:1	220	KA
53.	SEDAMI -SHAHAPUR: 1	220	KA
54.	SEDAMI -RAICHURTPS:2	220	KA
55.	RAICHURTPS-RAIHURI:1	220	KA
56.	RAICHURTPS-RAIHURI:2	220	KA
57.	CHIKKODI-BELGAUM:2	220	KA
58.	CHIKKODI-BELGAUM:1	220	KA
59.	CHIKKODJ-GATAPRABA:1	220	KA
60.	CHIKKODJ-GATAPRABA:2	220	KA
61.	MACHERLA-RENTCHNTHALA:1	132	AP
62.	MACHERLA-RENTCHNTHALA:2	132	AP
63.	WANPATHY -CHIAMOOR: 1	132	TS
64.	ALAMPUR-CHIAMOOR: 1	132	TS
65.	GNSHPHD-W.PALLI: 1	132	TS
66.	GNSHPHD-W.PALLI: 1	132	TS

.....”

25. Petitioner has submitted that SRPC, vide letter dated 23.01.2020, has certified 9 non-ISTS lines for the period 2015-2016 and 14 non-ISTS lines for the period 2016-2017 and further vide letter dated 30.04.2020 certified 42 non-ISTS lines for the period 2020-21, owned by the Petitioner. The Petitioner has submitted that subsequent to the certification of SRPC, the Petitioner filed Petitions before the

APERC on 05.10.2020 seeking a determination of YTC for FY 2015-16, 2016-17, and 2020-2021, which was disposed of vide Order 07.07.2021 by APERC. The details of line-wise YTC approved by the APERC vide a common order in O.P. Nos. 42 & 47 of 2020 for these lines are as under:

<b>Non-ISTS Lines Certified for the Year 2015-16</b>			
<b>S. No.</b>	<b>Asset</b>	<b>Voltage (kV)</b>	<b>YTC for FY 2015-16 (Rs.in Lakhs)</b>
1	CHITTOOR-RENGUNTA:1	220	197.16
2	CHITTOOR-NAGARI:2	220	98.76
			206.80
3	SULURETA-NLR-PG:1	220	44.73
			29.78
4	KRPTNAM-NLR-AP:1	400	670.70
5	KRPTNAM-NLR-AP:2	400	
6	NELLORE-NLR-PG:1	220	12.23
			32.31
7	NELLORE-NLR-PG:2	220	12.33
			32.31
8	NELLORE-NLR-PG:3	220	75.93
9	RENIGUNTA-NAGARI:1	220	17.22
			206.80

<b>Non-ISTS Lines Certified for the Year 2016-17</b>			
<b>S. No.</b>	<b>Asset</b>	<b>Voltage (kV)</b>	<b>YTC for FY2016-17 (Rs. in Lakhs)</b>
1.	SULURUETA-NLR42:1	220	46.57
			29.19
2	KONAPLLY -VTPS:1	220	3.98
3	KONAPLLY I-VTPS:2	220	10.06
4	KONAPLLY-CHILAALLU:1	220	113.67
5	KONAPLLY -CHILAALLU:2	220	146.65
6	VTPS-CHILAALLU:1	220	89.08
7	VTPS-CHILAALLU:2	220	253.46
8	VTPS-RENACALA:2	220	67.73
			4.71
9	KURNOOL-BKOTKUR:1	220	89.18
10	CHITTOOR-SDSTPS:1	400	8745.20
11	CHITTOOR-SDSTPS:2	400	
12	NUNNA2-VTPS-IV:1	400	156.28
13	GAZUWAKA1-KALAPAKA1:1	400	19.49
14	GAZUWAKA1-KALAPAKA1:2	400	16.40



