

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Coram:

**Shri Gireesh B. Pradhan, Chairperson
Shri M. Deena Dayalan, Member
Shri A. K. Singhal, Member**

**Date of hearing: 12.06.2014
Date of Order : 23.06.2014**

In the matter of:

Petition No. TT/040/2014

Approval of transmission tariff for 765/400 kV, 1x1500 MVA, ICT-1 at Dharmjaygarh S/S along with associated bays under "Supplementary Transmission Scheme of upcoming IPP projects in Chhattisgarh" in Western Region

And in the matter of:

Petition No. TT/045/2014

Approval of transmission tariff for 765/kV D/C Champa Pooling Station-Raipur Pooling Station Transmission Line with associated bays at Raipur PS under Establishment of Pooling Station at Champa and Raigarh (near Tamnar) for IPP generation projects in Chhattisgarh (Set "B"/ WR 1- IPP B) in Western Region

And in the matter of:

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

.....Petitioner

Vs

1. Madhya Pradesh Power Trading 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, 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

.....Respondents

For Petitioner : Shri S.S. Raju, PGCIL
Ms. Seema Gupta, PGCIL
Ms. Sangeeta Edwards, PGCIL
Shri Mohd. Mohsin, PGCIL
Shri M.M. Mondal, PGCIL
Shri S.K. Venkatesan, PGCIL
Shri P. Saraswat, PGCIL

For Respondents : None

ORDER

In these petitions, the petitioner, Power Grid Corporation of India Limited (PGCIL) has sought approval of tariff in respect of its various transmission systems in Western Region under Regulation 86 of Central Electricity Regulatory Commission (Conduct of Business) Regulations, 1999 and Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2009

(hereinafter "the 2009 Tariff Regulations"). During the hearing on 7.3.2014, the petitioner submitted that the subject assets in these petitions are anticipated to be commissioned during 2014-19 period. The Commission directed the petitioner to submit the current status of commissioning of the assets. The petitioner has submitted vide affidavits dated 21.5.2014, and 28.5.2014 the current status of commissioning of subject assets covered under these petitions and has requested to allow 90% of the Annual Fixed Charges for the purpose of inclusion in the PoC charges in terms of Regulation 7 (7) of the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2014 (hereinafter "the 2014 Tariff Regulations"), pending determination of final transmission tariff.

2. Regulation 7 of the 2014 Tariff Regulations provides as under:-

"7. Application for determination of tariff:

(1) The generating company may make an application for determination of tariff for new generating station or unit thereof in accordance with the Procedure Regulations, in respect of the generating station or generating units thereof within 180 days of the anticipated date of commercial operation.

(2) The transmission licensee may make an application for determination of tariff for new transmission system including communication system or element thereof as the case may be in accordance with the Procedure Regulations, in respect of the transmission system or elements thereof anticipated to be commissioned within 180 days from the date of filing of the petition.

(3) In case of an existing generating station or transmission system including communication system or element thereof, the application shall be made not later than 180 days from the date of notification of these regulations based on admitted capital cost including any additional capital expenditure already admitted up to 31.3.2014 (either based on actual or projected additional capital expenditure) and estimated additional capital expenditure for the respective years of the tariff period 2014-15 to 2018-19.

(4) The generating company or the transmission licensee, as the case may be, shall make an application as per **Annexure-I** of 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 as the case may be:

Provided that the petition shall contain details of underlying assumptions for the projected capital cost and additional capital expenditure, wherever applicable.

(5) If the petition is inadequate in any respect as required under **Annexure-I** of these regulations, the application shall be returned to the generating company or transmission licensee as the case may be, for resubmission of the petition within one month after rectifying the deficiencies as may be pointed out by the staff of the Commission.

(6) If the information furnished in the petition is in accordance with the regulations and is adequate for carrying out prudence check of the claims made, the Commission shall consider the suggestions and objections, if any, received from the respondents within one month from the date of filing of the petition and any other person including the consumers or consumer associations. The Commission shall issue the tariff order after hearing the petitioner, the respondents and any other person specifically permitted by the Commission.

