

BEFORE THE CENTRAL ELECTRICITY REGULATORY COMMISSION  
NEW DELHI

PETITION NO: -----OF 2014

IN THE MATTER OF : Petition Under Section 62 and 79 (1) (a) of the Electricity Act, 2003 read with Chapter-V of the Central Electricity Regulatory Commission (Conduct of Business) Regulations, 1999 for Approval of tariff of **Jhajjar-Mundka 400 KV D/C ISTS Asset, of APCPL** for the period from i.e., 01.03.2014 to 31.03.2019.

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AND

IN THE MATTER OF

Petitioner

: Aravali Power Company Pvt. Ltd.  
1<sup>st</sup> & 2<sup>nd</sup> Floor, Pawan hans Towers,  
C-14, Sector-1, NOIDA (UP) 201301

Vs

Respondents :

1. Haryana Power Purchase Centre (HPPC)  
Shakti Bhawan, Sector-VI, Panchkula  
Haryana – 134 109
2. Tata Power Delhi Distribution Ltd.

Grid Sub Station, Hudson Road  
Kingsway Camp, Delhi- 110 009

3. BSES Rajdhani Power Ltd.

BSES Bhawan, Nehru Place  
New Delhi – 110019

4. BSES Yamuna Power Ltd.

Shakti Kiran Building  
Karkardooma ,Delhi- 110092

Affidavit

I, N. N. SADASIVAN, son of Late Shri P.V. Narayanan, aged about 53 years, residing at D-51, SMRIDHI - NTPC Apartments, Sector-33, NOIDA, (UP) do solemnly affirm and say as follows:

1. I am working as Addl. Gen. Manager (Comml.) with APCPL, the Petitioner in the above matter and am duly authorized to make this affidavit.
2. The statements made in the accompanying application are based on official records maintained during course of business and I believe them to be true.

(DEPONENT)

Verification

Solemnly affirm at Noida on this \_\_\_\_\_ 2014 that the contents of the above affidavit are true to my knowledge, no part of it is false and nothing material has been concealed there from.

(DEPONENT)

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THE PETITIONER MOST RESPECTFULLY STATES THAT:

- 1) The Petitioner herein, Aravali Power Company Private Ltd., hereinafter called 'APCPL', is a company incorporated under Companies Act, 1956. It is a joint venture company of NTPC Ltd. (NTPC), Haryana Power Generation Company Ltd. (HPGCL) and

Indraprastha Power Generation Company Ltd. (IPGCL). The promoters shareholding of the APCPL is NTPC 50%, HPGCL 25% and IPGCL 25%. Whereas NTPC is a company with major shareholding of Govt. of India, HPGCL is a company owned by Govt. of Haryana and IPGCL is a company of Govt. of Delhi.

- 2) The Petitioner, a Generating Company, as under the Sec. 2(28) of the Electricity Act 2003, has set up its first power station/project named **Indira Gandhi Super Thermal Power Station** (herein after called IGSTPS) in district Jhajjar of Haryana state having an approved capacity of 1500 MW (3 x 500 MW).
- 3) The transmission system for the said Station (IGSTPS), was finalized by CEA, CTU and MoP, at a meeting taken by CEA dated 25.07.2007, as per the following arrangement:

(i) Jhajjar-Mundka 400kV D/C line	Jhajjar-Mundka line to benefit Delhi for enabling its drawal of power from Jhajjar.
(ii) Jhajjar-Daulatabad 400 kV D/C Line	HVPNL shall construct Jhajjar-Daulatabad & Daulatabad-Gurgaon Line.

- 1) Govt of India/Ministry of Power, vide MoM dated 12.12.2007 directed APCPL (the generating company) to construct the Jhajjar-Mundka line as a dedicated line for NCT Delhi (Jhajjar-Mundka Line) to match the synchronization of transmission system with generation project before Commonwealth games 2010. It was further clarified by CEA at the meeting that since the line from Jhajjar to Mundka would be a dedicated line for feeding the share of power from Jhajjar to Delhi, Delhi would bear its full transmission charges. During the meeting it was also deliberated that since the generating company would construct the line, there is no requirement of license for same and the cost of the transmission system would be chargeable to Delhi only in the form of transmission charges. Beneficiary customers of the Jhajjar-Mundka 400 KV D/C Transmission Line, of APCPL have agreed to pay

transmission charges for the said line under the PPAs signed with them. The Agreement have been signed with respondents on the dates given below

S.No.	Name of Beneficiary	Date of Agreement
1	North Delhi Power Ltd.	10.06.2008
2	BSES Rajdhani Power Ltd	05.06.2008
3	BSES Yamuna Power Ltd	05.06.2008

