

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 235/TT/2016

Coram:

**Shri Gireesh B. Pradhan, Chairperson
Shri A.K. Singhal, Member
Shri A.S. Bakshi, Member
Dr. M.K. Iyer, Member**

Date of Order ; 27.12.2016

In the matter of:

Approval of transmission tariff for Tuticorin Pooling Station-Salem Pooling Station 765 kV D/C line (initially charged at 400 kV) alongwith Bay extensions at Salem Pooling Station and Tuticorin Pooling Station and 80 MVAR Line Reactors at each end of both circuits of Tuticorin Pooling Station-Salem Pooling Station 765 kV D/C line (initially charged at 400 kV), under "Transmission System associated with Common System associated with Coastel Energen Private Limited and Ind-Bharat Powers (Madras) Limited LTOA Generation Projects in Tuticorin Area-Part-B" in Southern Region from COD to 31.3.2019, 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
"Saudamini", Plot No.2,
Sector-29, Gurgaon -122 001

.....Petitioner

Vs

1. Karnataka Power Transmission Corporation Limited (KPTCL),
Kaveri Bhawan,
Bangalore-560 009
2. Transmission Corporation of Andhra Pradesh Limited (APTRANSCO),
Vidyut Soudha,
Hyderabad-500 082



3. Kerala State Electricity Board (KSEB),
Vaidyuthi Bhavanam,
Pattom, Thiruvananthapuram-695 004
4. Tamil Nadu Electricity Board (TNEB)
NPKRR Maaligai, 800, Anna Salai,
Chennai-600 002
5. Electricity Department,
Government of Goa,
Vidyuti Bhawan, Panaji, Goa 403 001
6. Electricity Department,
Government of Pondicherry,
Pondicherry-605 001
7. Eastern Power Distribution Company of Andhra Pradesh Limited (APEPDCL),
APEPDCL, P&T Colony,
Seethmmadhara, Vishakhapatnam,
Andhra Pradesh
8. Southern Power Distribution Company of Andhra Pradesh Limited (APSPDCL),
Srinivasasa Kalyana Mandapam Backside,
Tiruchanoor Road, Kesavayana Gunta,
Tirupati-517 501, Chittoor District, Andhra Pradesh
9. Central Power Distribution Company of Andhra Pradesh Limited (APCPDCL),
Corporate Office, Mint Compound,
Hyderabad-500 063, Andhra Pradesh
10. Northern Power Distribution Company of Andhra Pradesh Limited (APNPDCL),
Opp. NIT Petrol Pump,
Chaitanyapuri, Kazipet,
Warangal-506 004,
Andhra Pradesh
11. Bangalore Electricity Supply Company Limited (BESCOM),
Corporate Office, K.R. Circle,
Bangalore-560 001, Karnataka
12. Gulbarga Electricity Supply Company Limited (GESCOM),
Station Main Road,
Gulbarga, Karnataka



13. Hubli Electricity Supply Company Limited (HESCOM),
Navanagar, PB Road,
Hubli, Karnataka
14. MESCOM Corporate Office,
Paradigm Plaza, AB Shetty Circle,
Mangalore-575 001, Karnataka
15. Chamundeswari Electricity Supply Corporation Limited (CESC),
927, L J Avenue, Ground Floor,
New Kantharaj Urs Road, Saraswatipuram,
Mysore-570 009, Karnataka
16. Coastal Energen Private Limited,
5th Floor, Buhari Towers,
No.4, Moores Road, Chennai-600 006, Tamil Nadu
17. Ind-Bharath Power (Madras) Limited,
Pit No. 30-A, Road No.1
Film Nagar, Jubilee Hills,
Hyderabad-500 003, Andhra Pradesh
18. Transmission Corporation of Telangana Limited,
Vidhyut Sudha, Khairatabad,
Hyderabad-500 082

.....**Respondents**

For petitioner : Shri Rakesh Prasad, PGCIL
Shri S.S. Raju, PGCIL
Shri K.K. Jain, PGCIL
Shri M.M. Mondal, PGCIL
Shri Jasbir Singh, PGCIL
Shri Vivek Kr. Singh, PGCIL

For respondents : Shri S. Vallinayagam, Advocate for TANGEDCO

ORDER

The petitioner, Power Grid Corporation of India Limited (PGCIL) has filed this petition for approval of the transmission tariff in respect of instant asset in Southern



Region as per the details given below in accordance with the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2014 (hereinafter referred to as "the 2014 Tariff Regulations").

