

**CENTRAL ELECTRICITY REGULATORY COMMISSION  
NEW DELHI**

**Petition No. 103/TT/2018**

**Coram:**

**Shri P. K. Pujari, Chairperson  
Shri A. K. Singhal, Member  
Shri A. S. Bakshi, Member  
Dr. M. K. Iyer, Member**

**Date of Order : 06.06.2018**

**In the matter of:**

Approval of transmission tariff for 2x240 MVA Switchable Line Reactor with 950 ohms NGR at Aurangabad Sub-station along with associated bays under "Inter-Regional System Strengthening Scheme for WR and NR (Part-A)" for tariff period 2014-19 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, 2014.

**And in the matter of:**

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

**.....Petitioner**

**Vs**

1. Madhya Pradesh Power Management Company Limited,  
Shakti Bhawan, Rampur  
Jabalpur-482 008.
2. Madhya Pradesh Power Transmission Company Ltd.  
Shakti Bhawan, Rampur  
Jabalpur - 482 008
3. Madhya Pradesh Audyogik Kendra  
Vikas Nigam (Indore) Ltd.



3/54, Press Complex, Agra-Bombay Road,  
Indore-452 008

4. Maharashtra State Electricity Distribution Company Limited,  
Hongkong Bank Building, 3rd Floor  
M.G. Road, Fort, Mumbai-400001.
5. Maharashtra State Electricity Transmission Co. Ltd.  
Prakashganga, 6<sup>th</sup> floor, Plot No. C-19, E-Block,  
Bandra Kurla Complex, Bandra (East) Mumbai-400 051.
6. Gujarat Urja Vikas Nigam Limited,  
Sardar Patel Vidyut Bhawan,  
Race Course Road,  
Vadodara-390 007.
7. Gujarat Energy Transmission Corporation Limited  
Sardar Patel Vidyut Bhawan,  
Race Course Road, Vadodara - 390 007
8. Electricity Department,  
Government of Goa,  
Vidyut Bhawan, Panaji,  
Near Mandvi Hotel, Goa-403 001.
9. Electricity Department,  
Administration of Daman and Diu,  
Daman-396 210.
10. Electricity Department,  
Administration of Dadra Nagar Haveli,  
U.T., Silvassa-396 230.
11. Chhattisgarh State Electricity Board,  
P.O. Sunder Nagar, Dangania, Raipur  
Chhattisgarh-492 013.
12. Chhattisgarh State Power Transmission Co. Ltd.  
Office of the Executive Director (C&P)  
State Load Despacth Building,  
Dangania, Raipur – 492 013.



13. Chhattisgarh State Power Distribution Co. Ltd.  
P. O. Sunder Nagar, Dangania, Raipur  
Chhattisgarh-492 01.

...Respondents

**For petitioner** : Shri B. Dash, PGCIL  
Shri Vivek Kumar Singh, PGCIL  
Shri S. K. Venkatesan, PGCIL  
Shri S. S. Raju, PGCIL  
Shri K. Kiran, PGCIL  
Shri Rakesh Prasad, PGCIL

**For respondents** : None

### **ORDER**

Power Grid Corporation of India Limited (PGCIL) has filed the instant petition for determination of transmission tariff for 2x240 MVA Switchable Line Reactor with 950 ohms NGR at Aurangabad Sub-station along with associated bays under “Inter-Regional System Strengthening Scheme for WR and NR (Part-A)” in Western Region for 2014-19 tariff period 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. The petitioner has submitted that as per the Investment Approval dated 31.10.2013 the instant assets were to be put into commercial operation within 36 months from the date of approval of the petitioner's Board of Directors dated 23.10.2013. Accordingly, the scheduled COD of the instant assets was by 22.10.2016. The instant assets were put into commercial operation on 25.8.2017. Thus, there is a time over-run of 10 months and 2 days.

3. The petitioner has claimed the tariff based on actual/estimated expenditure incurred up to COD and additional capitalization incurred from COD to 31.3.2019 in respect of the instant assets. The capital cost claimed by the petitioner is as follows:-

Approved apportioned cost (RCE)	Expenditure incurred upto COD	Additional Capital Expenditure		Total estimated cost
		COD to 31.3.2018	2018-19	
9666.16	5771.19	960.36	300.03	7031.58

Therefore, the estimated completion cost of instant asset is within the total RCE approved apportioned cost. Thus, there is no cost over-run in respect of the instant assets.

4. The matter was heard on 24.5.2018. The representative of the petitioner requested for grant Annual Fixed Charges (AFC) in terms of proviso (i) of Regulation 7(7) of the 2014 Tariff Regulations. The representative of the petitioner has also submitted that the rejoinder to the reply filed by MPPMCL has been filed vide affidavit dated 10.5.2018.



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. After carrying out preliminary prudence check of the AFC claimed by the petitioner and the time over-run in case of the instant assets which will be looked into detail at the time of issue of final order, the Commission has decided to allow tariff in terms of proviso (i) of Regulation 7(7) of the 2014 Tariff Regulations as given in para-8 of this order.



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

A. Annual transmission charges claimed are as follows:-

(₹ in lakh)	
2017-18 (pro-rata)	2018-19
865.36	1540.26

B. Annual transmission charges allowed are given below:-

(₹ in lakh)	
2017-18 (pro-rata)	2018-19
692.29	1232.21

9. The tariff allowed in this order shall be applicable from the actual COD 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 Commission directed the petitioner to submit the following information on affidavit with an advance copy to the beneficiaries by 29.6.2018:-

- (i) Form 5 shows liability as on COD as ₹1260.38, however, Form 7 shows total payment under Balance and Retention Payment as ₹1342.43, reconcile the same. Submit Form 4A clearly mentioning the liability



amount reconciled with the liability as mentioned in Form 5 and as claimed in Form 7.

- (ii) Clarify whether the entire amount of IEDC has been discharged upto COD, if not, provide discharge details thereof.
- (iii) Year-wise capitalization and discharge particulars of initial spare.
- (iv) 'Other income' shown in Form 14 does not tally with income shown in Form 12A. The same may be reconciled.
- (v) Details of time over-run and chronology of activities alongwith documentary evidence as per format given below:-

Srl. No	Task name	Schedule		Actual		Reasons for delay
		From	To	From	To	
1.	LOA					
2.	Preliminary survey and other investigations					
3.	Forest clearance proposal submitted and approved					
4.	RoW issues					
5.	Transmission lines material					
6.	Sub-station					

11. The respondents are directed to file their reply by 16.7.2018 with an advance copy to the petitioner who shall file its rejoinder, if any by 24.7.2018. The parties shall comply with the above directions within the due date mentioned above and no extension of time shall be granted.

12. The petition shall be listed on 31.7.2018 for final hearing.

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

sd/-  
**(A. S. Bakshi)**  
Member

sd/-  
**(A. K. Singhal)**  
Member

sd/-  
**(P. K. Pujari)**  
Chairperson