- 2) Although, Haryana has allocation from the IGSTPP, Jhajjar, it has constructed a separate line, viz., Jhajjar-Daulatabad 400 KV D/C Transmission Line for evacuation of its share from IGSTPP, Jhajjar.
- 3) The Petitioner has, accordingly, set-up a 400KV double circuit (65.69 Km/ckt) transmission line, namely Jhajjar-Mundka 400 kV D/C transmission line connecting the 400 kV IGSTPP, Jhajjar bus-bar to 400/220 kV Mundka substation at Delhi of Delhi Transco Limited. The contract for construction of the line was awarded to PGCIL, on deposit-work basis.
- 4) The line was declared commercial on 01.03.2011.,
- 5) Further, in line with the GoI MoM dated 12.12.2007 the said transmission line was operated as a dedicated transmission line to serve exclusively only the Delhi State, which is one of the major beneficiaries of the IGSTPP of APCPL.
- 6) Sec. 62 of the Electricity Act 2003 provides for determination of tariff of Transmission by the appropriate Commission (being the Central Commission in the instant case) as envisaged under Sec. 79 (c), (d) of Electricity Act, 2003.
- 7) Regulation 5 of the CERC Regulations 2009 provides:

Quote:

*5. **Application for determination of tariff:** (1) The generating company or the transmission licensee, as the case may be, may make an application for determination of tariff in accordance with Central Electricity Regulatory Commission (Procedure for making of application for determination of tariff, publication of the application and other related matters) Regulations, 2004, as*

*amended from time to time or any statutory re-enactment thereof, in respect of the units of the generating station or the transmission lines or sub-stations of the transmission system, completed or projected to be completed within six months from the date of application.*

*(2) The generating company or the transmission licensee, as the case may be, shall make an application as per Appendix I to 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:*

Unquote:

- 8) The Petitioner has filed on 05.08.2010 a petition, being Petition No. 239/2010, under section 79(1) of the Electricity Act, 2003, for determination of tariff for Jhajjar-Mundka 400 kV D/C Transmission Line for supplying the power from IGSTPP to Respondents Delhi discoms for the period from Anticipated Commercial Operation i.e. 31.08.2010 to 31.03.2014 as per the Tariff Regulations, 2009.
- 9) Subsequent to the COD of the line on 01.03.2011, on directions of Hon'ble Commission's letter dtd. 25.05.2011, the petitioner has also amended and submitted in Feb'2012, the tariff petition, based on Audited Accounts as on the COD of the Transmission Line viz., 01<sup>st</sup> March 2011.
- 10) During the hearing on the said petition, on 11.10.2012 the Hon'ble Commission raised a question whether the Jhajjar-Mundka 400 kV D/C Transmission Line is a dedicated line or an ISTS line, and the Hon'ble Commission called CEA and CTU also to provide their views on the question.
- 11) The Petitioner, submitted before the Hon'ble Commission the details and facts that lead to the establishment of the said Transmission Line, being an Interlocutory Application (IA) No. 10/2011 and 57/2012, in this regard, praying the transmission line be

declared “deemed ISTS”. Based on the submissions by the parties, including CEA, CTU, etc., Hon’ble Commission vide Order Dated 08/06/2013 directed as follows:

12)

QUOTE

*16. We are of the view that the subject transmission asset is not functioning as dedicated transmission line and is actually being used as an inter-state transmission line. Since, the business of transmission cannot be carried out without a transmission licence; the petitioner should file the appropriate application for grant of transmission licence for the subject transmission line.*

UNQUOTE

- 13) In compliance to the directions of the Hon’ble Commission, the petitioner filed an application for transmission licence, being Petition No. 169/TL/2013, and transmission licence was granted to Aravali Power Company Private Limited for the operation and maintenance of the Jhajjar- Mundka transmission line as per the details given there-in for a period of 25 years by the Commission vide its order dated 7.11.2013 in. Whereas the actual date of commercial operation of the line was 1.3.2011 and the transmission line was being utilized as a dedicated line for evacuating the Delhi’s share of power from the IGSTPP, Jhajjar. After issue of transmission licence on 7.11.2013, the line is a part of Inter-State Transmission System (ISTS).
- 14) Further, the Hon’ble Commission has issued the Provisional Tariff Order dated 13.05. 2014, on The transmission charges, from the date of issue of transmission licence, i.e., 7.11.2013.
- 15) Hon’ble Commission’s Provisional Tariff Order dated 13.05. 2014 provides:

QUOTE:

*10. The tariff of the dedicated transmission lines from 1.3.2011 till 6.11.2013 shall be considered at the time of determination of the*



*final tariff of the generating station as the dedicated transmission line is part of the generating station.*

11. Annual transmission charges allowed on provisional basis are as follows:-

( Rs.Lakhs)

Asset	2013-14 (From 7.11.2013 to 31.3.2014)
400 kV D/C Jhajjar- Mundka transmission Line	487.52

12. The provisional transmission charges allowed in this order shall be subject to adjustment as per Regulation 5(3) of the 2009 Tariff Regulations.

