

**CENTRAL ELECTRICITY REGULATORY COMMISSION  
NEW DELHI**

**Petition No. 201/TT/2015**

- Subject:** Approval of transmission tariff for "4 Nos 400 KV line bays at Narendra (New) for Kudigi TPS-Narendra (New) 400 KV 2XD/c Quad Lines undr Sub-station Extension works associated with transmission system required for evacuation of power under Kudigi TPS (3X800 MW in Phase-I) of NTPC Ltd in Southern Region for tariff block 2014-19, 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.
- Date of Hearing:** 6.10.2015
- Coram:** Shri Gireesh B. Pradhan, Chairperson  
Shri A.K. Singhal, Member  
Shri A.S. Bakshi, Member  
Dr. M.K. Iyer, Member
- Petitioner:** Power Grid Corporation of India Limited (PGCIL)
- Respondents:** Karnataka Power Transmission Corporation Ltd. and 17 others
- Parties present:** Shri Jasbir Singh, PGCIL  
Shri S. S. Raju, PGCIL  
Shri M. M. Mondal, PGCIL  
Shri S.K. Venkatesan, PGCIL  
Smt. Sangeeta Edwards, PGCIL  
Shri Subhash C. Taneja, PGCIL  
Shri K.K Jain, PGCIL  
Shri S.K Meena, PGCIL  
Shri S. Vallinayagam, Advocate, TANGEDCO  
Shri Jaya Prakash R, TANGEDCO  
Shri B.S Rajput, NTPC  
Shri V. K Jain, NTPC  
Shri Ajay Dua, NTPC  
Shri Rohit Chabra, NTPC  
Shri Gaurav Singh, Kudgi Transmission Ltd  
Shri Alok Shankar, Kudgi Transmission Ltd

**Record of Proceedings**

The representative of the petitioner submitted that the instant petition has been filed for approval of the transmission tariff for 4 nos. 400 KV line bays at Narendra



(New) for Kudigi TPS-Narendra (New) 400 KV 2XD/c Quad Lines under Sub-station Extension works associated with transmission system required for evacuation of power under Kudigi TPS (3X800 MW in Phase-I) of NTPC Ltd in Southern Region. As per the Investment Approval (IA) dated 5.2.2014, the assets were scheduled to be commissioned within 22 months from the date of approval of Board of Directors, i.e. by 4.12.2015. He submitted that the commissioning date of the instant transmission asset is now revised from 31.8.2015 to end of October, 2015. The commissioning of the transmission asset is advanced to meet the start-up power requirements of NTPC. He submitted that there is no time over-run. There is cost over-run in case of the instant assets. He requested to condone the cost over-run and allow tariff as claimed in the petition. He further prayed to allow 90% of Annual Fixed Charges (AFC) in terms of proviso (i) of Regulation 7(7) of the 2014 Tariff Regulations.

2. The learned counsel for TANGEDCO prayed for two weeks time to file reply and a similar request was made by the representative of Kudgi Transmission Limited. The Commission allowed the prayer.

3. The Commission directed the petitioner to submit the following information on affidavit with a copy to the respondents by 20.11.2015, failing which the petition will be disposed on the basis of the information already on record:-

- a) Actual COD of the asset and the COD letter;
- b) RLDC Certificate for charging of assets;
- c) CEA certificate under Regulation 43 of CEA (Measures Related to Safety & Electricity Supply) Regulations, 2010;
- d) Reasons for over estimation along with justification arriving for at FR estimated cost;
- e) Detailed justification for claiming additional RoE of 0.5% by invoking Regulations, 2014;
- f) RPC certificate under Regulation 24(2) (iii);
- g) Revised Forms on the basis of actual COD. Auditor certificates along with all Tariff Forms;
- h) Status of associated transmission lines;
- i) If there is delay in actual COD the Asset, the reason along-with documentary evidence and chronology of events;
- j) As per minutes of 29<sup>th</sup> meeting of Empowered Committee held on 15.6.2012, the system is to be made ready by June, 2015. However, as per the Investment Approval of POWERGRID, the system is to be ready by December, 2015. Explain the delay in schedule considered by the petitioner. Whether PGCIL has matched schedule date of commissioning of its bays with schedule COD of Kudgi TPS- Narendra line (executed by KTL). Whether it has coordinated with generator so that associated bays at generator end are commissioned matching with transmission line as decided in minutes of Empowered Committee Meeting;
- k) Form 5B - Details of all individual assets covered under the scope of project and the relevant Petition Nos. against respective assets including those assets claimed in the instant petition. Ensure the sum total of apportioned approved cost of individual assets tallies with the estimated project cost as specified in Investment Approval. In case of the assets



which are yet to be commissioned, show the assets are “Yet to be commissioned”;

- l) In Form-4A (Statement of Capital Cost), indicate the liability included in the Gross Block;
- m) Details of undischarged liability as on COD corresponding to the elements and year wise discharge of liabilities by payment and by reversal duly certified by the Auditor;
- n) Whether entire amount of initial spares claimed has been discharged as on COD? If not, submit the year wise details of liability discharged and undischarged w.r.t. initial spare;
- o) Form 12B (Draw down Schedule for calculation of IDC & Finance Charges), duly filled all column for all quarters. Also provide the computation of interest during construction along with editable soft copy in Excel format with links for the asset;
  - i) from the date of infusion of debt fund up to scheduled COD and from scheduled COD to actual Date of Commercial Operation (in case the actual/anticipated COD falls after scheduled COD) or
  - ii) from date of infusion of debt fund up to actual COD as per Regulation 11 (A) (1) of Tariff Regulation, 2014 (in case the actual/anticipated COD falls within scheduled COD);
- p) Form 15 (Actual Cash Expenditure), clearly showing the quarter wise payment to contractors/suppliers and % of fund deployment up to actual COD;
- q) Form 14 (Other income as on COD);
- r) Whether any of assets de-capitalized / asset has been kept not in use due to commissioning of the assets covered in the instant petition. If yes, provide the details like date of decap/asset not put to use, gross block, cumulative depreciation till the date of de-capitalisation; and
- s) Editable soft copy (excel format) of all the tariff forms along with petition soft copy (in.doc format).

4. The Commission directed the respondents to file their replies by 4.12.2015 and the petitioner to file rejoinder by 18.12.2015, if any. The Commission also directed the petitioner and the respondents to file the information within the dates specified and observed that information received after the due dates shall not be considered.

5. The Commission directed the petitioner to work out the tax on return on equity and the deferred tax liability for the period 2014-19 as per the observations made in order dated 15.4.2015 in Petition No. 532/TT/2014.



6 The Commission directed to list the petition for hearing after the receipt of the information sought in para 3 above.

By Order of the Commission

sd/-  
(T. Rout)  
Chief (Legal)