

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 208/TT/2017

- Subject** : Determination of transmission tariff from COD to 31.3.2019 for “(i) Hyderabad (Maheshwaram)-Nizamabad 765 kV D/C line and (ii) 2 nos. 765 kV bays alongwith 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” from its COD i.e. 31.8.2017 under “Wardha-Hyderabad 765 kV Link” in Southern Region.
- Date of Hearing** : 28.8.2018
- Coram** : Shri P.K. Pujari, Chairperson
Shri A. K. Singhal, Member
Dr. M. K. Iyer, Member
- Petitioner** : Power Grid Corporation of India Ltd. (PGCIL)
- Respondents** : Karnataka Power Transmission Corporation Ltd. (KPTCL)
and 15 others
- Parties present** : Shri Vivek Kumar Singh, PGCIL
Shri S. K. Venkatesan, PGCIL
Shri S. S. Raju, PGCIL
Shri V. P. Rastogi, PGCIL
Shri Rakesh Prasad, PGCIL
Shri B. Dash, PGCIL
Shri Pankaj Sharma, PGCIL
Shri S. Vallinayagam, Advocate, TANGEDCO

Record of Proceedings

The representative of the petitioner submitted that the instant petition is filed for approval of tariff of 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” from its COD i.e. 31.8.2017 under “Wardha-Hyderabad 765 kV Link” in Southern Region for 2014-19 period. He submitted that the scheduled COD of the instant assets was 29.5.2018 and the assets were put into commercial



operation on 31.8.2017 and there is no time over-run in case of the instant assets. He submitted that the estimated completion cost is within the FR approved apportioned cost and hence there is no cost over-run in case of the instant assets. He further submitted that the information sought by the Commission has already been submitted and requested to allow the tariff as claimed in the petition.

2. The learned counsel for TANGEDCO submitted that there is a huge over estimation of the overall cost. He further submitted that there is cost variation ranging from 270% to -51%. The huge escalation in (i) outdoor lighting, auxiliary earthing, (ii) preliminary investigation, ROW, Forest clearance, PTCC, general civil works etc. has not been explained by the petitioner. He submitted that O&M Expenses claimed may be allowed as per 2014 Tariff Regulations and wage revision cost may not be allowed.

3. The representative of the petitioner submitted that cost reduction is due to early commercial operation of the instant assets and the resultant savings in IDC and IEDC.

4. The Commission observed that the reasons given by the petitioner for cost over-run are general in nature and the petitioner should give specific reasons for the variation in cost of the various elements and observed that the petitioner should adopt prudent practices in estimation of the cost at FR stage. The Commission directed the petitioner to submit its comments on the specific queries raised by TANGEDCO by 7.9.2018 on affidavit with an advance copy to the respondents. The Commission further observed that if the information is not received by 7.9.2018, the matter will be decided on the basis of information available on record.

5. Subject to the above, the Commission reserved the order in the petition.

By order of the Commission

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