2. The details of the elements covered in the instant petition are as follows:-

Name of the Asset	COD	
	Scheduled	Anticipated as on the date
Tuticorin Pooling Station-Salem Pooling Station 765 kV D/C line (initially charged at 400 kV) alongwith Bay extensions at Salem Pooling Station and Tuticorin Pooling Station and 80 MVAR Line Reactors at each end of both circuits of Tuticorin Pooling Station-Salem Pooling Station 765 kV D/C line (initially charged at 400 kV)	18.9.2014	15.10.2016

3. The details of capital costs claimed by the petitioner are as under:-

(₹ in lakh)

Approved apportioned cost	Cost as on COD	Projected capital expenditure			Estimated completion cost
		2016-17	2017-18	2018-19	
138014	165634.16	2683.38	8056.36	2451.86	178825.76

4. During the hearing of the petition on 15.12.2016, the representative of the petitioner requested to grant Annual Fixed Charges (AFC) in terms of proviso (i) of Regulation 7(7) of the 2014 Tariff Regulations in respect of the asset covered in the instant petition.



5. As per proviso (i) of Regulation 7(7) of the 2014 Tariff Regulations, the Commission may grant tariff upto 90% of the AFC of the transmission system or element thereof for the purpose of inclusion in POC charges in accordance with the Central Electricity Regulatory Commission (Sharing of Inter State Transmission charges and losses), Regulation, 2010. Regulation 7(2) 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) provides that such an application shall be filed as per Annexure-I of these regulations.

6. We have considered the submissions of the petitioner. The petitioner has made the applications as per 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.

7. After carrying out preliminary prudence check of the AFC claimed by the petitioner and taking into consideration the time over-run and cost over-run in the instant petition, which shall be looked into in detail at the time of issue of final tariff, the Commission has decided to allow tariff in terms of proviso (i) of Regulation 7(7) of the 2014 Tariff Regulations as given in para-8 of this order for 2016-17 and 2017-18.



8. The details of the tariff claimed by the petitioner and tariff allowed by the Commission are as under:-

A. Annual transmission charges claimed by the petitioner are as under:-

(₹ in lakh)		
2016-17 (pro-rata)	2017-18	2018-19
13345.36	29310.06	29465.41

B. Annual transmission charges allowed are as below:-

(₹ in lakh)	
2016-17 (pro-rata)	2017-18
8239.77	18096.79

9. The AFC allowed in this order shall be applicable from the date of commercial operation of the transmission system and the billing, collection and disbursement of the transmission charges shall be governed by the provisions of Central Electricity Regulatory Commission (Sharing of Inter-State Transmission Charges and Losses) Regulations, 2010, as amended from time to time. Further, the transmission charges allowed in this order shall be subject to adjustment as per Regulation 7(7) of the 2014 Tariff Regulations.

10. The Commission directed the petitioner to submit the following information on affidavit with a copy to the respondents by 16.1.2017:-

- a) The actual COD of the instant asset alongwith revised tariff forms;
- b) Trial run certificate issued by RLDC in support of COD in accordance with the 2014 Tariff Regulations;



- c) Single line coloured diagram alongwith upstream/downstream network details;
- d) CEA certificate under Regulation 43 of CEA (Measures Relating to safety and Electric supply) Regulations, 2010 certificate for instant asset;
- e) Current status of upstream and downstream system of Salem Sub-station;
- f) Detailed reasons for time over-run and chronology of the activities along with documentary evidence, as per the format below:-

Asset	Activity	Period of activity				Reason(s) for delay along with reference to supporting document
		Planned		Achieved		
		From	To	From	To	

- g) Clarify if any of the assets earlier covered in Petition No. 25/TT/2014 is included in the instant petition, if yes, reason for such inclusion and the claim of PoC tariff based on revised anticipated COD, which has also passed, as against petitioners' agreement to claim tariff only on actual commissioning in Petition No. 25/TT/2014;
- h) Furnish Auditors' Certificates for actual COD alongwith revised tariff forms and supporting documents regarding declaration of commissioning status of instant asset and RCE, if any;
- i) Revised Form-6 indicating the approved apportioned cost as per original Investment Approval and RCE;
- j) Clarify whether capital cost indicated in Management Certificate are on accrual basis or cash basis and details of capital cost as on COD on accrual basis, undischarged liabilities as on COD and actual discharge of such liabilities by payment made during 2014-19 tariff period certified by the Auditors; and
- k) Details of De-capitalised/replaced/asset not put to use on commissioning of the instant asset, if any, (i.e. date of capitalisation, gross block, accumulated depreciation till date of replacement for the assets de-capitalised/replaced/asset not put to use) alongwith petition numbers in which tariff of the replaced assets were claimed.

11. The information sought above is in terms of the Commission's order dated 6.5.2016 in Petition No.8/SM/2016, which has not been filed by the petitioner. The



petitioner shall ensure that the above information is filed within the due date mentioned. In case, information is not filed within the said date, the matter shall be placed before the Commission for necessary orders.

12. The parties are directed to complete the pleadings by 1.2.2017. The matter shall be listed on 7.2.2017.

sd/-
(M.K. Iyer)
Member

sd/-
(A.S. Bakshi)
Member

sd/-
(A.K. Singhal)
Member

sd/-
(Gireesh B. Pradhan)
Chairperson

