

**Case No.142 of 2016**

**Date: 09 March, 2017**

**CORAM: Shri. Azeez M. Khan, Member**  
**Shri. Deepak Lad, Member**

**Petition of The Tata Power Company Limited-Distribution seeking review of Order dated 22 July, 2016 in Case No. 91 of 2016 for determination of Transmission Tariff of Intra-State Transmission System for Third Control Period FY 2016-17 to FY 2019-20.**

The Tata Power Company Limited - Distribution (TPC-D) .....Petitioner

Maharashtra State Transmission Utility (STU)

Maharashtra State Electricity Distribution Company Ltd. (MSEDCL)

Reliance Infrastructure Limited - Distribution (RInfra-D)

Brihanmumbai Electricity Supply and Transport Undertaking (BEST)

Mindspace Business Park Pvt. Ltd. (MBPPL)

Indian Railway (IR)

Maharashtra State Load Dispatch Centre (MSLDC) ..... Respondents

**Present during the hearing**

For the Petitioner : 1. Shri Bhaskar Sarkar (Rep.),  
2. Mrs. Swati Mehendale (Rep).

For the Respondents : 1. Shri S. N. Bhopale, (Rep.), MSETCL (STU).  
2. Shri A. S. Chavan (Rep.), MSEDCL  
3. Shri Ghansham Thakkar, (Rep.), RInfra-D  
4. Shri S.A. Jadhav (Rep.), BEST.  
5. Shri Mayur Wasnik ,(Rep) Indian Railway  
6. Shri E.T. Dhengle , (Rep), MSLDC.

For Consumer Representatives : Dr. Ashok Pendse, (Rep.) TBIA

**Daily Order**

Heard the Representatives of the Petitioner and the Respondents.

1. The Representatives of the Petitioner reiterated its submissions through a presentation for review of Intra State Transmission System( InSTS ) Tariff Order dated 22.7.2016 in Case 91 of 2016 on the following issues:

- i) Review of monthly average of CPD and NCPD of 887 MW for FY 2015-16 considered for the future projection from FY 2016-17 to FY 2019-20.

- ii) Review of escalation factor considered for deriving demand of TPC-D for determining the Transmission Charges.
2. In the impugned Order, the Commission has considered 887 MW demand as the base for FY 2016-17 for TPC-D as the monthly average of CPD and NCPD . This 887 MW included the demand of Indian Railways, which was a consumer of TPC-D upto February, 2016. Thereafter, Indian Railways ceased to be a consumer of TPC-D as it was granted Distribution Licensee status by CERC.
3. 100 MW load was disconnected from 110 kV Chola Traction Sub-station (TSS) of TPC-D on 26 November, 2015 and the remaining 9 supply points were disconnected on 11 February, 2016. Hence, there was a significant reduction against the demand projections of TPC-D after removal of Indian Railways' demand.
4. As regards the escalation rate for future period, TPC-D submitted that, as per the MYT Regulations, 2015, yearly CPD and NCPD or the allotted capacity, as the case may be, is considered for determination of the subsequent year Base Transmission Capacity Rights, and is computed at the beginning of the Control Period based on the past trend and considering the demand projected by various Transmission System Users (TSUs) connected to the InSTS. For computing the past trend of demand in the impugned Order, the actual demand of October, 2008 to September, 2009 and that of FY 2014-15 was considered to arrive at the escalation rate of 13%. If the Regulations are applied considering the actual trends, TPC-D's demand has in fact been reducing.
5. TPC-D stated that demand of the Distribution Licensees is changing dynamically due to changes in market conditions. Hence, the Commission may consider the following issues to minimize the impact on Distribution Licensees:
  - i) Determine the Transmission Charges annually, considering the actual demand of the previous year.
  - ii) Alternatively, consider Truing up of Transmission Charges paid.
  - iii) Make a provision for revision of the Transmission Charges in case of addition of a new Distribution Licensee as a TSU, in line with addition of a new Transmission Licensee.
  - iv) Consider Transmission Charges collected by Distribution Licensees from Open Access consumers as revenue of Distribution Licensees instead of remitting it to STU / MSLDC.
6. To a query by the Commission, TPC-D stated that there is additional reduction in demand due to partial Open Access Consumers and not full Open Access Consumers.
7. The Representative of STU submitted that the demand of TPC-D is reducing. Hence, the Commission may review the Base Transmission Capacity Right.
8. Representatives of MSEDCL, Indian Railways and BEST requested additional time to file their written submissions, considering the Petition was received only recently. This was granted by the Commission. .
9. The Commission directed all the Respondents (i.e. MSEDCL, RInfra-D, BEST, MBPPL and IR) to file their submissions within three weeks, with a copy to TPC-D. Thereafter, TPC-D may file its Rejoinder, if any, within a week.

**The Secretariat of the Commission will communicate the next date of hearing.**

**Sd/-  
(Deepak Lad)  
Member**

**Sd/-  
(Azeez M. Khan)  
Member**