

**MADHYA PRADESH ELECTRICITY REGULATORY COMMISSION
BHOPAL**

Subject: In the matter of reallocation of Transmission capacity under MYT order for FY 2016-17 to FY 2018-19 on account of allocation of 200MW power to Indian Railways (Deemed License).

Petition No. 70/2016

ORDER

(Date of Order: 26th April' 2017)

M.P. Power Transmission Company Ltd., Jabalpur
Blok No. 2, Shakti Bhawan, Rampur, Jabalpur – 482008

Petitioner

V/s

- 1. West Central Railways, Jabalpur**
General Manager's Office, Electrical Department, Jabalpur- 482001
- 2. M.P. Poorv Kshetra Vidyut Vitaran Co. Ltd.,**
Block No. 7, Shakti Bhawan, Rampur, Jabalpur – 482008
- 3. M.P. Madhya Kshetra Vidyut Vitaran Co. Ltd.,**
Nishtha Parisar, Govindpura, Bhopal – 462023
- 4. M.P. Paschim Kshetra Vidyut Vitaran Co. Ltd.,**
GPH Compound, Pologround, Indore
- 5. M.P. Audyogik Kendra Vikas Nigam, Indore(SEZ),**
Free Press House, 1st Floor, 3/54, Press Complex,
A.B. Road, Indore – 452 008
- 6. M.P. Power Management Company Ltd, Jabalpur**
Block No. 11, Shakti Bhawan, Rampur, Jabalpur – 482008
- 7. State Load Despatch Centre (SLDC),**
M. P. Power Transmission Co. Ltd., Block No. 2, Shakti Bhawan,
Rampur, Jabalpur – 482008

Respondents

Shri Ashish Anand Bernard, Advocate, Shri Vincent D'souza, E.E. (CRA), Shri Debasish Chakraborty, E.E. (CRA) and Shri Abhinav Anand, A.E. (CRA) appeared on behalf of the petitioner.

Shri Gagan Diwan, AO and Shri Manoj Dubey, Advisor (Law) appeared on behalf of MPPMCL.

Shri Ram Dass Kushwaha, DEE/TRD/BPL appeared on behalf of West Central Railway.

2. M. P. Power Transmission Co. Ltd., Jabalpur (MPPTCL) filed the subject petition for review of Transmission Charges for FY 2016-17 to FY 2018-19 determined vide Commission's Multi Year Tariff (MYT) order dated 10th June' 2016 for the aforesaid control period. MPPTCL filed the subject petition due to allocation of 200MW power to Indian Railways (Deemed License) by Western Regional Power Committee (Central Electricity Authority), Government of India vide its letter No. WRPC/Comml-1/6/Alloc/2016/204 dated 20th January' 2016.

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3. MPPTCL filed the instant petition under Section 94 (1)(f) of the Electricity Act, 2003 read with Clause 18.15 & 18.16 Power to Remove Difficulties of MPERC (Terms & Conditions Intra-State Open Access in Madhya Pradesh) Regulation, 2005 and Clause 44 of MPERC (Terms and Conditions for determination of transmission Tariff) Regulations, 2016.

4. The petitioner broadly submitted the following:

“(i) At present, MPPTCL is having four Long Term Transmission Customers i.e. three Discoms and MPAKVN (SEZ Campus, Pithampur, Distt. Dhar). The total Transmission Capacity of MPPTCL is allocated to the aforesaid Long Term Transmission Customers.

(ii) Vide Order dated 10th June’ 2016 in Petition No. 02 of 2016, the Commission determined the Annual Revenue Requirement (ARR)/Annual Fixed Cost of MPPTCL for FY 2016-17 to FY 2018-19. The Annual Fixed Cost determined in the aforesaid order was apportioned amongst the Long Term Transmission Customers in the ratio of their Allocated Transmission Capacity.