**Non-ISTS Lines Certified for the year 2020-21**

S. No	Asset	Voltage (kV)	YTC for FY2020-21 (Rs. in Lakhs)
1.	CHITTOOR2-SDSTPS:Q2	400	7475.13
2.	CHITTOOR2-SDSTPS:Q1	400	
3.	NUNNA2-VEMAGIRI1:T3	400	530.2
4.	GAZUWAKA2-KALPAKKA1:T2	400	17.77
5.	GAZUWAKA2-KALPAKKA 1:T1	400	
6.	KURNOOL2-JAMALAMADUGU1:Q1	400	2614.67
7.	KURNOOL2-JAMALAMADUGU1:Q2	400	
8.	VEMAGIRI1-SATTENAPALLI:T1	400	1416.34
			500.87
9.	HINDUJA-KVKOTA1:T2	400	6925.56
10.	HINDUJA-KVKOTA1:T1	400	
11.	JAMALAMADUGU1-TALARICHER1:Q2	400	2908.98
12.	JAMALAMADUGU1-TALARICHER1:Q1	400	
13.	URAVAKONDA-HINDUPUR3:Q1	400	3922.41
14.	URAVAKONDA-HINDUPUR3:Q2	400	
15.	URAVAKONDA-TALARICHER1:Q1	400	86.74
16.	URAVAKONDA-TALARICHER1:Q2	400	
17.	CHITTOOR42-CHITTOOR1:1	220	56.51
18.	CHITTOOR42-CHITTOOR1:2	220	
19.	SULURPET1-NELLORE42:1	220	64.61
			19.69
20.	SULURPET1-NELLORE42:3	220	846.18
21.	SULURPET1-NELLORE42:2	220	
22.	CHITTOOR1-KALIKIRI1:1	220	55.19
23.	GOOTY-PG-DHONE1:2	220	558.56
24.	GOOTY-PG-DHONE1:1	220	
25.	KONDAPALLI1-CHILLAKALLU1:1	220	95.15
26.	KONDAPALLI1-CHILLAKALLU1:2	220	121.65
27.	SRISAILAMRB1-TALLAPALLI:1	220	168.69
28.	SRISAILAMRB1-TALLAPALLI:2	220	
29.	SRISAILAMRB1-MYDUKUR:1	220	141.64
30.	SRISAILAMRB1-SOMYZULPALLI:1	220	90.47
31.	SRISAILAMRB1-BELKALAGUDUR:1	220	60.36
			18.22
32.	VTS1-CHILLAKALLU1:1	220	83.65
33.	VTS1-RENTACHNTHALA1:2	220	93.96
			3.85
34.	VTS1-CHILLAKALLU1:2	220	212.26
35.	KURNOOL1-BRAHMANKTKUR:1	220	72.57
36.	SUZLON-W1-VAJRAKUR:1	220	4.44
37.	URVAKONDA-BORAMPALLI:2	220	650.70
38.	URVAKONDA-BORAMPALLI:1	220	
39.	URVAKONDA-BORAMPALLI:4	220	629.23
40.	URVAKONDA-BORAMPALLI:3	220	
41.	MACHERLA-RENTCHNTHALA:1	132	51.41
42.	MACHERLA-RENTCHNTHALA:2	132	43.42

26. The Petitioner has submitted that by a letter dated 15.07.2021, the Petitioner had requested the POSOCO to include YTC charges determined by the APERC for the period from 2015-16, 2016-17, and 2020-21 (up to 31.12.2020) in the PoC mechanism as per the Sharing Regulations 2010, but POSOCO vide letter dated 15.7.2021 refused to include the YTC charges in the PoC mechanism.
27. POSOCO has submitted that when the petitioner approached POSOCO on 10.07.2021, the Sharing Regulations 2010 had been repealed, and the Sharing Regulations 2020 came into force w.e.f. 01.11.2020. The provisions of the Sharing Regulations 2020, entail that in circumstances where an Intra-State system is used for inter-State flow of power, its tariff is required to be approved by CERC.
28. In response to the Commission's query to clarify the reasons for approaching the NLDC for the period 2015-17 in 2021, Petitioner submitted that it has been requesting SRPC to identify and certify the non-ISTS carrying inter-state power to avail the benefit of the Sharing Regulations 2010, but despite repeated requests and reminders of the Petitioner, there was a substantial delay in finalizing the methodology for identifying such non-ISTS carrying inter-state power. This led to a consequential delay in the issuance of the requisite certification by SRPC, and further, the delay is also on account of the pendency of the Petition seeking the determination of YTC charges for more than 15 months before the State Commission.
29. In response to the Commission query to clarify what has changed between February 2017 and January 2020, when SRPC did not issue the Certification of non-ISTS lines carrying inter-State power for the years 2014- 15, 2015-16, and 2016-17 in June 2017 but certified for such periods vide letter 23.1.2020, which SRPC had previously specifically denied vide letter dated 13.5.2019, SRPC submitted that all the past certifications were issued subsequent to the date of adoption of the Certification Methodology. However, the issue was taken up in the 36<sup>th</sup> SRPC Meeting held on 12.07.2019 for considering the APTRANSCO request for issuance of certification for the years 2014-15, 2015-16 and 2016-17. SRPC further submitted that based on the suggestion of the TCC/SRPC forum, SRPC vide letter dated 23.01.2020 had issued certification for the years 2014-15, 2015-16, and 2016-17.
30. In response to the Commission's direction to CTUIL to submit their analysis on the use of such non-ISTS lines in transmitting inter-state power vis-a-vis the adequacy of the inter-state system, CTUIL submitted that under some of the scenarios, Southern Region imports large quantum of power from NEW grid during peak