UNQUOTE:

- 15) Accordingly the above Transmission Charges are included in the POC charges, as per the billing, collection and disbursement of the transmission charges 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.
- 16) As above, the final tariff determination as per CERC Regulations 2009-14 by the Hon'ble Commission, however, remains before the Commission.
- 17) Further, the Hon'ble Commission has notified the Central Electricity Regulatory Commission (Terms & Conditions of Tariff) Regulations, 2014 (hereinafter 'Tariff Regulations 2014') which have come into force from 1.4.2014, specifying the terms & conditions and methodology of tariff determination under Section 62 & 79 of the Electricity Act, 2003. The Petitioner is filing the present petition for determination of tariff for the Jhajjar-Mundka 400 KV D/C ISTS Asset, of APCPL for the period from 1.4.2014 to 31.3.2019 as per the Tariff Regulations 2014.
- 18) The clause 8 of Regulation 7 of CERC (Terms and Conditions of Tariff) Regulations 2014 has specified that in case of existing projects, the

tariff may be allowed based on the admitted capital cost upto 31.3.2014 and projected capital expenditure for the respective years during 2014-19 period.

- 19) The Petitioner, in the absence of 'admitted capital costs', admitted by CERC up to 31.03.2014, has perused the capital costs filed / claimed, for the respective tariff period 2014-15 to 2016, before the Hon'ble Commission vide the TRUE-UP petition filed before the Commission, for making this Application.
- 20) Further, the Revised Cost Estimate of the Asset is under the process of approvals by the stake holders and is expected to be approved very shortly. The Hon'ble Commission is requested to consider the same and the necessary approval for the revised project cost shall be submitted separately.
- 21) The Petitioner is hereby submitting the present petition in accordance with the above for the determination of Tariff of **Jhajjar-Mundka 400 KV D/C ISTS Asset, of APCPL** , for the period 01/04/2014 till 31.03.2019, as per CERC Tariff Regulations 2014.
- 22) The Petitioner humbly submits that the said Jhajjar-Mundka 400 KV D/C ISTS Asset is a short distance line of 65.66 Km. The Commission has whereas derived the applicable norm for O&M Expenses for transmission lines based on the scale/economy of the assets owned and operated by PGCIL, for a short distance Line like the said line the prescribed norm applicable for the period 2014-15 of Rs. 0.707 Lakhs per Km (the same as per 2009-14 Regulations for 2013-14 being Rs. 0.783 Lakhs/Km) is quite inadequate. The Petitioner, to ensure the possible availability levels and health of the line for high levels of reliability to benefit the beneficiaries is maintaining the line through an Annual Maintenance Contract (AMC) awarded to PGCIL, who are considered experts in the field. The charges by PGCIL towards the above services is a few times higher than that is admissible as per the Commission's said norms.
- 23) The likely O&M expenditure for 2014-15 is Rs. 104.38 Lakhs against the admissible amount of Rs. 46.42 Lakhs (the same as per 2009-14 Regulations for 2013-14 being Rs. 51.41 Lakhs).
- 24) In the light of the above the Petitioner humbly submits before the Hon'ble Commission for a review of the said norms with a prayer to