(iii) In the above mentioned MYT Order, the Transmission Charges for Long Term Transmission Customers and Short Term Open Access Customers were determined on the basis of Annual Fixed Cost/ ARR and the Transmission System Capacity considered in the aforesaid Order. Similarly, the Transmission Charges per unit for Non-conventional Energy based customers were also determined in the same order.

(iv) West Central Railway(WCR) informed the petitioner that it is the Zonal Railways formation under the Department of Ministry of Railways, Government of India, which operates the West Central Rail Zone in India as per the provisions of Railway Act, 1989, having its registered office at Jabalpur-482001, is authorized to represent the Indian Railways, on its own behalf and on behalf of the other Zonal Railways formations having Traction Sub-stations in the State of M.P. namely Central Railway (CR), Western Railway (WR), North Central Railway (NCR) and South-East-Central Railway (SECR).

(v) The Indian Railways, has filed the Petition for availing connectivity, open access and permission to distribute and supply electricity with its working as railways. The same has been registered as Petition No. 197/MP/2015 under Regulation 12 of the Central Regulatory Commission (Grant of Connectivity, Long Term Access and Medium Term Open Access in Inter-State Transmission and related matters)

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Regulations, 2009 before the Central Commission. Hon. CERC vide its order dated 05.11.2015 issued the following relief to the applicant via directives summarized below:

- a) *The Indian Railway is a deemed licensee under third proviso to Section 14 of the Electricity Act and no separate declaration to that effect is required from the Appropriate Commission. Indian Railway as a deemed licensee shall be bound by the terms and conditions of license specified or to be specified by the Appropriate Commission under proviso to Section 16 of the Electricity Act.*
 - b) *The drawl points from ISTS located within a State shall be treated as a single entity for the purpose of scheduling. The group of TSSs situated in a State and connected directly with ISTS may be treated as one “fragmented control area” and the responsibility for scheduling, metering, balancing, applicability of ISTS charges and losses etc, shall vest in the concerned RLDC. For the TSSs situated in a State and connected to State network, these functions shall vest in the concerned SLDC.*
 - c) *All concerned RLDCs, State Transmission Utilities and SLDCs are directed to facilitate long term access and medium term access in terms of Connectivity Regulations from the generating stations or other sources to the facilities and network of Indian Railways.*
- (vi) *In pursuance of the above CERC order and consequent to Ministry of Power (MoP) allocation of 200 MW power for TSS of Railways in the State of Madhya Pradesh from Ratnagiri Gas and Power Pvt. Ltd.(RGPPL), Maharashtra; WCR requested MPPTCL to grant connectivity and permit Open Access to it for transmission of 200 MW power through the Inter-State Transmission System. The power flow would be from the injection points at STU/CTU network up to the interfacing drawl at 220 kV & 132 kV level Traction Sub-station (TSS) at Madhya Pradesh.*
- (vii) *MPPTCL vide letter no. 04-02/PSP-219-H/185 dated. 20-01-2016 has issued NOC to WCR (Railways) for transfer of 200 MW power, starting from 22.01.2016, through Long Term Open Access (LTOA) for presently 37 Nos. TSS*

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points situated in Madhya Pradesh. WCR(Railways), as a deemed licensee, operating in a fragmented control area in MP has been considered for scheduling of power.

