

**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**

Petition No. TT/99/2014

In the matter of

Approval of transmission charges for 400/220 kV, 315 MVA ICT-II alongwith associated bays at Hamirpur Sub-station in Northern Region for tariff block 2014-19 under Regulation 86 of Central Electricity Regulatory Commission (Conduct of Business) Regulations, 1999 and Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2014.

Petition No. TT/100/2014

And in the matter of

Approval of transmission charges for **Asset I** : LILO of 400 kV S/C Bhiwadi-Bassi TL at Kotputli S/S and **Asset II** : 315 MVA 400/220 Kv ICT-I & II with 06 no 220 kV Line Bays at Kotputli S/S under Northern Region System Strengthening Scheme-XV in Northern Region for tariff block 2014-19 under Regulation 86 of Central Electricity Regulatory Commission (Conduct of Business) Regulations, 1999 and Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2014.

Petition No. TT/107/2014

And in the matter of

Approval of transmission charges for **Asset I**: 765 KV S/C Bareilly-Lucknow Transmission Line at 400 kV level and **Asset II**: One Circuit of 400 kV D/C Bareilly (New) Bareilly (New) Bareilly (Existing) Transmission Line in Northern Region under "Northern Region System Strengthening Scheme XXI" for tariff block 2014-19 under Regulation 86 of Central Electricity Regulatory Commission (Conduct of Business)



Regulations, 1999 and Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2014.

And in the matter of

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

Vs

.....**Petitioner**

1. Rajasthan Rajya Vidyut Prasaran Nigam Ltd.,
Vidyut Bhawan, Vidyut Marg,
Jaipur- 302 005.
2. Ajmer Vidyut Vitran Nigam Ltd.,
400 kV GSS Building (Ground Floor), Ajmer Road,
Heerapura, Jaipur.
3. Jaipur Vidyut Vitran Nigam Ltd.,
400 kV GSS Building (Ground Floor), Ajmer Road,
Heerapura, Jaipur.
4. Jodhpur Vidyut Vitran Nigam Ltd.,
400 kV GSS Building (Ground Floor), Ajmer Road,
Heerapura, Jaipur.
5. Himachal Pradesh State Electricity Board,
Vidyut Bhawan, Kumar House Complex, Building –II
Shimla- 171 004
6. Punjab State Electricity Board
The Mall, Patiala-147 001.
7. Haryana Power Purchase Centre,
Shakti Bhawan, Sector-6,
Panchkula (Haryana)-134 109.
8. Power Development Department
Government of Jammu & Kashmir,
Mini Secretariat, Jammu
9. UP Power Corporation Ltd.,
Shakti Bhawan, 14, Ashok Marg,
Lucknow-226 001.

10. Delhi Transco Ltd.,
Shakti Sadan, Kotla Road,
New Delhi-110 002.
11. BSES Yamuna Power Ltd.,
BSES Bhawan, Nehru Place,
New Delhi.
12. BSES Rajdhani Power Ltd.,
BSES Bhawan, Nehru Place,
New Delhi.
13. 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.
14. Chandigarh Administration,
Sector-9, Chandigarh.
15. Uttarakhand Power Corporation Ltd.,
Urja Bhawan, Kanwali Road,
Dehradun.
16. North Central Railway,
Allahabad.
17. New Delhi Municipal Council,
Palika Kendra, Sansad Marg,
New Delhi-110 002.

.....**Respondents**

For petitioner : Shri S.S. Raju, PGCIL
Ms. Seema Gupta, PGCIL
Shri Md. Mohsin, PGCIL
Shri M.M. Mondal, PGCIL
Shri S.K. Venkatesan, PGCIL
Shri P. Sarawat, PGCIL
Ms. Sangeeta Edwards, PGCIL

For respondents: Shri Padamjit Singh, PSPCL
Shri T. P. S. Bawa, PSPCL

ORDER

In these petitions, the petitioner, Power Grid Corporation of India Limited (PGCIL) has sought approval for transmission tariff for various elements in Northern Region for the 2014-19 tariff period in terms of Regulation 7(7) of the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2014 (hereinafter referred to as "2014 Tariff Regulations") and has further prayed for grant of 90% of the annual fixed charges for the purpose of inclusion in the PoC charges under Regulation 7(7) of the 2014 Tariff Regulations.

