

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 45/TT/2017

Coram:

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

Date of Order : 5.7.2017

In the matter of:

Approval for transmission tariff of “(a) LILO of Gazuwaka-Vijayawada 400 kV S/C line at Vemagiri Pooling Station along with associated bays and (b) Establishment of 765/400 kV GIS Pooling Station at Vemagiri with 2X1500MVA 765/400 kV Transformers, 2 nos. 240 MVAR 765 kV and 1 no. 80 MVAR 400 kV Bus Reactors at Vemagiri and 2 nos. 765 kV bays along with 1 no. 240 MVAR switchable line reactor each at Vemagiri and Srikakulam pooling stations each for both circuits of Srikakulam PS-Vemagiri PS 765 kV D/C line under “Sub-Station Works Associated with System Strengthening in Southern Region for Import of Power from Eastern Region” for the 2014-19 tariff period 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 Ltd., (KPTCL),
Kaveri Bhavan, Bangalore – 560 009



2. Transmission Corporation of Andhra Pradesh Ltd., (APTRANSCO),
Vidyut Soudha, Hyderabad– 500082
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 403001
6. Electricity Department
Government of Pondicherry,
Pondicherry – 605001
7. Eastern Power Distribution Company of Andhra Pradesh Limited (APEPDCL)
APEPDCL, P&T Colony, Seethammadhara,
Vishakhapatnam, Andhra Pradesh
8. Southern Power Distribution Company of Andhra Pradesh Limited (APSPDCL)
Srinivasasa Kalyana Mandapam Backside,
Tiruchanoor Road, KesavayanaGunta,
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 Ltd., (BESCOM),
Corporate Office, K.R. Circle
Bangalore – 560 001, Karnataka



12. Gulbarga Electricity Supply Company Ltd., (GESCOM)
Station Main Road, GULBURGA, Karnataka
13. Hubli Electricity Supply Company Limited (HESCOM)
Navanagar, PB Road, Hubli, Karnataka
14. MESCOM Corporate Office,
Paradigm Plaza, AB Shetty Circle,
Mangalore-5750009, Karnataka
15. Chamundeswari Electricity Supply Corporation Ltd., (CESC) ,
927, L J Avenue, Ground Floor, New Kantharaj Urs Road
Saraswatipuram, Mysore – 570 009, Karnataka
16. Vizag Transmission Limited, GM I/C (TBCB),
Power Grid Corporation of India Ltd.
SAUDAMINI', Plot No-2,
Sector-29, Gurgaon-122 001 (Haryana)
17. Transmission Corporation of Telangana Limited,
Vidhyut Sudha, Khairatabad,
Hyderabad, 500082

.....Respondents

For petitioner : Shri S.S. Raju, PGCIL
Shri S.K Venkatesh, PGCIL
Shri Rakesh Prasad, PGCIL
Shri Jasbir Singh, PGCIL
Shri Anil Kumar Meena, PGCIL

For respondents : Shri S. Vallinayagam, Advocate, TANGEDCO

ORDER

The petitioner, Power Grid Corporation of India Limited (PGCIL) has filed the instant petition for determination of tariff for “(a) LILO of Gazuwaka-Vijayawada 400 kV S/C line at Vemagiri Pooling Station along with associated bays and (b) Establishment



of 765/400 kV GIS Pooling Station at Vemagiri with 2X1500MVA 765/400 kV Transformers, 2 nos. 240 MVAR 765 kV and 1 no. 80 MVAR 400 kV Bus Reactors at Vemagiri and 2 nos. 765 kV bays along with 1 no. 240 MVAR switchable line reactor each at Vemagiri and Srikakulam pooling stations each for both circuits of Srikakulam PS-Vemagiri PS 765 kV D/C line under “Sub-Station Works Associated with System Strengthening in Southern Region for Import of Power from Eastern Region” for the 2014-19 tariff period 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. As per the Investment Approval dated 18.11.2014, the instant assets were scheduled to be commissioned within 36 months from the date of approval of Board of directors which was on 11.11.2014. Accordingly, the instant assets were scheduled to be commissioned on 11.11.2017. As per the petition, the assets were anticipated to be commissioned on 31.12.2016. However, the petitioner, vide affidavit dated 26.5.2017, has submitted that the instant asset has been split into three. The details of the elements covered in the assets and their date of commissioning are given below:-



