

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 192/TT/2014

Coram:

Shri Gireesh B. Pradhan, Chairperson

Shri A. K. Singhal, Member

Shri A.S. Bakshi, Member

Date of Hearing: 01.09.2014

Date of Order : 24.09.2014

In the matter of

Approval of transmission tariff for 3*80 MVAR, 765 kV Line Reactor along with associated bays at Gwalior S/S (to be used as Bus Reactor under interim contingency scheme, till readiness of 765 kV S/C Gwalior-Jaipur Transmission Line) (DOCO: 1.3.2014) associated with Vindhyachal IV & Rihand III (1000 MW) Generation Project (under interim /contingency arrangement for power evacuation) in Western and Northern Regions for tariff block 2009-14

And in the matter of

Power Grid Corporation of India Limited,
"Saudamani", Plot No.2,
Sector-29, Gurgaon -122 001

Vs

.....**Petitioner**

1. Madhya Pradesh Power Management Company Ltd.,
Shakti Bhawan, Rampur
Jabalpur-482 008.
2. Maharashtra State Electricity Distribution Company Limited,
Prakashgad, 4th floor
Andehri (East), Mumbai-400 052.
3. Gujarat Urja Vikas Nigam Ltd.,
Sardar Patel Vidyut Bhawan,
Race Course Road, Vadodara-390 007.
4. Electricity Department, Government of Goa,
Vidyut Bhawan, Panaji,
Near Mandvi Hotel, Goa-403 001.



5. Electricity Department,
Administration of Daman and Diu,
Daman-396 210.
6. Electricity Department,
Administration of Dadra Nagar Haveli,
U.T., Silvassa-396 230.
7. Chhattisgarh State Electricity Board,
P.O. Sunder Nagar, Dangania, Raipur
Chhattisgarh-492 013.
8. Madhya Pradesh Audyogik Kendra Vikas Nigam (Indore) Ltd.,
3/54, Press Complex, Agra-Bombay Road,
Indore -452 008.
9. Rajasthan Rajya Vidyut Prasaran Nigam Ltd.,
Vidyut Bhawan, Vidyut Marg,
Jaipur- 302 005.
10. Ajmer Vidyut Vitran Nigam Ltd.,
400 kV GSS Building (Ground Floor), Ajmer Road,
Heerapura, Jaipur.
11. Jaipur Vidyut Vitran Nigam Ltd.,
400 kV GSS Building (Ground Floor), Ajmer Road,
Heerapura, Jaipur.
12. Jodhpur Vidyut Vitran Nigam Ltd.,
400 kV GSS Building (Ground Floor), Ajmer Road,
Heerapura, Jaipur.
13. Himachal Pradesh State Electricity Board,
Vidyut Bhawan, Kumar House Complex, Building –II
Shimla- 171 004
14. Punjab State Electricity Board
The Mall, Patiala-147 001
15. Haryana Power Purchase Centre,
Shakti Bhawan, Sector-6,
Panchkula (Haryana)-134 109
16. Power Development Department
Government of Jammu & Kashmir,
Mini Secretariat, Jammu

17. UP Power Corporation Ltd.,
Shakti Bhawan, 14, Ashok Marg,
Lucknow-226 001.
18. Delhi Transco Ltd.,
Shakti Sadan, Kotla Road,
New Delhi-110 002.
19. BSES Yamuna Power Ltd.,
BSES Bhawan, Nehru Place,
New Delhi.
20. BSES Rajdhani Power Ltd.,
BSES Bhawan, Nehru Place,
New Delhi.
21. North Delhi Power Ltd.,
Power Trading & Load Dispatch Group,
Cennet Building, Adjacent to 66/11kV Pitampura-3,
Grid Building, Near PP Jewellers,
Pitampura, New Delhi-110 034.
22. Chandigarh Administration,
Sector-9, Chandigarh.
23. Uttarakhand Power Corporation Ltd.,
Urja Bhawan, Kanwali Road,
Dehradun
24. North Central Railway,
Allahabad.
25. New Delhi Municipal Council,
Palika Kendra, Sansad Marg,
New Delhi-110 002

.....**Respondents**

For petitioner : Shri S. S. Raju, PGCIL
Shri Rakesh Prasad, PGCIL
Shri P. Saraswat, PGCIL
Shri S. K. Venkatesan, PGCIL
Shri M. M. Mondal, PGCIL

For respondents : Shri R.B. Sharma, Advocate, BRPL
Shri Padamjit Singh, PSPCL



ORDER

In the instant petition the petitioner, Power Grid Corporation of India Limited (PGCIL) has sought approval of transmission tariff for 3*80 MVAR, 765 kV Line Reactor along with associated bays at Gwalior S/S (to be used as Bus Reactor under interim contingency scheme, till readiness of 765 kV S/C Gwalior-Jaipur Transmission Line) (DOCO: 1.3.2014) associated with Vindhyachal IV & Rihand III (1000 MW) Generation Project (under interim /contingency arrangement for power evacuation) in Western and Northern Regions for tariff block 2009-14, under Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2009 (hereinafter referred to as "the 2009 Tariff Regulations"). Further, the petitioner has requested for grant of provisional tariff as per the 2009 Tariff Regulations, pending determination of final transmission tariff.

2. The petition was heard on 1.9.2014. During the hearing, representative of the petitioner submitted that the instant asset was commissioned on 1.3.2014 and requested to grant provisional tariff as per Regulation 5 of the 2009 Tariff Regulations".