2. During the hearing, the representative of the petitioner submitted that since all assets covered in these petitions have been declared under commercial operation w.e.f. 1.4.2014, their tariff is required to be recovered under the PoC mechanism. He requested for grant of tariff in respect of these assets in terms of Section 7(7) of 2014 Tariff Regulations for the purpose of inclusion in the PoC charges under Central Electricity Regulatory Commission (Sharing of inter-State Transmission Charges and Losses) Regulations, 2010, as amended from time to time (hereinafter called 'Sharing Regulations').

3. The representative of the PSPCL submitted that in respect of the asset covered under Petition No.TT/99/2014, it is not clear whether the date of commercial operation has been declared in accordance with the provisions of 2014 Tariff Regulations. He further submitted that though Hamirpur sub-station has been built, there is no outgoing line connected to the sub-station and as a result, the asset will remain stranded without

any utility to the beneficiaries. In respect of asset covered under Petition No. TT/100/2014, he submitted that the DOCO Certificate available on record has not been issued in accordance with the provisions of 2014 Tariff Regulations, as it does not certify whether associated 200 kV bay has been charged. He further submitted that since the purpose of the new sub-station is to ensure supply through the 220 kV lines in the Kathputli area, the sub-station has become idle in the absence of the 200 kV line bays. He further submitted that as per Section 38 of the Electricity Act, 2003, it is the responsibility of the petitioner as a CTU to coordinate with the State agencies and in this case the petitioner should have coordinated with RVPNL which is responsible for arranging 220 kV feeder connection from the sub-station. In respect of Petition No. TT/107/2014, the representatives of PSPCL submitted that the certificate regarding date of commercial operation of the 765 kV Lucknow-Bareilly transmission line has not been issued in accordance with the provisions of 2014 Tariff Regulations. He submitted that 765 kV Lucknow-Bareilly transmission line is scheduled to be commissioned by March, 2014, whereas the Bareilly sub-station is likely to get commissioned by March, 2015 on account of delay in acquisition of the land for the sub-station. He further submitted that as a temporary measure, the petitioner has terminated the line at 400 kV Bareilly sub-station and has charged/utilized the line from Lucknow to Bareilly at 400 kV instead of 765 kV. He further submitted that since CTU has given time limit of commissioning 765 kV Bareilly sub-station as March, 2015, the provisional tariff for 765 kV Lucknow-Bareilly transmission line should be allowed on provisional basis upto March, 2015 and after that date, the petitioner should be directed to upgrade this line and load the same at 765 kV and submit the necessary documents to the Commission.

4. The representative of the petitioner in its response submitted that the progress of the transmission assets is being monitored in the Standing Committee on Transmission Planning of the concerned region in which the respondent PSPCL is also a party. He further submitted that in case of Petition No.100/TT/2014, a downstream system was to be implemented by RVPNL which has not yet been commissioned, even though the matter was followed up with RVPNL by the petitioner. In respect of Lucknow Bareilly 765 S/C line covered under petition No.TT/107/2014, the representative of the petitioner submitted that CTU in its letter dated 22.1.2014 sought the in principle approval of Central Electricity Authority(CEA) for charging of Lucknow-Bareilly 765 kV S/C at 400 kV by terminating at existing 400 kV bus reactor bay at 765/400 kV Lucknow and at 400 kV bus reactor bay at Bareilly (Existing) using section of one circuit of Bareilly 765/400 kV (New)-Bareilly 400 kV (Existing) 400 kV line. He further submitted that CEA in its letter dated 27.1.2014 has conveyed it's no objection for the in principle approval of the interim reorientation arrangement proposed by CTU as it would provide additional corridor towards Uttarakhand/Western UP and would relieve the overloading of Meerut-Muzaffarpur 400 kV line. The representative of the petitioner requested that the transmission tariff in respect of these lines may be granted for inclusion in the PoC charges.

