

**CENTRAL ELECTRICITY REGULATORY COMMISSION  
NEW DELHI**

**Petition No. 62/TT/2015**

**Coram:**

**Shri A.K. Singhal, Member  
Shri A.S. Bakshi, Member**

**Date of Hearing: 03.03.2015**

**Date of Order : 01.04.2015**

**In the matter of:**

Approval 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 of transmission tariff and Regulation 4(3)(ii) for approval of DOCO for:

1. LILO of Dehar-Bhiwani 400 kV S/C line at Rajpura Sub-station (Anticipated DOCO: 31.3.2015)
2. LILO of Dehar-Panipat 400 kV S/C line at Panchkula Sub-station (Anticipated DOCO: 1.2.2015)
3. Extension of Chamera 400/220 kV pooling Sub-station (GIS)-01 no. of 220 kV line bay (DOCO: 6.8.2014)
4. Extension of 400 kV Kota Sub-station (Anticipated DOCO 1.2.2015)

Associated with Northern Region System Strengthening Scheme-XXVII in Northern Region from DOCO/Anticipated DOCO to 31.3.2019.

**And in the matter of:**

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

**.....Petitioner**

**Vs**

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 Power Corporation Limited,  
Thermal Shed T-1A, Patiala
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. UP Power Corporation Limited,  
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 66/11 kV 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  
Ms. Sangeeta Edwards, PGCIL  
Shri Prashant Sharma, 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 transmission assets associated with Northern Region System Strengthening Scheme-XXVII in Northern Region 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 for allowing 90% of the Annual Fixed Charges claimed, in terms of proviso (i) of Regulation 7(7) of the 2014 Tariff Regulations.



2. The details of the petitions and the elements covered in them are as follows:-

S. No.	Asset	Name of the Asset	Scheduled DOCO as per Investment approval	Anticipated/ Actual DOCO as on the date of petition	Anticipated/ Actual DOCO as on the date
1	Asset-1	LILO of Dehar-Bhiwani 400 kV S/C line at Rajpura Sub-station	6.8.2014	31.3.2015 (anticipated)	31.3.2015 (anticipated)
2	Asset-2	LILO of Dehar-Panipat 400 kV S/C line at Panchkula Sub-station		1.2.2015 (anticipated)	1.4.2015 (anticipated)
3	Asset-3	Extension of Chamera 400/220 kV pooling Sub-station (GIS)-01 no. of 220 kV line bay		6.8.2014 (actual)	-
4	Asset-4	Extension of 400 kV Kota Sub-station		1.2.2015 (anticipated)	1.5.2015 (anticipated)

3. During the hearing on 3.3.2015, the representative of the petitioner prayed for grant Annual Fixed Charges (AFC) in terms of proviso (i) of Regulation 7(7) of the 2014 Tariff Regulations in respect of the instant assets.

4. As per proviso (i) of Regulation 7(7) of the 2014 Tariff Regulations, the Commission may grant tariff 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), Regulation, 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.

5. 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.

6. After carrying out preliminary prudence check of the AFC claimed by the petitioner and taking into consideration the time over-run in case of the instant assets, which shall be looked into in detail at the time of issue of final tariff, 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 7 of this order for the years 2014-15 and 2015-16.

7. 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:-

	(₹ in lakh)				
<b>Assets</b>	<b>2014-15</b>	<b>2015-16</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19</b>
Asset-1	1.79	733.16	830.16	860.36	843.78
Asset-2	83.82	552.37	570.54	562.58	554.71
Asset-3	122.49	208.68	225.83	226.71	222.76
Asset-4	21.97	171.89	199.11	197.34	195.65

B. Annual transmission charges allowed are as follows:-

(₹in lakh)		
<b>Assets</b>	<b>2014-15</b>	<b>2015-16</b>
Asset-1	1.43	586.53
Asset-2	67.06	441.90
Asset-3	104.12	177.38
Asset-4	17.58	137.51

8. 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.

9. The petitioner is 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 31.3.2015 in Petition No. 532/TT/2014.

10. The Commission directed the petitioner to submit the following information on affidavit with a copy to the respondents by 24.4.2015:-

- a) Actual DOCO of all the assets. Trial Operation certificates and certification of RLDC after achieving commercial operation;
- b) Minutes of meeting of Standing Committee conveying Approval for all the assets;
- c) Single Line Diagram of all the assets;
- d) Form-5A in respect of Asset-1, 2 and 3 and Form-5 in respect of Asset-3;

- e) Reasons and justification for cost variation in certain items/heads as per Form 5s in assets (page 71, 72, 95, 96 and 137) of petition along with documentary evidence for the following:-

Items	Asset wise % Cost variation		
	1	2	4
Tower Steel	35	-	-
Insulator	50	-	-
Conductor & Earth Wire Accessories	20	-	-
Hardware Fittings	66	-	-
Foundation for Structure	-	233	-
420kV Isolators	63	-	-
420kV CB	17.5	-	-
420kV CT	9	-	-
Control, Relay and Protection Panel	23	-	309
Substation Automation System	156	174	-
Power & Control cables	42	-	11
Erection	63	35	-
Structure for Switchyard	-	83	16
Switchgear (CT, PT, CB, Isolator, etc)	-	-	63
PLCC	-	-	25

- f) In view of above it is required to explain the basis on which FR estimates were prepared;
- g) Status of 400 kV downstream line at Kota and Chamera Sub-stations and utilization of extended sub-station (line bays) at Kota and Chamera;
- h) The English translation of letters in Punjabi, submitted for time over-run;
- i) Inform about the current/revised status of commissioning of the Asset: 1, 2 and 4. In case of any change in COD of these asset/s, to furnish Auditor's Certificates and DOCO Letters (in case of actual COD) and Management certificates or Auditor's Certificates (in case of anticipated COD) and all Tariff Forms. Auditor's Certificates or Management certificates of Expenditure for the assets must be in the form of element wise segregation of capital cost and segregation of IDC/IEDC included thereon as on the date of Commercial Operation;
- j) Repayment schedule for SBI Loan (as per Form-9C) and details of any default in interest payment on loans;

- k) In respect of Asset-2, Management Certificate and all the Forms have been submitted, considering anticipated COD as 31.02.2014. However, in text portion at page 12, the anticipated COD has been claimed as 01.02.2015. To clarify the reasons for this discrepancy;
- l) A copy of the Investment Approval certified by Company Secretary;
- m) Form-4A "Statement of Capital Cost" as per Books of Account (Accrual Basis) for all the assets and amount of Capital Liabilities in Gross Block also to be indicated;
- n) Computation of interest during construction along with editable soft copy in Excel format with links for the assets for the following periods:
  - i. From the date of infusion of debt fund up to scheduled COD/actual COD as per Regulation 11 (A) (1) of Tariff Regulation, 2014.
  - ii. In case of any delay in completion of the assets, from Scheduled COD to actual COD of the assets;
- o) Details of incidental expenditure incurred (IEDC) during the period of delay in commissioning of the assets (i.e. from scheduled COD to actual COD) along with the liquidated damages recovered or recoverable, if any; and
- p) Form-9 (Details of allocation of corporate loans to various transmission elements) in respect of all the assets.

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**(A.S. Bakshi)**  
**Member**

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**(A.K. Singhal)**  
**Member**