demand and under other scenarios Southern Region exports surplus power to NEW grid and such scenarios, power flow on ISTS line as well STU lines varies significantly, so much so that on some of the transmission lines power flow changes in reverse direction. CTUIL further submitted that it is difficult to determine the quantum of ISTS power flowing on STU lines, and CTU does not have any tool for the purpose.

31. We have considered the submission of Petitioner and Respondents.

32. We have perused Clause (n) of Regulation 7(1) of the Sharing Regulations, 2010 which provides as under:

*“7. Process to determine Point of Connection Transmission Charges and losses allocations  
(10 The process to determine the allocation of transmission charges and losses shall be as under, and as per timelines set out subsequently in Chapter 7 of these regulations:*

.....

*(n) For the computation of transmission charges at each node as per Hybrid Methodology, cost of ISTS transmission licensees whose lines feature on the Basic Network shall be considered:*

*Provided that in case of STU lines which are physically inter-State lines and whose tariff is approved by the Commission, such tariff shall be considered for computation of PoC charges:*

*Provided further that in case of non-ISTS lines (lines owned by STUs but being used for carrying inter-State power as certified by respective RPCs), the asset-wise tariff as approved by the respective State Commission shall be considered. Where asset-wise tariff is not available, the tariff as computed by the Commission based on the ARR of the STUs (as approved by respective State Commissions) by adopting the methodology similar to the methodology used for ISTS transmission licensees shall be considered. The transmission charges received by the concerned STU on this account shall be adjusted in its approved Annual Revenue Requirement.”*

As per the above, for the lines owned by STUs but being used for carrying inter-State power as certified by respective RPCs, the asset-wise tariff as approved by the respective State Commissions or the tariff as computed by the Central Commission shall be considered for computation of PoC charges. Further, the transmission charges received by the concerned STU on this account shall be adjusted in its approved Annual Revenue Requirement.

33. Further Clause 2.1.3 of Annexure-I of the Sharing Regulations, 2010, provides as under:

.....

*“Certification of non-ISTS lines carrying inter-State power, which were not approved by the RPCs on the date of notification of the Central Electricity Regulatory Commission (Sharing of Transmission Charges and Losses) Regulations, 2009, shall be done on the basis of load flow studies. For this purpose, STU shall put up proposal to the respective RPC Secretariat for approval. RPC Secretariat, in consultation with RLDC, using WebNet Software would examine the proposal. The results of the load flow studies and participation factor indicating flow of Inter State power on these lines shall be used to compute the percentage of usage of these lines as inter State transmission. The software in the considered scenario will give percentage of usage of these lines by home State and other than home State. For testing the usage, tariff of similar ISTS line may be used. The tariff of the line will also be allocated by software to the home State and other than home State. Based on percentage usage of ISTS in base case, RPC will approve whether the particular State line is being used as ISTS or not. Concerned STU will submit asset-wise tariff. If asset wise tariff is not available, STU will file petition before the Commission for approval of tariff of such lines. The tariff in respect of these lines shall be computed based on Approved ARR and it shall be allocated to lines of different voltage levels and configurations on the basis of methodology which is being done for ISTS lines.”*

As per the above, certification of non-ISTS lines carrying inter-State power shall be carried out by the RPC Secretariat based on the proposal put up by STU. The RPC Secretariat, in consultation with RLDC and based on the load flow study using WebNet Software shall examine the percentage of usage of non-ISTS lines by home State and other than home State and, accordingly, issue Certification for non-ISTS lines carrying inter-State power.

