

**CENTRAL ELECTRICITY REGULATORY COMMISSION  
NEW DELHI**

**Petition No. TT/108/2014**

**Coram:**

**Shri Gireesh B. Pradhan, Chairperson  
Shri M. Deena Dayalan, Member  
Shri A. K. Singhal, Member**

**Date of hearing : 12.06.2014  
Date of Order : 20.06.2014**

**In the matter of**

Approval of transmission charges for **Asset I** (a) Nellore-Thiruvlaam 400 kV D/C Quad line, (b) Extension of 400/220 kV sub-station at Nellore (c) Extension of 400/220 kV sub-station at Thiruvallam (d) 1X50 MVAR line reactor at both the ends at each circuit of Nellore-Thiruvallam 400 kV Quad D/C line along with 450 ohms NGR **Asset II** (a) Thiruvallam Mettikottaiyar 400 kV D/C line (b) Bays extension at Thiruvallam (c) Melakottaiyur Sub-stations in Southern Region for the 2014-19 tariff block under Regulation 86 of Central Electricity Regulatory Commission (Conduct of Business) Regulations, 1999 and Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2014.

**And in the matter of**

Power Grid Corporation of India Limited,  
"Saudamani", Plot No.2,  
Sector-29, Gurgaon -122 001.

.....**Petitioner**

Vs

1. Karnataka Power Transmission Corporation Ltd.,  
Kaveri Bhawan,  
Bangalore-560 009.
2. Transmission Corporation of Andhra Pradesh Ltd.,  
Vidyut Soudha,  
Hyderabad-500 082.
3. Kerala State Electricity Board,  
Vaidyuthi Bhavanam, Pattom,  
Thiruvananthapuram – 695 004.
4. Tamil Nadu Electricity Board



NPKRR Maaligai, 800, Anna Salai,  
Chennai-600 002.

5. Electricity Department  
Government of Goa,  
Vidyuti Bhawan, Panaji-403 001.
6. Electricity Department  
Government of Pondicherry,  
Pondicherry – 605 001.
7. Eastern Power Distribution Company of Andhra Pradesh Ltd. (APEPDCL),  
P&T Colony, Seethmmadhara,  
Vishakhapatnam.
8. Southern Power Distribution Company of Andhra Pradesh Ltd. (APSPDCL),  
Srinivasasa Kalyana Mandapam Backside, Tiruchanoor Road,  
Kesavayana Gunta,  
Tirupati-517 501.
9. Central Power Distribution Company of Andhra Pradesh Ltd. (APCPDCL),  
Corporate Office, Mint Compound,  
Hyderabad-500 063.
10. Northern Power Distribution Company of Andhra Pradesh Ltd. (APNPDCL),  
Opp. NIT Petrol Pump, Chaitanayapuri,  
Kazipet, Warangal-506 004
11. Bangalore Electricity Supply Company Limited (BESCOM)  
Corporate Office, K.R. Circle,  
Banglore-560 001.
12. Gulbarga Electricity Supply Company Limited (GESCOM)  
Station Main Road,  
Gulbarga.
13. Hubli Electricity supply Company Limited (HESCOM)  
Navanagar, PB Road,  
Hubli.
14. Mescom Corporate Office  
Paradigm Plaza, AB Shetty Circle,  
Manglore-575 001
15. Chamundeswari Electricity Supply Corporation Ltd. (CESC)  
# 927, LJ Avenue Ground Floor,



For petitioner : Shri S.S. Raju, PGCIL  
Ms. Seema Gupta, PGCIL  
Shri M.M. Mondal, PGCIL  
Shri S.K. Venkatesan, PGCIL  
Shri P. Sarswat, PGCIL  
Ms. Sangeeta Edwards, PGCIL

For respondents: None

### ORDER

In the instant petition the petitioner, Power Grid Corporation of India Limited (PGCIL) has sought approval for transmission tariff for **Asset I** (a) Nellore-Thiruvalam 400 kV D/C Quad line, (b) Extension of 400/220 kV sub-station at Nellore (c) Extension of 400/220 kV sub-station at Thiruvalam (d) 1X50 MVAR line reactor at both the ends at each circuit of Nellore-Thiruvalam 400 kV Quad D/C line along with 450 ohms NGR **Asset II (a)** Thiruvalam Mettikottaiyar 400 kV D/C line (b) Bays extension at Thiruvalam (c) Melakottaiyur Sub-stations in Southern Region for the 2014-19 tariff block in terms of Regulation 7(7) of the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2014 (hereinafter referred to as "2014 Tariff Regulations") and has further prayed for grant of 90% of the annual fixed charges for the purpose of inclusion in the PoC charges under Regulation 7(7) of the 2014 Tariff Regulations.

2. Regulation 7(7) of the 2014 Tariff Regulations provides as under:-

#### "7. Application for determination of tariff:

(1) The generating company may make an application for determination of tariff for new generating station or unit thereof in accordance with the Procedure Regulations, in

respect of the generating station or generating units thereof within 180 days of the anticipated date of commercial operation.

(2) The transmission licensee may make an application for determination of tariff for new transmission system including communication system or element thereof as the case may be in accordance with the Procedure Regulations, in respect of the transmission system or elements thereof anticipated to be commissioned within 180 days from the date of filing of the petition.

(3) In case of an existing generating station or transmission system including communication system or element thereof, the application shall be made not later than 180 days from the date of notification of these regulations based on admitted capital cost including any additional capital expenditure already admitted up to 31.3.2014 (either based on actual or projected additional capital expenditure) and estimated additional capital expenditure for the respective years of the tariff period 2014-15 to 2018-19.