- (viii) *It is to be intimated that, the Govt. of India has approved a Scheme for Utilization of Gas-based power generation capacity to revive the stranded gas based power plants. The power plant Ratnagiri Gas and Power Pvt. Ltd. (RGPPL), Maharashtra has been included as an eligible plant in the Scheme. Government of India, Ministry of Power has already issued necessary directives to CERC in this regard for waiver of CTU Transmission charges and losses for flow of power from RGPPL. As per State Government direction dated 09.09.2016. MPPTCL has issued provisional bills on 20.09.2016 for the period commencing from 22.01.2016 for a capacity of 200MW at the appropriate rate applicable to other Long Term Open Access customers, pending the final decision of the Commission, towards recovery of Transmission charges.*
- (ix) *Respondent No. (i), West Central Railway(WCR), on behalf of Indian Railways entered into a Bulk Power Transmission Agreement with the applicant MP Power Transmission Co. Ltd. on 07.10.2016 for Transmission of Electricity from MP periphery to the TSS points of Railways in MP effective from 22.1.2016 for power schedule.*
- (x) *With the addition of a contracted capacity of 200 MW by this new 5th Long Term Open Access Customer, i.e. Respondent No.(i) M/s WCR, the proportionate charges may have to be re-oriented. The 'Annual Fixed Cost' for the control period as approved vide order dtd. 10th June 2016 for the MYT Control Period FY 2016-17 to FY 2018-19 will not change, however, there will be a small reduction of existing charges amongst the present 4 Nos. LTOA customers. Since the 200 MW power is additional, the total Transmission capacity will go up by 200 MW for all the three years.*
- (xi) *The facility of connectivity /open access has been desired and utilized by WCR from 22nd January 2016, and as directed by GoMP, Provisional bills for transmission charges for 200 MW power has also been issued from the same date on 20.09.2016. Regarding the billing for the period 22.01.2016 to 31.03.2016, it is to be submitted that this period comes under the perview of the previous MYT Order dated 02.04.2013 for FY 2013-14 to FY 2015-16. As such the rates*

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prescribed by the Hon. Commission vide its order dated 02.04.13 has been applied for this period.

The amount thus billed is recoverable only in 2016-17. Also as this amount being over and above the ARR for 2015-16, it is therefore requested that on recovery of the same, permission to pass on the due credit in FY 2016-17 to the existing 4 Nos. Long Term Open Access Customers in the ratio of capacity allocated for 2015-16 is requested. For the period beginning 01.04.2016 the billing may be as per submission made in Para 10 above.”

5. With the above contention, the petitioner prayed the following:

- (i) *Pass an order to reallocate the Transmission capacity for the control period FY 2016-17 to FY 2018-19.*
- (ii) *Pass an order to revise the Transmission charges to be recovered from the Long Term users of the Transmission System for the control period FY 2016-17 to FY 2018-19, as per Para-10 of this Petition.*
- (iii) *Pass an order to direct Indian Railways through WCR to pay for revised bills commensurate with 200 MW contracted capacity for FY 2016-17 to FY 2018-19.*
- (iv) *Also pass an order to permit to bill pertaining to the period 22nd January 2016 to 31st March 2016 at the rate as prescribed in MYT Order dated 02.04.2013 and pass on the due credit in FY 2016-17 to the existing 4 Nos. Long Term Open Access customers in the ratio of capacity allocated for 2015-16.*

6. In the subject petition, the MPPTCL has sought the following re-allocation of Transmission charges for FY 2016-17 to FY 2018-19:

S. No.	Customers	FY 2016-17		FY 2017-18		FY 2018-19	
		Capacity MW	Amount (₹ in Crores)	Capacity MW	Amount (₹ in Crores)	Capacity MW	Amount (₹ in Crores)
1	MP Poorva Kshetra VVCL, Jabalpur.	4474.12	681.71	4562.21	744.48	4857.35	808.85
2	MP Madhya Kshetra CCVL, Bhopal.	4766.10	726.20	4859.94	793.07	5174.34	861.64

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3	<i>MP Paschim Kshetra VVCL, Indore.</i>	5733.40	873.58	5846.29	954.03	6224.49	1036.51
4	<i>MP AKVN SEZ – Pithampur</i>	40.00	6.09	40.00	6.53	40.00	6.66
5	<i>WCR on behalf of Railways</i>	200.00	30.47	200.00	32.64	200.00	33.30
Total -		15213.62	2318.06	15508.44	2530.74	16496.18	2746.96

7. The petitioner filed the copies of following documents with the petition :

- (a) Bulk Power Transmission Agreement (BPTA) executed on 07th October' 2016 between MPPTCL and the Indian Railways.
- (b) Copy of CERC's Order dated 05th November' 2015 in the petition No 197/MP/2015.
- (c) MPPTCL's letter dated 20th January' 2016 regarding NOC for 200MW Power through Long Term Access (LTA).
- (d) Energy department, GoMP's letter dated 09th September' 2016 regarding billing of transmission charges on Railways by M.P. Transco.