34. We observe that SRPC has issued a certification of non-ISTS lines carrying inter-State power on 19.06.2017 for the year FY 2017-18 only and not for the year prior to 2017-18. However, the Petitioner approached SRPC for issuance of certification for non-ISTS lines carrying inter-State power for the period prior to 2017-2018, which was deliberated at the 36<sup>th</sup> meeting of SRPC held on 12.07.2019. The relevant extract of the Minutes of the 36<sup>th</sup> meeting of SRPC held on 12.07.2019 is as under:

*“Request of APSLDC*

*APSLDC vide letter dated 25.04.2019 had requested SRPC certification for non-ISTS lines carrying interstate power having more than 50 % utilization during the financial years 2014-15, 2015-16 and 2016-17 for filing petition before Honorable CERC/APERC.*

*SRPC vide letter dated 13.05.2019 (Annexure-XLIX) had informed that the certification could be processed only for the subsequent period from the date of adoption of procedure by SRPC.*

*TCC deliberation:*

- *APTRANSCO had requested for certification for previous years with that they would approach CERC*

- *SRPC Secretariat had informed that the certification could be processed only for the subsequent period from the date of adoption of procedure by SRPC. POC rates could not be revised.*
- *SRPC Secretariat was suggested to look into possibility of certifying for previous period. STUs would approach CERC and as per CERC directive future course of action will be taken.*
- *POSOCO was requested to provide details to SRPC secretariat. NLDC stated that they would examine and revert back.*

*SRPC noted the above.”*

As per the above, SRPC, vide letter dated 13.5.2019, informed that certification could be carried out only for the period subsequent to the date when the procedure for certification was adopted by SRPC and that POC rates could not be revised. However, TCC suggested that the SRPC Secretariat look into the possibility of certifying for previous periods, and POSOCO was also requested to provide details to the SRPC Secretariat.

As per the deliberation in the 36<sup>th</sup> meeting of SRPC held on 12.07.2019, SRPC on 23.01.2020 has issued certification for non-ISTS lines for the years 2015-16 & 2016-17, for which Petitioner has filed the instant Petition.

35. The relevant extract of the SRPC certification letter dated 23.01.2020 for FY 2015-16, 2016-17, and the letter dated 30.04.2020 for FY 2020-21 are as under:

Letter dated 23.01.2020

*“Sub: Certification on Non-ISTS Lines carrying interstate power for the period 2014-15, 2015-16 and 2016-17, which were having more than 50% utilization for interstate power transmission during the years 2013-14, 2014-15 and 2016-17 respectively – reg.*

.....  
.....

*In compliance with the regulations, the lines as listed in the respective Annexures are certified as lines carrying interstate power, in consultation with SRLDC:*

- (i) For the year 2014-15, no non-ISTS lines have qualified for certification. The data used for the study is taken from Quarter-1 to Quarter-4 of 2013-14, which is considered for POC computation.*
- (ii) For the year 2015-16, 10 non ISTS lines, given at Annexure I hereto. The data used for the study is taken from Quarter-1 to Quarter-4 of 2014-15 which is considered for POC computation.*
- (iii) For the year 2016-17, 17 non ISTS lines, given at Annexure II hereto. The data used for the study is taken from Quarter-1 to Quarter- 4 of 2015-16, which is considered for POC computation.”*

Letter dated 30.04.2020

*“Sub: Certification on Non-ISTS Lines carrying interstate power for the period 2020-21, which were having more than 50% utilization for interstate power transmission during the year 2019-20 regarding*

.....  
.....

*In compliance with the regulations, 66 non-ISTS lines as listed in the Annexure are certified as lines carrying interstate power, in consultation with SRLDC. The data used for the study is taken from Quarter-I to Quarter-IV of 2019-20, which is considered for POC computation as discussed.”*

As per the above, SRPC issued certification for 10 non-ISTS lines (out of which 8 lines pertain to AP) for the period 2015-16, 17 non-ISTS lines (out of which 14 lines pertain to AP) for 2016-17, and 66 non-ISTS lines (out of which 42 lines pertain to AP) for 2020-21, which were having more than 50% utilization for interstate power.