7. In case of the new projects, the generating company or the transmission licensee, as the case may be, may be allowed tariff by the Commission based on the projected capital expenditure from the anticipated COD in accordance with Regulation 6 of these regulations:

Provided that:

(i) the Commission may grant tariff upto 90% of the annual fixed charges claimed in respect of the transmission system or element thereof based on the management certificate regarding the capital cost for the purpose of inclusion in the POC charges in accordance with the CERC (Sharing of Inter State Transmission charges and losses), Regulation, 2010 as amended from time to time:

xxxx"

3. As per the first proviso to Regulation 7(7) of the 2014 Tariff Regulations, the Commission may grant upto 90% of the annual fixed charges for inclusion in the POC charges, if an application has been filed under Regulation 7(1) and (4) of the 2014 Tariff Regulations. Regulation 7(1) of the 2014 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 "the 2004 Regulations"). Regulation 7(4) of 2014 Tariff Regulations provides that the application shall be made as per Annexure-I to the 2014 Tariff Regulations.

4. The petitioner has filed these petitions as per the Annexure-I to the 2014 Tariff Regulations. The petitioner has also complied with the requirements of the 2004 Regulations, such as service of the copies of the applications on the beneficiaries, publication of notice and web hosting of the applications, etc.

5. During the hearing on 12.6.2014, the representative of the petitioner requested to grant tariff in terms of provisions of Regulation 7(7) of the 2014 Tariff Regulations for inclusion in the PoC charges under the Central Electricity Regulatory Commission (Sharing of Inter-State Transmission Charges and Losses) Regulations, 2010, as amended from time to time (hereinafter referred to as "Sharing Regulations"). None of the respondents appeared despite notice.

6. Annual transmission charges claimed by the petitioner and allowed in terms of Regulation 7(7) of the 2014 Tariff Regulations are discussed in Annexure I to II to this order.

7. The tariff allowed in this order shall be applicable from the date of commercial operation (DOCO) of the transmission system. The billing, collection and disbursement of the transmission charges shall be governed by the

provisions of the Sharing Regulations. The transmission charges allowed in the order shall be subject to adjustment after final tariff is determined.

sd/-

(A. K. Singhal)
Member

sd/-

(M. Deena Dayalan)
Member

sd/-

(Gireesh B. Pradhan)
Chairperson

Petition No. TT/040/2014

Approval of Transmission Tariff for 765/400 kV, 1x1500 MVA, ICT-1 at Dharmjaygarh S/S along with associated bays under "Supplementary Transmission Scheme of upcoming IPP projects in Chhattisgarh" in Western Region

1. Annual transmission charges claimed by the petitioner are as follows:-

(` in lakh)

Asset	DOCO	2014-15	2015-16	2016-17	2017-18	2018-19
765/ 400 kV, 1x1500 MVA ICT I at Dharmjaygarh S/S along with associated bays	1.7.2014 (Anticipated)	723.71	1050.56	1050.24	1028.76	1007.48

2. Annual transmission charges allowed in terms of Regulation 7(7) of the 2014 Tariff Regulations are as under:-

(` in lakh)

Asset	DOCO	2014-15	2015-16	2016-17	2017-18	2018-19
765/ 400 kV, 1x1500 MVA ICT I at Dharmjaygarh S/S along with associated bays	1.7.2014 (Anticipated)	578.97	840.45	840.19	823.01	805.98

Annexure-II

Petition No. TT/045/2014

Approval of Transmission Tariff for 765/kV D/C Champa Pooling Station-Raipur Pooling Station Transmission Line with associated bays at Raipur PS under Establishment of Pooling Station at Champa and Raigarh (near Tamnar) for IPP generation projects in Chhattisgarh (Set "B"/ WR 1- IPP B) in Western Region

1. Annual transmission charges claimed by the petitioner are as follows:-

(` in lakh)						
Asset	DOCO	2014-15	2015-16	2016-17	2017-18	2018-19
765 kV D/C Champa PS-Raipur PS Transmission Line with associated bays at Raipur PS	23.5.2014 (Anticipated)	10414.85	12558.79	12403.37	12075.51	11740.67

2. Annual transmission charges allowed in terms of Regulation 7(7) of the 2014 Tariff Regulations are as under:-

(` in lakh)						
Asset	DOCO	2014-15	2015-16	2016-17	2017-18	2018-19
765 kV D/C Champa PS-Raipur PS Transmission Line with associated bays at Raipur PS	23.5.2014 (Anticipated)	6287.90	7582.28	7488.45	7290.51	7088.35