

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 337/TT/2018

Coram:

**Shri P. K. Pujari, Chairperson
Dr. M. K. Iyer, Member**

Date of Order : 21.12.2018

In the matter of:

Approval of transmission tariff from COD to 31.3.2019 for **Asset-I:** 3x5 MVA (132/33 kV), 1-ph, ICT-I alongwith associated bays at Tezu Sub-station, **Asset-II:** 4x5 MVA (132/33 kV) (01 no spare), 1-ph, ICT-II alongwith associated bays at Tezu Sub-station, **Asset-III:** 132 kV S/C (on D/C Tower) Tezu-Namsai Transmission Line alongwith associated bays at Tezu and Namsai Sub-station, 4X6.67 MVAR, 145 kV, 1-ph Bus Reactor, 3X5 MVA, 132/33 kV, 1-ph ICT-I and 4X5 MVA, 132/33 kV 1-ph ICT-II (01 no spare phase) at Namsai Sub-station under “transmission system associated with Pallatana GBPP and Bongaigaon TPS” 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
"Saudamini", Plot No.2,
Sector-29, Gurgaon -122 001

.....Petitioner

Vs

1. Assam Electricity Grid Corporation Limited
Bijulee Bhawan, Paltan Bazar,
Guwahati-781001, Assam
2. Meghalaya Energy Corporation Limited
(Formerly Meghalaya State Electricity Board)
Short Round Road, “Lumjingshai”
Shillong-793001, Meghalaya



3. Government of Arunachal Pradesh
Vidyut Bhawan, Itanagar-791111,
Arunachal Pradesh
4. Power and Electricity Department
Government of Mizoram
Aizawl, Mizoram
5. Manipur State Power Distribution Company Limited
(Formerly Electricity Department, Govt. of Manipur)
Electricity Complex, Patta No. 1293 Under 87(2),
Khwai Bazar, Keishampat,
District-Imphal West, Manipur-795001
6. Department of Power
Government of Nagaland
Kohima, Nagaland
7. Tripura State Electricity Corporation Limited
Vidyut Bhawan, North Banamalipur,
Agartala, Tripura (W)-799001, Tripura
8. OTPC (ONGC Tripura Power Corporation Limited)
6th Floor, A Wing, IFCI Towers,
New Delhi - 110019
9. NTPC (National Thermal Power Corporation Limited)
NTPC Bhawan, SCOPE Complex,
Institutional Area, Lodhi Road,
New Delhi – 110003

...Respondents

For petitioner : Shri Pankaj Sharma, PGCIL
Shri S. K. Venkatesan, PGCIL
Shri S. S. Raju, PGCIL
Shri Vivek Kumar Singh, PGCIL
Shri Zafrul Hasan, PGCIL

For respondents : None



ORDER

Power Grid Corporation of India Limited (PGCIL) has filed the instant petition for determination of transmission tariff from COD to 31.3.2019 for Asset-I: 3x5 MVA (132/33 kV), 1-ph, ICT-I alongwith associated bays at Tezu Sub-station, Asset-II: 4x5 MVA (132/33 kV) (01 no spare), 1-ph, ICT-II alongwith associated bays at Tezu Sub-station, Asset-III: 132 kV S/C (on D/C Tower) Tezu-Namsai Transmission Line alongwith associated bays at Tezu and Namsai Sub-station, 4X6.67 MVAR, 145 kV, 1-ph Bus Reactor, 3X5 MVA, 132/33 kV, 1-ph ICT-I and 4X5 MVA, 132/33 kV 1-ph ICT-II (01 no spare phase) at Namsai Sub-station under “transmission system associated with Pallatana GBPP and Bongaigaon TPS” 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 grant of 90% of the Annual Fixed Charges (AFC) claimed, in terms of proviso (i) of Regulation 7(7) of the 2014 Tariff Regulations for inclusion in PoC mechanism.

2. As per the investment approval of the petitioner’s Board of Directors on 25.2.2010, which was conveyed on 26.2.2010, the scheduled completion of the instant assets was 34 months from the date of investment. Accordingly, the instant assets were scheduled to be put into commercial operation on 24.12.2012. Assets-I and II were put into commercial operation on 21.1.2018, after a time over-run of 61 months. The petitioner in the petition submitted that the anticipated COD of Asset-III was 30.7.2018. Later, vide affidavit dated 4.12.2018, the petitioner has submitted the Asset-III was put into



commercial operation in two parts on 5.7.2018 and 14.6.2018. Thus, there is time over-run in case of all the assets covered in the petition.

3. The details of the capital cost claimed by the petitioner are as follows:-

(₹ in lakh)

Particulars	Apportioned Approved Cost (As per FR)	Apportioned Approved Cost (As per RCE)	Exp. Up to COD	Proposed Expenditure				Estimated Completion Cost
				2017-18	2018-19	2019-20	2020-21	
Asset-I	748.89	755.08	697.36	5.20	22.45	0.00	0.00	725.01
Asset-II	822.52	807.45	754.19	5.20	30.91	0.00	0.00	790.30
Asset-III	11981.89	18124.83	19051.58	0.00	1286.56	409.43	124.48	20872.05

There is a cost overrun in respect of Asset-III as on 31.3.2019.

4. The matter was heard on 13.12.2018. The representative of the petitioner requested for grant of Annual Fixed Charges (AFC) in terms of proviso (i) of Regulation 7(7) of the 2014 Tariff Regulations.

5. 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.

6. 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.

7. We have considered the submissions of the petitioner. It is observed that Asset-II, i.e. the ICT-II at Tezu Sub-station, has been earmarked as a spare. Therefore, we are not inclined to grant tariff for Asset-II at this stage, the same shall be considered at the time of issue of final order taking into consideration the report on "Spares" which is being prepared by the Chief (Engineering) on the directions of the Commission. After carrying out preliminary prudence check of the AFC claimed by the petitioner and taking into consideration the time over-run in case of instant assets, which will be considered at the time of issue of final order, the Commission has decided to allow tariff for Asset-I and III in terms of proviso (i) of Regulation 7(7) of the 2014 Tariff Regulations as given in paragraph 8 of this order.

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

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



(₹ in lakh)		
Particulars	2017-18 (pro-rata)	2018-19
Asset-I	36.97	192.97
Asset-II	38.92	203.47
Asset-III	-	2481.87

B. Annual transmission charges allowed are given below:-

(₹ in lakh)		
Particulars	2017-18 (pro-rata)	2018-19
Asset-I	31.42	164.02
Asset-II	33.08	172.95
Asset-III	-	1880.01

9. The tariff allowed in this order shall be applicable from the actual CODs of instant assets 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.

10. The petitioner is directed to submit the following information on affidavit with an advance copy to the beneficiaries by 31.12.2018:-

- a. The revised tariff Forms for Asset-III(a) and III(b).
- b. The RLDC charging certificate and CEA energisation certificate for Asset-II.
- c. The detailed reasons and chronology of the time over-run along with documentary evidence in case of the instant assets (individually) in the following format:-



Sl. No.	Activity	Schedule		Actual		Remarks if any
		From	to	From	to	
1	LOA					
2	Supplies					
3	Erection					
4	Testing & Commissioning					

11. The respondents are directed to file their reply by 11.1.2019 with an advance copy to the petitioner who shall file its rejoinder, if any by 21.1.2019. The parties shall comply with the above directions within the due date mentioned above and no extension of time shall be granted.

12. The next date of hearing will be intimated in due course of time.

sd/-
(Dr. M. K. Iyer)
Member

sd/-
(P. K. Pujari)
Chairperson

