

**CENTRAL ELECTRICITY REGULATORY COMMISSION  
NEW DELHI**

**Petition No. 161/TT/2015**

Subject : Determination transmission tariff for (a) Kurnool- Raichur 2<sup>nd</sup> 765 kV S/C line (b) Extension of Kurnool 765/400 kV substation and (c) Extension of Raichur 765/400 kV substation under "Common System associated with ISGS projects in Krishnapatnam area of Andhra Pradesh in Southern Region.

Date of Hearing : 23.11.2015

Coram : Shri. A.S. Bakshi, Member  
Dr. M.K. Iyer, Member

Petitioner : Power Grid Corporation of India Limited

Respondents : Karnataka Power Transmission Corporation Ltd. and 14 others

Parties present : Shri S.K. Niranjana, PGCIL  
Shri Rakesh Prasad, PGCIL  
Shri. Jasbir Singh, PGCIL  
Shri. Anshul Garg, PGCIL  
Shri. S.S. Raju, PGCIL  
Shri M.M. Mondal, PGCIL  
Shri S.K. Venkatesan, PGCIL

**Record of Proceedings**

The representative of the petitioner submitted that:-

- a. The instant petition has been filed for determination of transmission tariff for (a) Kurnool- Raichur 2<sup>nd</sup> 765 kV S/C line (b) Extension of Kurnool 765/400 kV substation and (c) Extension of Raichur 765/400 kV Sub-station under Common System associated with ISGS projects in Krishnapatnam area of Andhra Pradesh in Southern Region.
- b. As per investment approval dated 4.8.2011, the instant assets were to be commissioned in 36 months. Accordingly, the scheduled date of completion works out to be 5.8.2014. The asset was commissioned on 21.6.2014, 2 months before scheduled date of commissioning. The advancement of

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commissioning was due to requirement of downstream evacuation in lieu of the commissioning of 765 kV S/C Raichur-Sholapur line.

- c. In the petition against total approved/ apportioned cost of ₹22242 lakh, the estimated completion cost is ₹19016 lakh.
  - d. There is no time and cost overrun.
2. The representative of the petitioner requested the Commission to allow additional 0.5% return on equity on account of early commissioning of the asset.
  3. In response to a query of the Commission regarding the applicability of “recovery of deferred tax liability” on the current asset which was commissioned on 21.6.2014, the representative of the petitioner submitted that it was inadvertently mentioned in the petition and is not applicable for asset covered in the instant petition.
  4. The Commission observed that with regard to additional capital expenditure, the petitioner in its petition has submitted that additional capital expenditure is “mainly” on account of Balance and Retention payment. In this regard the Commission directed the petitioner to clarify whether such additional capital expenditure is entirely on account of balance and retention payment, if not, submit the head wise break up under which additional capital expenditure is being claimed. The Commission also directed the petitioner to clarify whether the awards are firm price or price variation contracts and the provisions regarding price variation.
  5. The Commission further directed the petitioner to submit the above clarification and replies to the remaining queries sought vide RoP dated 16.11.2015 on affidavit with copy to respondents by 30.11.2015. The respondents were directed to file their reply by 7.12.2015 and the petitioner to file rejoinder, if any, by 11.12.2015.
  6. The Commission further observed that in case, the above information is not received within the specified date, the petition will be disposed on the basis of the information already available on record.
  7. Subject to the above, order in the petition was reserved.

By order of the Commission

Sd/-  
V. Sreenivas  
Dy. Chief (Law)

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