36. We observe from the POSOCO's submission that the following methodology has been followed for certification of the non-ISTS lines carrying inter-State Power, by the various RPCs:

The methodology followed for certification of Non-ISTS lines carrying Inter-State Power	
NRPC	A transmission line, 132 kV and above, may be construed as being used for inter-state purposes only if average utilization for inter-state purposes based on the studies for 2nd and 4th quarter comes out to be more than 50 %.  Certification will be valid for 01 year and claims for certification will have to be submitted by end of December every year
ERPC	STU lines carrying ISTS power greater than 50% of the total power as per the WebNet software of the validated data for each quarter will be considered as non-ISTS line carrying ISTS power
WRPC	Once the state line is declared deemed ISTS based upon study, that line will retain the status of deemed ISTS for the rest of its life
SRPC	The base case of each quarter submitted by DIC to validation committee for PoC Computation of the previous financial year would be examined for certification in the current Year. If in each base case the usage of state-owned line is more by other states than the home state, then those lines would be certified as Non-ISTS lines carrying Inter State Power. The certification would be valid for a financial Year.
NERPC	Based on studies the following lines have been found to cater loads of other states in addition to the State owning the lines, so these lines have been approved by the TCC as ISTS line:  1. 220kV Misa – Killing D/C Line and  2. LILO of 400kV, D/C Pallatana - Bongaigoan at 400/220kV Killing S/S as ISTS Line and recommended for approval of NERPC.

As per the above, we observe that the methodology followed by RPCs is not similar, and every RPC has its separate methodology for certification of Intra-State lines carrying Inter-State Power. Further, in the case of SRPC, SRPC was issuing certification of non-ISTS lines carrying Inter-State Power based on the power flow in all four quarters of the previous financial year, and such certification was valid for one year.

37. We have noted from the meter location submitted by the petitioner for (i) FY 2015-16 - total claimed lines are 9, out of which 7 lines are having boundary meters and remaining 2 lines are having Interface meters at both ends of the lines, (ii) FY 2016-17 - total claimed lines are 14, out of which 4 lines are having boundary meters and remaining 10 lines are having Interface meters at both ends of the lines and (iii) FY 2020-21 - total claimed lines are 42 out of which 26 lines are having boundary meters and remaining 16 lines are having Interface meters at both ends of the lines. Petitioner has submitted that for FY 2015-16, 2016-17, and 2020-21, 4, 4, and 6 claimed lines, respectively, have ABT meters, and 4, 10, and 36 claimed lines, respectively, have non-ABT meters. We observe that since there is availability of meters at both ends of the claimed lines, the Availability of the lines and their operation can be assessed.
38. We observe that 4 STU-owned lines out of 9 lines claimed for the year 2015-16, 4 lines out of 14 lines claimed for the year 2016-17, and 6 lines out of a total of 42 lines claimed for the year 2020-21 have ABT meters (sending data to SRLDC). However, the remaining lines have non-ABT meters under the control of APSLDC.
39. APERC, vide Order dated 07.07.2021 in Petition bearing O.P. No. 4212020 on 13.03.2020 and O.P. No. 4712020, directed as under:

*“11. As shown in paras 8,9 and 10 above, the Commission has determined YTC of Rs.14.35 Cr, 85.53 Cr. and 295.32 Cr. for the FY 2015-16, FY 2016-17 and FY 2020-21 respectively for the APTRANSCO owned non-ISTS lines certified by the SRPC for inclusion in the PoC transmission charges.*

*12. On inclusion of the assets covered in the petitions in the PoC methodology by the implementing agency, in line with the sharing of inter-state transmission charges and losses regulations, 2010 and the amendments thereto and upon receiving of the transmission charges, the YTC recovered shall be adjusted against the ARR of the respective years of the petitioner.”*

As per the above, APERC has approved YTC of Rs.14.35 Cr, 85.53 Cr. and 295.32 Cr. for the FY 2015-16, FY 2016-17, and FY 2020-21, respectively, for the APTRANSCO-owned non-ISTS lines certified by the SRPC for inclusion of in the

PoC transmission charges. APERC has also directed that on the inclusion of such YTC in the PoC methodology by the implementing agency, the YTC recovered shall be adjusted against the ARR of the respective years of the petitioner.