- revise the norms and grant O&M expenses for the said asset at actuals.
- 25) The Petitioner, keeping in view the above, has filled-in the formats presented by Hon'ble Commission and computed the tariff for the Transmission Line. The forms are provided as Appendix-1 (Transmission) to this Petition.
  - 26) It is respectfully submitted that the Hon'ble Commission may be pleased to true-up the application/ Appendix-I earlier filed with the Hon'ble Commission, as narrated in the preceding paras.
  - 27) It is submitted that the firm allocation of power from the IGSTPP station, to which the subject Transmission Line is connected/evacuating power, has been made by Ministry of Power (MOP) to the states of Haryana and Delhi. The Petitioner has signed power purchase Agreements with the (i) Discoms of Delhi viz., Tata Power Delhi Distribution Ltd., (*formerly North Delhi Power Ltd., (NDPL)*), BSES Yamuna Power Ltd.,(BYPL) and BSES Rajdhani Power Ltd., (BRPL) and (ii) Haryana i.e., Haryana Power Purchase Centre, on behalf of Uttar Haryana Bijlee Vitaran Nigam Limited (UHBVNL) and Dakshin Haryana Bijlee Vitaran Nigam Limited (DHBVNL) representing Haryana.
  - 28) Accordingly, the above beneficiaries are made respondents to this petition.
  - 29) 7.6% capacity from the station, retained by Government of India, as unallocated quota, in line with the Govt. of India guidelines for allocation of power from CGS, is allocated among the NR beneficiary states, from time-to-time. The Petitioner has signed PPAs with all the above Beneficiaries of firm power allocation and also with Beneficiaries of the Unallocated Quota, except with UT of Chandigarh, which is underway.
  - 30) During the period, the Govt. of NCTD at the behest of the Delhi Discoms, namely Tata Power Delhi Distribution Limited (TPDDL), BSES Rajdhani Power Limited (BRPL) and BSES Yamuna Power Limited (BYPL) surrendered their firm share of capacity in phases, starting from October 2011 and is, at present continued up to May 2015. The surrendered power, was re-allocated by the Ministry of Power/Government of India, from time-to-time to various desiring

beneficiaries, including residual Andhra Pradesh, Telangana, Kerala, J&K and UP for the periods and of the quantum of power as detailed below:

	Beneficiaries	Quantum (MW)	From	To
(i)	A.P., Telangana and Kerala	231.17	7.10.2010	31.05.2015
(ii)	A.P., Telangana and Kerala	85	26.04.2013	till further orders
(iii)	Jammu & Kashmir	131	19.01.2013	15.03.2013
(iv)	Uttar Pradesh	131	20.04.2013	for 6 months
(v)	Uttar Pradesh	68.83	26.04.2013	till further orders
(vi)	Uttar Pradesh	276.83	02.05.2014	15/05/2014
(vii)	Uttar Pradesh	325	30.05.2014	20.06.2014
(viii)	A.P., Telangana and Kerala	376.83	01.07.2014	31.03.2015

N.B. : (a) *With reference to (iv) & (v) above the above re-allocations to UP was continued up to 31.07.2013, on the request of UP.*

(b) *Currently, up to 31/03/2015, the entire 693 MW of surrendered Delhi's share of power is allocated by Gol/MoP, to the SR beneficiaries, i.e., AP- 304 MW, Telangana-222 MW and Kerala 167 MW.*

- 31) Since, the above SR beneficiaries are allocated power from IGSTPP on adhoc basis, for a short duration, i.e., up to 31/05/2015, the above beneficiaries and the beneficiaries of the Gol's un-allocated share have not been made respondents to this petition.
- 32) The Petitioner humbly submits before the Hon'ble Commission that due to difficulties that the Petitioner has faced in terms of obtaining and preparing the financial data and information pertaining to the Asset from the Agencies and others involved in the process, as well as other constraints, there has occurred an inadvertent delay of few days with respect to the 180 days of time from the date of publishing of the CERC Regulations 2014-19, granted by the

Commission. The above has been unintentional. Hon'ble Commission may kindly condone the above and take the Petition on record.

- 33) It is submitted that the Petitioner has already remitted the filing fee for determination of tariff for the Line, in advance, for the year 2014-15, by RTGS/NEFT to the credit of CERC.

Sl. No.	Payment	UTR No. / Date	Amount
1.	Annual Fee for FY 2014-15 for Jhajjar Mundka 400 KV D/C Transmission Line	PUNBH141921264 07, 11/07/2014	Rs. 1.73 Lakhs

- 34) As per the provisions of the CERC (Payment of Fees) Regulations, 2012, the details of the same are further furnished through the Form-1 as per CERC Regulations.

**Prayer:**

The Petitioner prays that in view of the aforesaid submissions, the Hon'ble Commission may be pleased to

- i) Take on record the enclosed Tariff Computation, Appendix-I to the Petition for approving tariff of the Jhajjar-Mundka 400 KV D/C ISTS Asset of APCPL for the period from 01.04.2014 to 31.03.2019;
- ii) the Hon'ble Commission may review the norms set for O&M expenses and for the said asset grant O&M expenses at actuals.
- iii) Allow the recovery from the beneficiaries of filing fees/fee for determination of tariff, ISTS Licence Fee, etc., paid to the Hon'ble Commission, and including the publication expenses etc.
- iv) Pass any other order as the Hon'ble Commission deems fit in the circumstances pleaded above.

(Petitioner)

Date \_\_\_\_\_

NOIDA

