

**Central Electricity Regulatory Commission
New Delhi**

RECORD OF PROCEEDINGS

Petition No. 190/TT/2011

Subject: Approval of transmission tariff from date of commercial operation to 31.3.2014 for Hassan- Mysore 400 kV D/C line and extension of 400/220 kV Mysore & Hassan Sub-stations under System Strengthening-IX in Southern Regional Grid

Date of Hearing: 15.5.2012

Coram: Shri S. Jayaraman, Member
Shri M. Deena Dayalan, Member

Petitioner: PGCIL, New Delhi

Respondents: Karnataka Power Transmission Corporation Ltd. & 14 others

Parties present: Shri S.S. Raju, PGCIL
Shri M.M. Mondal, PGCIL

The representative of the petitioner submitted as under:-

- (a) The assets covered under this petition are part of System Strengthening-IX in Southern Regional Grid. The investment approval was accorded on 16.2.2009 for completion of the scheme in 36 months, i.e., by February 2012. As against that, the assets were put on commercial operation on 1.7.2011. There is no delay and no cost overrun;
- (b) Additional return on equity of 0.5% is being claimed under Regulation 15(2) of the 2009 regulations, as the assets have been commissioned within 28 months from the date of investment approval, i.e. the timeline specified in Appendix-II to the 2009 regulations;
- (c) Initial spares for all the assets is within the limit except Hassan-Mysore 400 kV D/C line where the percentage is very high mainly because of it being an extension of existing Sub-station and not a green field project. However, considering all assets together at

Mysore and Hassan the overall percentage of initial spares is only well within the limit prescribed in the 2009 regulations;

2. The Commission observed that the date of investment approval for the assets was 16.2.2009 and hence the assets should have been completed before 16.6.2011 to qualify for additional return on equity of 0.5%. The petitioner was directed to submit documents showing that the assets were completed before 16.6.2011 and also to send copies of the same to the beneficiaries.

3. None appeared for respondents.

4. Order in the petition was reserved.

By order of the Commission

Sd/-

(T.Rout)
Joint Chief (Law)
18.5.2012