



TARIFF ORDER

OF THE

WEST BENGAL ELECTRICITY REGULATORY COMMISSION

FOR THE YEAR 2014 – 2015, 2015 – 2016 AND 2016 – 2017

IN

CASE NO: TP – 63 / 14 - 15

**IN RE THE TARIFF APPLICATION OF HALDIA ENERGY LIMITED
FOR 400 KV DOUBLE CIRCUIT DEDICATED LINE FOR EVACUATION
OF POWER UPTO 400 KV SUBHASGRAM SUBSTATION OF POWER
GRID CORPORATION FOR THE YEARS 2014 – 2015, 2015 – 2016
AND 2016 – 2017 UNDER SECTION 64(3)(a) READ WITH
SECTION 62(1) OF THE ELECTRICITY ACT, 2003**

PRESENT:

SRI R. N. SEN, CHAIRPERSON

SRI S DASGUPTA, MEMBER

SRI A. BISWAS, MEMBER

DATE: 29.01.2016

In re the tariff application of Haldia Energy Limited for 400 KV double circuit dedicated line for evacuation of power upto 400 KV Subhasgram substation of Power Grid Corporation for the years 2014 – 2015, 2015 – 2016 and 2016 – 2017 under section 64(3)(a) read with section 62(1) of the Electricity Act, 2003

Noting by Office or Advocate	Sl. No.	Date	Office notes, reports orders or proceedings with signature													
		29.01.2016	<p style="text-align: center;"><u>ORDER</u></p> <p>1.0 This is in regard to the application submitted by Haldia Energy Limited (in short 'HEL') on 16.05.2014 for determination of tariff for their 400 KV double circuit dedicated line for evacuation of power from the generating station at Haldia upto the 400 KV Subhasgram sub-station of Power Grid Corporation for the years 2014 – 2015, 2015 – 2016 and 2016 – 2017 as per provision of the West Bengal Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2011, as amended (in short "Tariff Regulations'). The tariff application submitted by HEL has been admitted by the Commission on 07.07.2014 in case no. TP-63/14/15.</p> <p>2.0 It has been observed from the communications received from HEL that the above line of about 89 kilometers from HEL's generating station switchyard at Haldia to 400 KV Subhasgram substation is a dedicated transmission line within the meaning of the Electricity Act, 2003 for evacuation of power to its sole buyer CESC Limited. It is also observed that the evacuation line is considered commercially operational on commercial operation date (COD) of 1st unit of their 2 x 300 MW project which has achieved commercial operation with effect from 28.01.2015.</p> <p>3.0 The annual transmission charges claimed by HEL for the years 2014 – 2015 to 2016 – 2017 are as under:</p> <table border="1" data-bbox="657 1608 1469 1854"> <thead> <tr> <th rowspan="2">Particulars</th> <th rowspan="2">Unit</th> <th colspan="3">Year</th> </tr> <tr> <th>2014 – 2015 (for the period of commercial operation)</th> <th>2015 – 2016</th> <th>2016 – 2017</th> </tr> </thead> <tbody> <tr> <td>Amount payable to HEL by CESC Limited</td> <td>Rs. in lakh</td> <td>4919.30</td> <td>10234.60</td> <td>12328.60</td> </tr> </tbody> </table>	Particulars	Unit	Year			2014 – 2015 (for the period of commercial operation)	2015 – 2016	2016 – 2017	Amount payable to HEL by CESC Limited	Rs. in lakh	4919.30	10234.60	12328.60
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			<p>4.0 The tariff petition submitted by HEL is based on their estimated project cost, at an intermediate position, for an amount of Rs. 57310.00 lakh. However, HEL is required to submit the final project cost as per the provision of regulation 2.8.5.1 of the Tariff Regulations. In terms of regulation 2.8.5.1 of the Tariff Regulations, after closing of all contracts the original project cost is to be got approved showing the details of deviations from its investment plan along with reasons of such deviation.</p> <p>5.0 The project has achieved commercial operation. The Commission does not consider it appropriate to deal with an intermediate position, at this stage, since it will not serve any useful purpose.</p> <p>6.0 In view of the above, the Commission decides to grant transmission tariff to HEL for its 400 KV double circuit dedicated transmission line considering 95% of the project cost as claimed by HEL subject to pending determination of final tariff on the basis of the final project cost to be approved by the Commission as per provisions of the Tariff Regulations.</p> <p>7.0 After carrying out prima-facie prudence check, the Commission at present allows annual transmission charges for the years 2014 – 2015 to 2016 – 2017 in respect of 400 KV double circuit dedicated evacuation line of HEL as under:</p>													
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			<p>8.0 The above annual transmission charges are subject to adjustment through Annual Performance Review (in short 'APR') as per regulation 2.6 of the Tariff Regulations based on the final Project cost to be approved by the Commission as per provision of the Tariff Regulations.</p> <p>9.0 The tariff as determined by the Commission for the year 2014 – 2015 is applicable with effect from 28.01.2015 and the tariff for the year 2015 – 2016 shall be applicable from 01.04.2015 to 31.03.2016. Adjustment if any, for over recovery / under recovery by HEL from CESC Limited for the period under commercial operation upto 31.01.2016 shall be adjusted in subsequent order of the Commission in respect of dedicated evacuation line of HEL. The tariff for 2016 – 2017 shall be applicable from 01.04.2016 and shall continue till further order of the Commission.</p> <p>10.0 HEL is directed to submit fresh application for determination of final tariff for 400 KV double circuit dedicated transmission line after finalization of the project cost in terms of the applicable Regulations.</p> <p>11.0 With the above decision, the tariff application of HEL is disposed of.</p> <p>12.0 Let a copy of this order be served upon HEL.</p> <p style="text-align: center;">Sd/- (A. BISWAS) MEMBER</p> <p style="text-align: center;">Sd/- (S. DASGUPTA) MEMBER</p> <p style="text-align: center;">Sd/- (R. N. SEN) CHAIRPERSON</p> <p>Dated : 29.01.2016</p>
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