40. We observe that though the above-claimed lines by the Petitioner are certified by the SRPC and carry more than 50% inter-State power at the same time, we also observe from the CTUIL submission that power flow on ISTS line as well STU lines varies significantly based on the load demand and power generation and further on some of the transmission lines, the power flow also changes in reverse direction. We also observe that the methodology followed by RPCs for certification of Intra-State lines carrying Inter-State Power is not identical; NRPC certification is based on the power flow during 2<sup>nd</sup> and 4<sup>th</sup> quarters and is valid for one year, SRPC certification is based on the power flow in all four quarters and is valid for one year and in case of WRPC once the line is certified as deemed ISTS based upon the study, it shall retain the status of deemed ISTS.
41. We are of the view that due to laws of physics and the meshed network of ISTS and STU lines, ISTS power may flow through the intra-State lines; similarly, intra-State power may also flow through the ISTS network. We also observe that there is a defined process of executing a line under ISTS under the Guidelines issued by MoP. Any line envisaged as an ISTS should be constructed as an ISTS line only, following due process. Hence, an intra-State line planned as an intra-State and executed as an intra-State should remain as an intra-State line unless it becomes inter-State due to the bifurcation of the State. However, a mechanism was included in the 2010 Sharing Regulations to include intra-state lines under the ISTS pool based on certification of respective RPC as quoted in paragraphs 32 and 33 of this Order. Such mechanism of certification has been discontinued in the 2020 Sharing Regulations, keeping in view these aspects.
42. Considering the certification carried out by SRPC under provisions of the Sharing Regulations 2010 and the determination of line-wise tariff by APERC, we are of the view that the specified lines, as per details in paragraph 24 of this Order, shall be considered under PoC under the Sharing Regulations 2010 for the period 2015-16, 2016-17 and 2020-21 (up to 30.10.2020). Accordingly, we direct the implementing agency/CTUIL to include the lines as per details in paragraph 24 under POC for the period 2015-16, 2016-17, and 2020-21 (up to 30.10.2020) and raise bills accordingly. Accordingly, the liabilities of DICs for arrears of transmission charges shall be recovered from the concerned DICs through Bills under Regulation 15(2)(b) of the 2020 Sharing Regulations. We observe that once the transmission



- charges of non-ISTS lines are included in the ISTS pool, the availability of such lines needs to be verified by the respective RPC, and recovery of tariff should be linked with its availability, for which necessary mechanisms may be put in place by RPC. We direct that YTC of such intra-State lines shall be included in the PoC Pool based on the availability of each of the lines to be certified by the SRPC in terms of the provisions under the CERC (Terms and Conditions of Tariff) Regulations, 2014 and CERC (Terms and Conditions of Tariff) Regulations, 2019, as applicable.
43. We further direct the Petitioner to approach the APERC for adjustment of such recovery against the ARR of the respective years of the Petitioners.
44. The issue is answered accordingly.

**Issue No.2: Whether the petitioner is entitled to include transmission charges determined by the APERC for non-ISTS lines certified by SRPC to carry inter-state power for the period 01.11.2020 to 31.12.2020 in the PoC mechanism as per the Sharing Regulations, 2010?**

45. Petitioner has claimed to include the non-ISTS lines under the PoC pool under the Sharing Regulations 2010 till 31.12.2020, citing Regulation 22 of the Sharing Regulation 2020, which provides that during the transition period between the former of 2010 and the new Sharing Regulations, the bills raised for the first two billing periods after 01.11.2020, i.e., till 31.12.2020, shall be as per the Sharing Regulations 2010. Petitioner further submitted that this has been further clarified by the Commission, vide Removal of Difficulties Order dated 14.02.2021.
46. We have considered the submission of the Petitioner and perused the facts on record.
47. Regulation 22 of the Sharing Regulations, 2020, and relevant extract of the Commission order dated 14.02.2021 vide Order No. L-1/250/2019/CERC are as under:

Regulations 22 and 26 of the Sharing Regulations, 2020

*“22. Transition Period Notwithstanding anything to the contrary contained in these regulations, bills for the first two billing periods, after these regulations come into force, shall be based on the Central Electricity Regulatory Commission (Sharing of Inter-State Transmission Charges and Losses) Regulations, 2010.”*

.....

*“26. Savings and Repeal.*



- (1) Save as otherwise provided in these regulations, Central Electricity Regulatory Commission (Sharing of inter-state transmission charges and losses) Regulations, 2010, as amended from time to time, is hereby repealed.”

The relevant extract of the Commission order dated 14.02.2021

“ .....