Srl. No.	Name of the Asset	Scheduled COD	Anticipated COD as per the petition	Actual COD
1.	Asset-I(A)(a) LILO of Gazuwaka-Vijayawada 400 kV S/C line at Vemagiri Pooling Station along with associated bays			1.2.2017
2.	Asset-IA(b) Establishment of 765/400 kV GIS Pooling Station at Vemagiri with 2X1500MVA 765/400 kV Transformers, 2 nos. 240 MVAR 765 kV and 1 no. 80 MVAR 400 kV Bus Reactors at Vemagiri and 2 nos. 765 kV bays along with 1 no. 240 MVAR switchable line reactor each at Vemagiri and Srikakulam pooling stations each for both circuits of Srikakulam PS-Vemagiri PS 765 kV D/C line	11.11.2017	31.12.2016	1.2.2017
3.	Asset-I(B) 1X1500MVA, 765/400 kV ICT-II alongwith associated bays and equipment at Vemagiri			31.3.2017

3. Based on actual COD petitioner, vide affidavit dated 26.5.2017, has submitted the Auditor certificate alongwith three sets of tariff forms for above assets. During the hearing on 4.5.2017, the representative of the petitioner also prayed for allowing AFC in terms of proviso (i) of Regulation 7(7) of the 2014 Tariff Regulations. Learned counsel for TANGEDCO, Respondent No. 4, submitted that reply to the petition was filed vide affidavit dated 26.4.2017.

4. 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) of the 2014 Tariff Regulations provides that such an application shall be filed as per Annexure-I of these regulations.

5. 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. The objections raised by the TANGEDCO and cost over-run shall be looked into in detail at the time of issue of final tariff. After carrying out a 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 6 of this order for the years 2016-17, 2017-18 and 2018-19.

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

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



(₹ in lakh)

Name of the Asset	2016-17	2017-18	2018-19
Asset-I(A)(a)	125.66	832.14	879.88
Asset-I(A)(b)	2268.98	15542.56	16716.42
Asset-I(B)	2.19	909.03	1034.91

B. Annual transmission charges allowed are given below:-

(₹ in lakh)

Name of the Asset	2016-17	2017-18	2018-19
Asset-I(A)(a)	106.81	707.32	747.90
Asset-I(A)(b)	1928.63	13211.18	14208.96
Asset-I(B)	1.86	772.68	879.67

7. The Annual Fixed Charges allowed in this order, as stated above, 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

8. The petitioner is directed to submit the following information on affidavit with an advance copy to the respondents by 24.7.2017:-

- a) Details of undischarged liabilities as on COD and actual discharge of liabilities by payment duly certified by Auditor for all assets.
- b) Form 4A, 5, 12A, 13, 14, 15 for all assets.
- c) RLDC certificate regarding charging of instant asset.



- d) CEA certificate under Regulation 43 of CEA (Measures relating to safety & Electric Supply) Regulations, 2010 for Asset I.
- e) Status of transmission lines being implemented under TBCB i.e. Srikakulam PP-Vemagiri II PS 765 kV D/C line and Khammam-Nagarjun Sagar 400 kV D/C line.
- f) CMD certificate as per Regulation 6.3 A proviso (iv) of the Central Electricity Regulatory Commission (Indian Electricity Grid Code) Regulations, 2010.
- g) Details of decapitalisation, if any, on commissioning of instant assets.

9. The respondents are directed to file their reply by 7.8.2017 with an advance copy to the petitioner who shall file its rejoinder, if any by 16.8.2017. The parties shall comply with the above directions within the due date mentioned above and no extension of time shall be granted.

10. The petition shall be listed on 24.8.2017 for final hearing.

sd/-
(Dr. M.K. Iyer)
Member

sd/-
(A.S. Bakshi)
Member

sd/-
(A.K. Singhal)
Member

sd/-
(Gireesh B. Pradhan)
Chairperson

