

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 189/TT/2015

Coram:

**Shri Gireesh B. Pradhan, Chairperson
Shri A.S. Bakshi, Member**

Date of Hearing: 10.9.2015

Date of Order : 21.09.2015

In the matter of

Approval of transmission tariff (A) Central Sector Portion of Establishment of Fibre Optic Communication System in Northern Region (1030.426 km) 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.

PETITIONER

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 Limited,
Vidyut Bhawan, Vidyut Marg,
Jaipur- 302 005
2. Ajmer Vidyut Vitran Nigam Limited,
400 kV GSS Building (Ground Floor), Ajmer Road,
Heerapura, Jaipur
3. Jaipur Vidyut Vitran Nigam Limited,
400 kV GSS Building (Ground Floor), Ajmer Road,
Heerapura, Jaipur



4. Jodhpur Vidyut Vitran Nigam Limited,
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,
Thermal Shed TIA, Near 22 Phatak,
Patiala-147 001
7. Haryana Power Purchase Centre,
Shakti Bhawan, Sector-6,
Panchkula (Haryana)-134 109
8. Power Development Department,
Govt. of Jammu and Kashmir,
Mini Secretariat, Jammu
9. Uttar Pradesh Power Corporation Limited,
(Formerly Uttar Pradesh State Electricity Board)
Shakti Bhawan, 14, Ashok Marg,
Lucknow-226 001
10. Delhi Transco Limited,
Shakti Sadan, Kotla Road,
New Delhi-110 002
11. BSES Yamuna Power Limited,
BSES Bhawan, Nehru Place,
New Delhi
12. BSES Rajdhani Power Limited,
BSES Bhawan, Nehru Place,
New Delhi
13. North Delhi Power Limited,
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 Limited,
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
Shri M. M. Mondal, PGCIL
Shri S.K. Venkatesan, PGCIL
Shri Rakesh Prasad, PGCIL
Smt. Sangeeta Edwards, PGCIL

For respondents : None

ORDER

The petitioner, Power Grid Corporation of India Limited (PGCIL) has filed this petition for approval of the transmission tariff for (A) Central Sector Portion of Establishment of Fibre Optic Communication System in Northern Region (1030.426 km) in accordance with the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2014 (hereinafter referred to as "the 2014 Tariff Regulations"). The petitioner has also prayed to allow 90% of the Annual Fixed Charges in terms of proviso (i) of Regulation 7(7) of the 2014 Tariff Regulations.



2. The petition was heard on 10.9.2015 for consideration of the petitioner's prayer for Annual Fixed Charges (AFC) in terms of proviso (i) of Regulation 7(7) of the 2014 Tariff Regulations. The representative of the petitioner submitted that as per the Investment Approval (IA) date 27.3.2012, the assets were scheduled to be commissioned within 30 months from the dated of IA, i.e. by 27.9.2014 and the assets were commissioned on 1.8.2014. Thus, there is no time over-run. The total estimated completion cost is ₹2939.59 lakh against the apportioned approved cost ₹3050.70 lakh. Hence, there is no cost over-run in case of the instant asset.

3. As per proviso (i) of Regulation 7(7) of the 2014 Tariff Regulations, the Commission may grant upto 90% of the AFC of the transmission system or element thereof for the purpose of inclusion in PoC charges in accordance with the Central Electricity Regulatory Commission (Sharing of Inter State Transmission charges and losses) Regulations, 2010. Regulation 7(2) 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 the 2014 Tariff Regulations provides that such an application shall be filed as per Annexure-I of these Regulations.

4. We have considered the submissions of the petitioner. The petitioner has made the applications as per Annexure-I of 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.

5. After carrying out preliminary prudence check of the AFC claimed by the petitioner, the Commission has decided to allow tariff for the instant assets in terms of proviso (i) of Regulation 7(7) of the 2014 Tariff Regulations as given in para 6 of this order for the years 2014-15 and 2015-16.

6. The details of the tariff claimed by the petitioner and tariff allowed by the Commission are as under:-

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

Particulars	(₹ in lakh)				
	2014-15 (pro-rata)	2015-16	2016-17	2017-18	2018-19
Asset	466.39	741.32	731.93	720.76	709.85

B. Annual transmission charges allowed are as follows:-

Particulars	(₹ in lakh)	
	2014-15 (pro-rata)	2015-16
Asset-I	396.43	630.12

7. The AFC allowed in this order shall be applicable from the date of commercial operation 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. Further, the transmission charges allowed in this order shall be subject to adjustment as per Regulation 7(7) of the 2014 Tariff Regulations.

8. The Commission directed the petitioner to submit the following information on affidavit with a copy to the respondents by 16.10.2015:-

- a) As auditor certificates submitted by the petitioner indicate two different dates, clarify, whether the capital expenditure has been verified from the audited statements of accounts of the petitioner, up to 31.3.2014 or up to 31.12.2014;
- b) Documents in support of date of drawl and repayment schedule for Bond XLVI deployed as per Form-9C;
- c) Computation of interest during construction (IDC) on cash basis for the asset:-
 - i) From the date of infusion of debt fund up to Scheduled COD;
 - ii) From scheduled COD to actual COD of the respective asset.
- d) While submitting the un-discharged liability portion of IDC/IEDC, clarify whether it has been included in the projected add-cap claimed and accordingly should modify the tariff claims;
- e) Form-9 (Details of allocation of corporate loans to various transmission elements) in respect of the asset; and
- f) Details of actual O&M expenses for the period 2008-09 to 2012-13 based on the Audited Accounts as per Regulation 29 (4) (c) of the 2014 Tariff Regulations for the purpose of final tariff.

9. The petitioner is directed to submit editable soft copy (Excel format) IDC to be claimed on cash basis with links by 16.10.2015. The petitioner is also directed to work out the tax on return on equity and the deferred tax liability for the period 2014-19 as per the observations made in order dated 15.4.2015 in Petition No. 532/TT/2014.



10. The respondents shall file their reply by 30.10.2015 with advance copy to the petitioner who shall file its rejoinder, if any by 16.11.2015. The additional information/replies/rejoinder shall be filed within the due date mentioned above. In case no information is filed within the due date, the matter shall be considered based on available records.

11. The petition will be listed for final hearing after completion of pleadings.

-sd-
(A.S. Bakshi)
Member

-sd-
(Gireesh B. Pradhan)
Chairperson