7. Regulation 9(1) of the 2020 Sharing Regulations provides for preparation of Base Case by the Implementing Agency corresponding to Peak Block for each billing period. As per Regulation 14(5)(b) of the 2020 Sharing Regulations, the Implementing Agency is required to notify transmission charges payable by DICs by 25th day of the month following the billing period. In terms of Regulation 14(5)(d) of the 2020 Sharing Regulations, the CTU is required to raise the first bill and the third bill for transmission charges on DICs in first week of the second month following the billing period. Since the 2020 Sharing Regulations became effective from 01.11.2020, the actual load and generation data for Peak Block for the month of November 2020 could be collected only in December 2020. Based on such data, NLDC would carry out calculations for transmission charges for each DIC. Consequently, bills for the billing period of November 2020 could be raised by CTU only in the billing month of January 2021. Similarly, bills for the billing period of December 2020 could be raised only in the billing month of February 2021.

8. Accordingly, under the regime of 2020 Sharing Regulations which came into effect from 1st November 2020, it was possible to raise the first monthly bill only in the month January 2021. Thus, but for the provision of the “Transition Period” provided in the 2020 Sharing Regulations, only 10 monthly bills would have been raised in the calendar year 2020. Therefore, exception has been taken in the 2020 Sharing Regulations that bill to be raised in the month of November 2020 and December 2020, where it was not possible to raise the bills on the basis of 2020 Sharing Regulations, would be on the basis of the Central Electricity Regulatory Commission (Sharing of Inter-State Transmission Charges and Losses) Regulations, 2010 (hereinafter referred to as “the 2010 Sharing Regulations”). As envisaged in Regulation 22 of the 2020 Sharing Regulations, in the transition period of November 2020 and December 2020, bills would be raised as per the provisions of the 2010 Sharing Regulations.

9. Thus, the bills raised in the month of November 2020 and December 2020 shall be based on the notified PoC rates for October 2020 and November 2020 respectively, determined in accordance with the 2010 Sharing Regulations.

10. Accordingly, we direct that bills in the month of November 2020 and in the month of December 2020 would be raised as per the 2010 Sharing Regulations and thereafter, from January 2021 onwards as per the 2020 Sharing Regulations, as clarified in paragraph 8 and 9 above.

11. Thus, it can be seen that there will be 12 monthly bills raised for the 12 months in the calendar year 2020, implying thereby that only one bill (first bill) is raised for each month. Similarly, in the calendar year 2021 also, 12 monthly bills will be raised for the 12 months (i.e. in the billing month of January 2021, bill for the billing period of November 2020 will be raised and in the billing month of February 2021, bill for the billing period of December 2020 will be raised and so on). Thus, the DICs will be required to pay for only 12 monthly bills, one for each month in the calendar year 2020 as well as in 2021. All bills in the calendar year 2020 will be as per the 2010 Sharing Regulation and those in the calendar year 2021 will be as per the 2020 Sharing Regulations.”

As per the above, the Commission vide order dated 14.02.2021 vide Order No. L-1/250/2019/CERC has clarified that the bills raised in the months of November 2020 and December 2020 shall be based on the notified PoC rates for October 2020 and November 2020, respectively. The Commission clarified that bills raised “in the month of November 2020 and December 2020” shall be as per notified POC rates and not that Sharing Regulations 2010 was applicable for the period of November 2020 and December 2020. The Commission explained that bills for the billing period of November 2020 and December 2020 could be raised by CTU only in the billing month of January 2021 and February 2021, respectively, based on the computation carried out in December 2020 and January 2021 in terms of the Sharing Regulations 2020. Accordingly, the Commission directed that the bills raised in January 2021 onwards, which shall be for the billing period of November 2020 and onwards, shall be as per the Sharing Regulations 2020.

48. Considering the above, we don't agree with the Petitioner's claim that it is entitled to the inclusion of non-ISTS lines certified by SRPC for the period from 1.11.2020 to 31.12.2020 when the Sharing Regulations 2020 became effective. The Petitioner shall be entitled to include the non-ISTS Lines under POC for FY 2020-21 as directed in Issue No.1 for the period up to 31.10.2020. Therefore, we reject the petitioner's claim to include the YTC of the intra-State lines used for carrying ISTS-Power in the PoC Pool for the period from 01.11.2020 to 31.12.2020.
49. The issue is answered accordingly.
50. The Petition No. 25/MP/2022 is disposed of in terms of the above.

Sd/-  
**(P. K. Singh)**  
Member

Sd/-  
**(Arun Goyal)**  
Member

Sd/-  
**(Jishnu Barua)**  
Chairperson