

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 208/TT/2017

Coram:

**Shri A.K. Singhal, Member
Shri A.S. Bakshi, Member
Dr. M. K. Iyer, Member**

Date of Order: 09.10.2017

In the matter of:

Approval of transmission tariff from COD to 31.3.2019 for **Asset-I:** (i) Hyderabad (Maheshwaram)-Nizamabad 765 kV D/C Line and (ii) 2 Nos. 765 kV bays along with 1 No. 240 MVAR switchable line reactor each at Hyderabad (Maheshwaram) and Nizamabad Sub-station each for both circuits of Hyderabad-Nizamabad 765 kV D/C Line (Actual COD: 31.8.2017) under "Wardha-Hyderabad 765 kV Link" in Southern Region 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, K. G. Road,
Bangalore-560 009
2. Transmission Corporation of Andhra Pradesh Limited (APTRANSCO),
Vidyut Soudha, Khairatabad,
Hyderabad-500 082
3. Kerala State Electricity Board (KSEB),
Vaidyuthi Bhavanam, Pattom,
Thiruvananthapuram-695 004
4. Tamilnadu 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)
Opposite NIT Petrol Pump,
Chaitanyapuri, Kazipet, Warangal-506 004
Andhra Pradesh
11. Bangalore Electricity Supply Company Limited (BESCOM),
Corporate Office, K. R. Circle,
Bangalore-560 009, Karanataka
12. Gulbarga Electricity Supply Company Limited. (GESCOM),
Station Main Road, Gulbarga, Karnataka
13. Hubli Electricity Supply Company Limited (HESCOM),
Navanagar, P.B. Road, Hubli,
Karnataka
14. Mangalore Electricity Supply Company Limited (MESCOM),
Paradigm Plaza, AB Shetty Circle,
Mangalore-575 001
15. Chamundeswari Electricity Supply Corporation Limited (CESC),
927, L j Avenue, Ground Floor, New Kantharaj Urs Road,
Saraswatipuram, Mysore-570 009



16. Transmission Corporation of Telangana Limited,
Vidhyut Sudha, Khairatabad,
Hyderabad-500 082

.....Respondents

For petitioner : Shri S.S. Raju, PGCIL
Shri B. Dash, PGCIL
Shri Abhay Choudhary, PGCIL
Shri Rakesh Prasad, PGCIL
Shri Mohd. Mohsin, PGCIL

For respondents : Shri S. Vallinayagam, Advocate for TANGEDCO
Ms. E. Shyamala, TANGEDCO
Ms. K.S. Indra Kumari, TANGEDCO

ORDER

The present petition has been filed by Power Grid Corporation of India Limited ('the petitioner'), for approval of tariff for **Asset-I:** (i) Hyderabad (Maheshwaram)-Nizamabad 765 kV D/C Line and (ii) 2 Nos. 765 kV bays along with 1 No. 240 MVAR switchable line reactor each at Hyderabad (Maheshwaram) and Nizamabad Sub-station each for both circuits of Hyderabad-Nizamabad 765 kV D/C Line" (hereinafter referred as "transmission asset") under "Wardha-Hyderabad 765 kV Link" in Southern Region in accordance with the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2014 (hereinafter referred to as "the 2014 Tariff Regulations"). The petitioner has also prayed for grant of 90% of the Annual Fixed Charges (AFC) claimed, in terms of proviso (i) of Regulation 7(7) of the 2014 Tariff Regulations for inclusion in PoC mechanism.



2. The petitioner has claimed the tariff based on actual expenditure incurred up to COD and estimated additional capitalization incurred from COD to 31.3.2019 of the instant asset. The details of the capital cost claimed by the petitioner are as under:-

Approved apportioned cost as per FR	Expenditure up to COD	Projected additional capital expenditure		Total Estimated completion cost
		2017-18	2018-19	
145289.39	104990.03	11506.77	6090.95	122587.74

3. Therefore, the estimated completion cost is ₹122587.74 lakh as against the total approved apportioned cost of ₹145289.39 lakh. Thus, there is no cost over-run in respect of the instant asset.

4. The instant asset was scheduled to be commissioned on within 40 months from the date of Investment Approval dated 29.1.2015. Accordingly, the scheduled date of commercial operation of the instant asset is 29.5.2018. The instant asset was commissioned on 31.8.2017. Hence, there is no time over-run.

5. The matter was heard on 26.9.2017, the representative of the petitioner prayed for grant of Annual Fixed Charges (AFC) in terms of proviso (i) of Regulation 7(7) of the 2014 Tariff Regulations in respect of the instant asset.

6. We have considered the submissions of the petitioner. 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 the 2014 Tariff Regulations.

7. The petitioner has made the application 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.

8. After carrying out preliminary prudence check of the AFC claimed by the petitioner, 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-9 of this order.

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

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

(₹ in lakh)	
2017-18 (pro-rata)	2018-19
13515.56	21398.17



B. Annual transmission charges allowed are as below:-

(₹ in lakh)

2017-18 (pro-rata)	2018-19
11488.23	18188.44

10. The petitioner is directed to submit the Auditors' Certificate and revised tariff forms based on actual commissioning of the asset on affidavit by 30.10.2017, with an advance copy to the beneficiaries.

11. The respondents are directed to file their reply by 18.11.2017 with an advance copy to the petitioner who shall file its rejoinder, if any, by 30.11.2017. The parties shall comply with the above directions within the due date mentioned above and no extension of time shall be granted.

12. The date of final hearing of the petition shall be notified separately.

sd/-
(M.K. Iyer)
Member

sd/-
(A.S. Bakshi)
Member

sd/-
(A.K. Singhal)
Member