(4) The generating company or the transmission licensee, as the case may be, shall make an application as per **Annexure-I** of these regulations, for determination of tariff based on capital expenditure incurred duly certified by the auditors or projected to be incurred up to the date of commercial operation and additional capital expenditure incurred duly certified by the auditors or projected to be incurred during the tariff period of the generating station or the transmission system as the case may be:

Provided that the petition shall contain details of underlying assumptions for the projected capital cost and additional capital expenditure, wherever applicable.

(5) If the petition is inadequate in any respect as required under **Annexure-I** of these regulations, the application shall be returned to the generating company or transmission licensee as the case may be, for resubmission of the petition within one month after rectifying the deficiencies as may be pointed out by the staff of the Commission.

(6) If the information furnished in the petition is in accordance with the regulations and is adequate for carrying out prudence check of the claims made, the Commission shall consider the suggestions and objections, if any, received from the respondents within one month from the date of filing of the petition and any other person including the consumers or consumer associations. The Commission shall issue the tariff order after hearing the petitioner, the respondents and any other person specifically permitted by the Commission.

7. In case of the new projects, the generating company or the transmission licensee, as the case may be, may be allowed tariff by the Commission based on the projected capital expenditure from the anticipated COD in accordance with Regulation 6 of these regulations:

Provided that :

(i) the Commission may grant tariff upto 90% of the annual fixed charges claimed in respect of the transmission system or element thereof based on the management certificate regarding the capital cost for the purpose of inclusion in the POC charges in accordance with the CERC (Sharing of Inter State Transmission charges and losses), Regulation, 2010 as amended from time to time:



xxxx"

3. As per the first proviso to Regulation 7(7) of the 2014 Tariff Regulations, the Commission may grant tariff upto 90% of the annual fixed charges for inclusion in the POC charges, if an application has been filed under Regulation 7(1) and (4) of the 2014 Tariff Regulations. Regulation 7(1) of the 2014 Tariff Regulations provides that the application for tariff should be made in accordance with the Central Electricity Regulatory Commission (Procedure for making of application for determination of tariff, publication of the application and other related matters) Regulations, 2004 (hereinafter referred to as "2004 Regulations"). Regulation 7(4) of 2014 Tariff Regulations provides that the application shall be made as per Annexure-I to the 2014 Tariff Regulations.

4. The petitioner has made the application as per the Annexure-I of the 2014 Tariff Regulations. The petitioner has also complied with the requirements of 2004 Regulations, such as service of the copy of the application on the beneficiaries, publication of notice and web hosting of the application, etc.

5. During the hearing on 12.6.2014, the representative of the petitioner requested to grant tariff in terms of provisions of Regulation 7(7) of the 2014 Tariff Regulations for inclusion in the PoC charges under the Central Electricity Regulatory Commission (Sharing of Inter-State Transmission Charges and Losses) Regulations, 2010, as amended from time to time (hereinafter referred to as "Sharing Regulations"). None of the respondents appeared despite notice.



6. Annual transmission charges claimed by the petitioner are as follows:-

(` in lakh)

Asset	Anticipated DOCO	2014-15	2015-16	2016-17	2017-18	2018-19
<b>Asset I</b> (a) Nellore-Thiruvlam 400 kV D/C Quad line, (B) Extension of 400/220 kV sub-station at Nellore (c) Extension of 400/220 kV sub-station at Thiruvlam (D)1X50 MVAR line reactor at both the ends at each circuit of Nellore-Thiruvlam 400 kV Quad D/C line along with 450 ohms NGR	16.4.2014	7402.76	8577.02	8576.25	8353.62	8136.71
<b>Asset II</b> (a) Thiruvlam Mettikottaiyar 400 kV D/C line (b) Bays extension at Thiruvlam(c) Melakottaiyur Sub-stations	1.8.2014	2264.03	3649.47	3725.21	3650.58	3562.36

7. Considering the claims of the petitioner, the following annual transmission charges are allowed in terms of Regulation 7(7) of the 2014 Tariff Regulations:-

(` in lakh)

Asset	DOCO	2014-15	2015-16	2016-17	2017-18	2018-19
<b>Asset I</b> (a) Nellore-Thiruvlam 400 kV D/C Quad line, (B) Extension of 400/220 kV sub-station at Nellore (c) Extension of 400/220 kV sub-station at Thiruvlam (D)1X50 MVAR line reactor at both the ends at each circuit of Nellore-Thiruvlam 400 kV Quad D/C line along with 450 ohms NGR	16.4.2014	6292.35	7290.47	7289.81	7100.58	6916.20
<b>Asset II</b> (a) Thiruvlam Mettikottaiyar 400 kV D/C line (b) Bays extension at Thiruvlam(c) Melakottaiyur Sub-stations	1.8.2014	1924.43	3102.05	3166.43	3102.99	3028.01



8. The tariff allowed in this order shall be applicable from the date of commercial operation of the transmission system. The billing, collection and disbursement of the transmission charges shall be governed by the provisions of Sharing Regulations. The transmission charges allowed in the order shall be subject to adjustment after final tariff is determined.

sd/-

**(A. K. Singhal)**  
**Member**

sd/-

**(M. Deena Dayalan)**  
**Member**

sd/-

**(Gireesh B. Pradhan)**  
**Chairperson**

