

**CENTRAL ELECTRICITY REGULATORY COMMISSION  
NEW DELHI**

**Petition No. 346/2010**

Sub: Approval of transmission tariff for the period 2009-14 for combined assets of Tirunelveli- Edamon 400 kV D/C line (initially to be operated at 220 kV ) along with associated bays and equipments at Tirunelveli and Edamon (KSEB) associated bays and equipments for the period from 1.12.2010 to 31.3.2014 under Transmission System associated with Kudunkulum in Southern Region.

Date of hearing : 19.7.2011

Coram : Dr. Pramod Deo. Chairperson.  
: Shri V.S. Verma, Member  
: Shri M.Deena Dayalan, Member

Petitioner : Power Grid Corporation of India Limited, Gurgaon

Respondents : Tamil Nadu Electricity Board and Others.

Parties present : 1. Shri S.S. Raju, PGCIL  
2. Shri M.M. Mondal, PGCIL  
3. Shri Gunjan Agarwal, PGCIL  
4. Shri Rajeev Gupta, PGCIL

**Record of Proceedings**

The representative of the petitioner submitted that though the 400 kV Tirunelveli-Udumalpet D/C line was commissioned on 1.9.2009, 2 nos of switchable line reactors could not be commissioned due to vibration problem. Consequently, the reactors had to be sent to the Manufacturer M/s Areva for repairs.

2. In reply to the query of the Commission, the representative of the petitioner confirmed that the design of the reactor was certified before placing the order. However, since the problem persisted, the manufacturer had to call experts from abroad to rectify the problem.

3. The Staff of the Commission brought to the notice of the Commission that due to shifting of date of commercial operation of the 2<sup>nd</sup> reactor from 1.12.2010 to 1.3.2011 capital cost separately for each of the reactors along with source of finance and loan details, capital cost for three months from 1.12.2010 to 28.2.2011, in case of 1<sup>st</sup> reactor and additional capital expenditure for one month i.e. 1.3.2011 to 31.3.2011 and the revised Forms would be required based on actual figures, for computation of tariff. Though these information were

called for at the stage of technical validation, the petitioner has not submitted the same.

4. The representative of the petitioner submitted that since Regulation 5 of 2009 regulations provide for filing of application for determination of tariff in respect of the transmission assets completed or projected to be completed within six months from the date of filing the application based on the expenditure incurred or projected to be incurred, the tariff of assets covered under the petition be determined based on the projected expenditure which shall be trued up based on the actually expenditure incurred.

5. The Commission observed that delay in disposal of the petition is on account of the non-submission of the information at the stage of technical validation which aims to ensure that the petition is complete in all respects before it is listed for hearing. The Commission clarified that the non-submission of the required information at the stage of technical validation would render the petition liable to dismissal in accordance with the Conduct of Business Regulations.

6. The Commission directed the petitioner to submit the following information, on affidavit, with advance copy to respondents latest by 5.8.2010:

- (i) Certificate from Chartered Accountant with details of capital cost of 1<sup>st</sup> Reactor as on actual date of commercial operation and details of additional capital expenditure incurred during 1.12.2010 to 28.2.2011;
- (ii) Certificate from Chartered Accountant with details of capital cost of 2<sup>st</sup> Reactor as on actual date of commercial operation;
- (iii) Details of capital expenditure for Tirunelveli-Edamon 400 kV D/C line (DOCO: 1.7.2010) for the period from 1.7.2010 to 30.11.2010 and 1.12.2010 to 28.2.2011;
- (iv) Details of additional capital expenditure from 1.3.2011 to 31.03.2011 for all the three assets; and
- (v) Source of finance and details of loan availed, separately for both the reactors.

7. Subject to above, order in the petition was reserved.

Sd/-  
**(T. Rout)**  
**Joint Chief (Law)**