8. Motion hearing in the subject matter was held on 24th January' 2017. During the course of motion hearing, the petitioner confirmed that it has deposited complete fee with the Commission in this matter on 10th January' 2017. The petition was admitted and the petitioner was directed to serve copy of the petition alongwith all above mentioned documents on all the respondents in the matter. The respondents were also directed to file their response on the petition if any, on or before 28th February' 2017.

9. Vide its letter dated 30th January' 2017, MPPTCL confirmed the service of the copy of petition on all the Respondents in the matter.

10. Vide Commission's order dated 27th January' 2017, MPPTCL was asked to inform whether appropriate ABT meters have been installed on all 37 traction sub stations through which 200MW power availed by WCR through open access.

11. Vide its letter No 04-01/CRA Cell/F-83/ 1380 dated 14th February' 2017, MPPTCL submitted the following regarding installation of ABT meters on all 37 traction points:

- “(a) As per agreement between MPPTCL & Railways, 2 Nos. ABT Meters (billing and check meters) are to be provided at Railway Traction premises and 1 No. ABT Meter (standby meter) is to be provided at MPPTCL's EHV Sub-station.*

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- (b) *Presently, ABT Meters have been provided at all 9 Nos. Traction Sub-station, which are tapped locations.*
- (c) *ABT Meters have also been installed at all Inter-face points of Railway Traction feeders emanating from MPPTCL EHV Sub-station at Transco premises.*
- (d) *The work of installing ABT Meters at Railway Traction premises are under progress.”*

Regarding Energy Accounting, MPPTCL submitted the following:

- “(a) Energy accounting for tapped Railway TSS locations is done on the basis of ABT Meters installed at Railway TSS end.*
- (b) For the remaining Railway Traction feeders which are emanating from MPPTCL Sub-stations, energy accounting is being done through the ABT Meters located at MPPTCL EHV Sub-station end.*
- (c) On completion of the work regarding installation of ABT Meters at these Railway Traction Sub-stations; the ABT Meters installed at MPPTCL EHV Sub-station end shall start to function as standby meters only”.*

12. West Central Railway (WCR) (respondent No. 1) vide its letter No WCR/L/03/ 7105 ‘C’ Vol iv dated 20th February’ 2017, filed its response with the Commission mentioning the following:

- (i) *“MPPTCL vide letter no. 04-02/PSP-219-H/185 dated 20th January’ 2016 has issued NOC to WCR (Railways) for transfer of 200MW power starting from 22nd January’ 2016, through Long Term open Access (LTOA) for presently 37 No. TSS points situated in Madhya Pradesh. WCR (Railways), as a deemed licensee, operating in a fragmented control area in M P has been considered for scheduling of power.*
- (ii) *The Govt. of India has approved a scheme for utilization of Gas –based power generation capacity to revive the standard gas based power plants. The power plant Ratangiri Gas and power Pvt. Ltd.(RGPPL), Maharashtra has been included as and eligible plant in the scheme. Government of India, Ministry of Power has already issued necessary directives to CERC in this regard for waiver of CTU Transmission charges and losses for flow of power from RGPPO. One of the issue is adoption of Simultaneous Maximum demand instead of billing on individual MD of each traction installation (which is already in force in Rajasthan, Jaipur Vidyut Vitran Nigam Limited.*

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(iii) Further, Director Electrical Engg (dev) Ministry of Railway vide letter No 2008/Elect/G/170/01/Ptlll (NTPC/RGPPL dated 15th February' 2017 has informed that RGPPL supply is extended further 5 years.