5. We have considered the submissions of the representatives of PSPCL and the petitioner. It appears to us that the assets covered in these petitions have been charged after consultation with the CEA and put under commercial operation. As regards the compliance of the provisions of Regulation 4 (3) of the 2014 Tariff Regulations for

declaring the commercial operation of these assets, it is not possible to take a view on the basis of the available on record. The petitioner is directed to file detailed affidavit in terms of Regulations 4(3) of the 2014 Tariff Regulations separately for each of these assets clearly delineating the deliberation at different Forums and the discussion with the developers of the downstream transmission lines. Since these assets have been charged, we accept the date of commercial operation of these assets provisionally and view on the date of commercial operation will be taken at the time of determination of tariff of these assets.

6. 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"

7. As per the first proviso to Regulation 7(7) of the 2014 Tariff Regulations, the Commission may grant tariff 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 referred to as "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.

8. The petitioner has made the application as per the Annexure-I to the 2014 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.

9. The details claimed by the petitioner and provisional tariff awarded by the Commission are given ***Annexure I*** to ***Annexure III*** of this order.

10. The tariff allowed in this order shall be applicable from the date of commercial operation of the transmission system till 31.3.2015 or determination of tariff, whichever is early. The billing, collection and disbursement of the transmission charges shall be governed by the provisions of 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/99/2014**In the matter of**

Approval of transmission charges for 400/220 kV, 315 MVA ICT-II alongwith associated bays at Hamirpur Sub-station in Northern Region for tariff block 2014-19 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.

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
400/220 kV, 315 MVA ICT-II alongwith associated bays at Hamirpur Sub-station	1.4.2014	747.81	764.03	767.99	764.01	760.41

2. Annual transmission charges allowed in terms of Regulation 7(7) of the 2014

Tariff Regulations are as follows:-

(₹ in lakh)						
Asset	DOCO	2014-15	2015-16	2016-17	2017-18	2018-19
400/220 kV, 315 MVA ICT-II alongwith associated bays at Hamirpur Sub-station	1.4.2014	598.25	-	-	-	-

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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
Asset I : LILO of 400 kV S/C Bhiwadi-Bassi TL at Kotputli S/S	1.4.2014	567.28	681.17	670.98	660.92	651.08
Asset II : 315 MVA 400/220 Kv ICT-I & II with 06 no 220 kV Line Bays at Kotputli S/S	1.4.2014	1574.32	1784.20	1767.19	1750.62	1734.79

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

(` in lakh)						
Asset	DOCO	2014-15	2015-16	2016-17	2017-18	2018-19
Asset I : LILO of 400 kV S/C Bhiwadi-Bassi TL at Kotputli S/S	1.4.2014	453.82	-	-	-	-
Asset II : 315 MVA 400/220 Kv ICT-I & II with 06 no 220 kV Line Bays at Kotputli S/S	1.4.2014	1259.46	-	-	-	-

Petition No. TT/107/2014**And in the matter of**

Approval of transmission charges for **Asset I:** 765 KV S/C Bareilly-Lucknow Transmission Line at 400 kV level and **Asset II:** One Circuit of 400 kV D/C Bareilly (New) Bareilly (New) Bareilly (Existing) Transmission Line in Northern Region under "Northern Region System Strengthening Scheme XXI" for tariff block 2014-19 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.

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
Asset I: 765 KV S/C Bareilly-Lucknow Transmission Line at 400 kV level	1.4.2014	6552.87	6871.45	6767.95	6586.65	6405.74
Asset II: One Circuit of 400 kV D/C Bareilly (New) Bareilly (New) Bareilly (Existing) Transmission Line	1.4.2014	92.98	99.18	97.86	95.15	92.44

2. Annual transmission charges allowed in terms of Regulation 7(7) of the 2014

Tariff Regulations are as follows:-

(₹ in lakh)						
Asset	DOCO	2014-15	2015-16	2016-17	2017-18	2018-19
Asset I: 765 KV S/C Bareilly-Lucknow Transmission Line at 400 kV level	1.4.2014	5242.30	-	-	-	-
Asset II: One Circuit of 400 kV D/C Bareilly (New) Bareilly (New) Bareilly (Existing) Transmission Line	1.4.2014	74.38	-	-	-	-