3. The representative of PSPCL, Respondent No. 14, has submitted that the approval of NRPC for using Line Reactor of Gwalior-Jaipur line as Bus Reactor is not submitted along with the petition. Due to delay in the commissioning of Gwalior-Jaipur line, the beneficiaries of Northern Region are suffering from Western Region-Northern Region transmission constraints, congestion and open access restrictions. The tariff for Reactor would add financial burden on the beneficiaries. The petitioner should not

charge any tariff for Reactor and compensate these beneficiaries for losses due to the non-commissioning of Gwalior-Jaipur line. He has also submitted that PGCIL should use all resources to get forest clearance for Gwalior-Jaipur line. He further submitted that in order to use Line Reactor as Bus Reactor, only the Circuit Breaker of Reactor is sufficient and the line breaker is not required. Every important grid sub-station has by-pass arrangement by which a line can operate even if line breaker is taken out for maintenance, etc. This being so, inclusion of capital cost of line breaker in addition to Circuit Breaker of Reactor is not justified. He submitted a random example of Max/Min voltage figures of Gwalior, indicating that the higher limit of 800 kV was not being crossed. He further submitted that PGCIL is now segregated from RLDC and it is for RLDC to decide matters like voltage profile. Gol Committee (Pradhan Committee) recommended for ring fencing of RLDCs. In this case PGCIL has bypassed RLDC and decided about Reactor and got letter from CEA just 2 days prior to the date of commercial operation. In this process, not only States but RLDC has been bypassed. The petitioner has not submitted any document showing concurrence of RLDC or States.

4. Regulation 5 of the 2009 Tariff Regulations provides as under:-

"Application for determination of tariff (1) The generating company or the transmission licensee, as the case may be, may make an application for determination of tariff in accordance with Central Electricity Regulatory Commission (Procedure for making of application for determination of tariff, publication of the application and other related matters) Regulations, 2004, as amended from time to time or any statutory re-enactment thereof, in respect of the units of the generating station or the transmission lines or sub-stations of the transmission system, completed or projected to be completed within six months from the date of application.

(2) The generating company or the transmission licensee, as the case may be, shall make an application as per **Appendix I** to these regulations, for determination of tariff

based on capital expenditure incurred duly certified by the auditors or projected to be incurred up to the date of commercial operation and additional capital expenditure incurred duly certified by the auditors or projected to be incurred during the tariff period of the generating station or the transmission system:

Provided that in case of an existing project, the application shall be based on admitted capital cost including any additional capitalization already admitted up to 31.3.2009 and estimated additional capital expenditure for the respective years of the tariff period 2009-14:

Provided further that application shall contain details of underlying assumptions for projected capital cost and additional capital expenditure, where applicable.

X X X X

(4) Where application for determination of tariff of an existing or a new project has been filed before the Commission in accordance with clauses (1) and (2) of this regulation, the Commission may consider in its discretion to grant provisional tariff upto 95% of the annual fixed cost of the project claimed in the application subject to adjustment as per proviso to clause (3) of this regulation after the final tariff order has been issued:

Provided that recovery of capacity charge and energy charge or transmission charge, as the case may be, in respect of the existing or new project for which provisional tariff has been granted shall be made in accordance with the relevant provisions of these regulations."

5. As per Regulation 5(4) of the 2009 Tariff Regulations, the Commission may grant provisional tariff, if an application has been filed under Regulation 5(1) and (2) of the 2009 Tariff Regulations. Regulation 5(1) of the 2009 Tariff Regulations provides that the application for tariff should be made in accordance with the Central Electricity Regulatory Commission (Procedure for making of application for determination of tariff, publication of the application and other related matters) Regulations, 2004 (hereinafter referred to as "2004 Regulations"). Regulation 5(2) of 2009 Tariff Regulations provides that the application shall be made as per Appendix to the 2009 Tariff Regulations.

6. The petitioner has made the application as per the Appendix to the 2009 Tariff Regulations. The petitioner has also complied with the requirements of 2004

Regulations, such as service of the copy of the application on the beneficiaries, publication of notice and web hosting of the application, etc.

7. We have considered the submissions made by the petitioner and the respondents. After prudence check, provisional tariff is being allowed in this petition. Learned counsel for BRPL and other respondents are allowed to file their replies to the petition within 4 weeks. The issues raised by the respondents shall be dealt with at the time of determination of final tariff.

8. Annual transmission charges claimed by the petitioner are as under:-

(₹ in lakh)

Assets	DOCO	2013-14
3*80 MVAR, 765 kV Line Reactor along with associated bays at Gwalior S/S only (to be used as Bus Reactor under interim contingency scheme, till readiness of 765 S/C Gwalior-Jaipur T/L	1.3.2014	52.84

ATC claimed is based on the Auditor's Certificate dated 27.5.2014, verifying the expenditure upto 31.3.2014.

9. Annual transmission charges allowed in terms of the above is as follows:-

(₹ in lakh)

Assets	DOCO	2013-14
3*80 MVAR, 765 kV Line Reactor along with associated bays at Gwalior S/S only (to be used as Bus Reactor under interim contingency scheme, till readiness of 765 S/C Gwalior-Jaipur T/L	1.3.2014	44.91

10. The provisional tariff allowed in this order shall be applicable from the date of commercial operation (DOCO) of the transmission system and the billing, collection and disbursement of the transmission charges shall be governed by the provisions of Central Electricity Regulatory Commission (Sharing of Inter-State Transmission Charges and Losses) Regulations, 2010, as amended from time to time.

11. The provisional transmission charges allowed in this order shall be subject to adjustment as per Regulation 5(3) of the 2009 Tariff Regulations.

Sd/-

(A. S. Bakshi)
Member

Sd/-

(A. K. Singhal)
Member

Sd/-

(Gireesh B. Pradhan)
Chairperson