(iv) In view of the above it is prayer to Hon'ble Commission that Railway is a public transportation agencies and service is being provided to nation at cheaper rate. Hence it is requested to keep Transmission charges minimum being a govt. organization.”

13. The public notice was published in English and Hindi newspaper on 09th March' 2017. The public hearing in the matter was held on 18th April' 2017.

14. Based on the above mentioned facts and the documents placed on records, the allocation of Annual fixed cost amongst Long term customers, Transmission Charges for Long Term Transmission Customers/ Short Term Customers as determined in Commission's MYT Order dated 10th June' 2016 are revised in this order as under:

(A) Allocation of Annual Fixed Cost:

S. No.	Customers	FY 2016-17		FY 2017-18		FY 2018-19	
		Capacity MW	Amount (₹ in Crores)	Capacity MW	Amount (₹ in Crores)	Capacity MW	Amount (₹ in Crores)
1	MP Poorva Kshetra VVCL, Jabalpur.	4474.12	681.72	4562.21	744.47	4857.35	808.85
2	MP Madhya Kshetra CCVL, Bhopal.	4766.10	726.20	4859.94	793.07	5174.34	861.64
3	MP Paschim Kshetra VVCL, Indore.	5733.40	873.58	5846.29	954.03	6224.49	1036.51
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5	WCR on behalf of Railways	200.00	30.47	200.00	32.64	200.00	33.30
Total -		15213.62	2318.06	15508.44	2530.74	16496.18	2746.96

(B) Transmission Charges for Long Term Customers/ Short Term Customers :

S No	PARTICULARS	FY 2016-17	FY 2017-18	FY 2018-19
1	Annual Fixed Cost in ₹ Crores	2318.06	2530.74	2746.96
2	Transmission System Capacity (MW)	15213.62	15508.44	16496.18

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3	Transmission Charges for Long Term Customers ₹ Lacs per MW per Annum	15.24	16.32	16.65
4	Transmission Charges for Long Term Customers ₹ per MW per Day	4174.45	4470.81	4562.22
5	Short Term Rates (25% of above) ₹ per MW per Day	1043.61	1117.70	1140.55
6	Short Term Rates for 6 hour block ₹ per MW	260.90	279.43	285.14
7	Short Term Rates for more than 6 hour to 12 hour in one block - ₹ per MW	521.81	558.85	570.28
8	Short Term Rates for more than 12 hour upto 24 hour in ₹ per MW	1043.61	1117.70	1140.55
9	Units expected to be transmitted in a year(MU)	60939	66551	73293
10	Short Term Open Access Rates in ₹ per MWH (from S No 1/ S No 9)*0.25	95.10	95.07	93.70

15. In view of the energy (MUs) expected to be transmitted & handled as filed by MPPTCL for FY 2016-17 to FY 2018-19 in the subject petition, the transmission charges determined by the Commission in MYT order dated 10th June' 2016 for non- conventional energy source based generating units connected on 132kV & above voltages need no revision.

16. As submitted by the petitioner, the facility of connectivity / open access has been desired and utilized by WCR from 22nd January' 2016 and the petitioner issued provisional bills of transmission charges for 200MW power to WCR for the period of 22nd January' 2016 to 31st March' 2016 on the rates/charges determined by the Commission for FY 2013-14 to FY 2015-16. Therefore, as requested, the petitioner may pass on due credit to the existing four No. Long Term Open Access Customers in the ratio of capacity allocated to them for FY2015-16.

17. All other terms and conditions in Commission's MYT Order dated 10th June' 2016 shall remain unchanged.

Ordered accordingly.

(Alok Gupta)
Member

(A.B.Bajpai)
Member

(Dr. Dev Raj Birdi)
Chairman