

**CENTRAL ELECTRICITY REGULATORY COMMISSION  
NEW DELHI**

**Petition No.103/TT/2019**

**Subject** : Petition for determination of transmission tariff from COD to 31.3.2019 for 2x1500 MVA 765/400 kV ICTs along with associated bays at Srikakulam Pooling Station under Common System associated with East Coast Energy Private Limited and NCC Power Projects Limited LTOA Generation Projects in Srikakulam Area -Part-C in Southern Region and Eastern Region.

**Date of Hearing** : 29.6.2020

**Coram** : Shri P.K. Pujari, Chairperson  
Shri I.S. Jha, Member  
Shri Arun Goyal, Member

**Petitioner** : Powergrid Corporation of India Limited  
**Respondents** : Tamil Nadu Generation and Distribution Corporation Ltd. & 25 Ors.

**Parties present** : Shri Vallinayagam, Advocate, TANGEDCO  
Shri S.S. Raju, PGCIL  
Shri A.K. Verma, PGCIL  
Shri B. Dash, PGCIL  
Shri V.P. Rastogi, PGCIL  
Shri Anil Kumar Meena, CTU  
Dr. R. Kathiravan, TANGEDCO

**Record of Proceedings**

The matter was heard through video conference.

2. The representative of the Petitioner submitted that the present petition has been filed for determination of tariff from COD to 31.3.2019 of 2x1500 MVA 765/400 kV ICTs alongwith associated bays at Srikakulam Pooling Station under “Common System associated with East Coast Energy Private Ltd. and NCC Power Projects Limited LTOA Generation Projects in Srikakulam Area- Part-C in Southern Region and Eastern Region as per the 2014 Tariff Regulations. He submitted that the assets covered in the instant petition were scheduled to be put into commercial operation within 27 months from the



date of Investment Approval dated 5.4.2013. However, the instant assets were put into commercial operation on 7.8.2018 with a time over-run of 37 months and 9 days. He submitted that the assets covered in the instant petition are delayed due to delay in 765 kV D/C Srikakulam-Angul Transmission Line and delay in associated generation projects of East Coast Energy Pvt. Ltd and NCC Power Projects Ltd.

3. As regards time over-run of the instant ICTs due to delay of 765 kV D/C Srikakulam-Angul Transmission Line, the Petitioner has submitted that this Transmission Line was declared under commercial operation on 1.2.2017 along with 765 kV Srikakulam Sub-station with delay of 19 months and 4 days due to RoW and other issues and that the Commission vide order dated 23.7.2018 in Petition No. 231/TT/2016 has already condoned the entire time over-run. The petitioner has submitted that even after the above Transmission Line was put into commercial operation, the 2x1500 MVA 765/400 kV ICTs along with associated bays at Srikakulam Pooling Station were not in use as the 400 kV bus at Srikakulam Pooling Station was not connected to the grid. Therefore, the subject ICTs could not be utilized and put into commercial operation along with 765 kV D/C Srikakulam-Angul Transmission Line and 765 kV Srikakulam Sub-station on 1.2.2017. He submitted that ICTs at Srikakulam were put into commercial operation along with 400 kV D/C Srikakulam-Garividi Transmission Line executed through TBCB route and that the ICTs have now been put to use. Therefore, the representative of the Petitioner has prayed that time over-run from 1.2.2017 to August, 2018 may also be condoned as the instant ICTs could not be executed due to delay in execution of 400 kV D/C Srikakulam Garividi Transmission Line. He submitted that as per RCE, there is no cost over-run. He further submitted that in compliance with the Commission's directions given vide RoP dated 11.2.2020, they have furnished the information vide affidavit 5.5.2020 and have also filed rejoinder to the reply of TANGEDCO vide affidavit dated 19.5.2020. He submitted that all the information required for determination of tariff is available on record and, therefore, tariff for the subject assets may be granted as prayed.

4. Learned counsel for TANGEDCO submitted that original arrangement of the line was from Angul to Srikakulam and from Srikakulam to Vemagiri. The generators should have been connected with these two ICTs at Srikakulam 400 kV bays. He submitted that the ICTs have not been in beneficial use due to non-commissioning of the generators. He submitted that the line was initially conceived for exporting power from SR to ER and WR. Later, after two years, 4000 MW anticipated surplus power in ER was to be sent to SR. Since the generation did not come, the present scheme was converted into System Strengthening Scheme and the power will now be imported to SR from ER. He submitted that ICTs were specifically meant for the generators which did not come up and, hence the ICTs have no beneficial use. He further submitted that COD of the ICTs cannot be declared until COD of generating stations is declared. He further submitted that as the ICTs in the present case have no beneficial use, no tariff can be allowed for them in view of the judgments of APTEL dated 2.7.2012 in Appeal No. 123 of 2011 and dated 18.1.2018 in Appeal Nos. 198 of 2015 and 6 of 2016.



5. In response, the representative of the Petitioner submitted that in the 30<sup>th</sup> Standing Committee Meeting on Power System Planning dated 13.4.2010, Common Transmission System was exclusively evolved for evacuation of power from IPP Generation Projects in Srikakulam Area, East Coast Energy and NCC Power. He further submitted that the Commission vide order dated 31.5.2010 in Petition No.233 of 2009 granted regulatory approval, inter alia, observing that the transmission systems need to be implemented matching with the commissioning schedules of the IPPs. Since one of the generators, namely, NCC Power did not sign BPTA, its LTA was cancelled. As the East Coast Energy was then progressing, the representative of the petitioner submitted that the scope of work as contemplated under Common Transmission System associated with East Coast Energy and NCC Power in Srikakulam area was downgraded and divided into three schemes, details of which are given in para 8 of the reply of TANGEDCO. He submitted that in March, 2012, Government of India issued a notification that no generation based on gas should be planned till 2015-16. Also during 2011, due to revision in the prices of Indonesian imported coal, about 8000-10000 MW of the generation in SR was either delayed, abandoned or became uncertain due to which load generation scenario of power in SR changed from surplus to deficit to the extent of 6000-8000 MW.

6. The representative of the Petitioner further submitted that in view of aforesaid position, to accommodate the 2000 MW power for which TANGEDCO had signed PPAs with Chhattisgarh generation projects, for which the Petitioner had no transmission system facility, the Petitioner planned to utilize the existing transmission system and at the same time planned to augment the transmission system for the future requirements. Accordingly, the Petitioner devised Raipur-Sholapur, Narendra-Kolhapur and Angul-Srikakulam lines initially to be charged at 400 kV level, later to be charged at 765 kV level. This proposal was mooted in 35<sup>th</sup> Standing Committee Meeting where it was discussed that due to requirements of import of power, the Petitioner was adding another line which was 765 kV Srikakulam line that was required to be charged at 765 kV Srikakulam Sub-station. Further, there was another system beyond Vemagri to facilitate and absorb this power within SR. Another 400 kV line was planned from Srikakulam to Garividi. To facilitate the evacuation of power from Srikakulam to A.P, the ICTs/transformers were required in the first phase and the link from Angul to Srikakulam and Srikakulam to Vemagri in the second phase. The link from Angul to Srikakulam is about 600 km. The operation of 600 km line at 765 kV level is not desirable as it may lead to operational problems. Therefore it required a tie at Srikakulam Sub-station at 400 kV. Further, the inter-connection of transformers has led to additional 300 MW of ATC in import of power to SR which is being used by entire SR. The representative of the Petitioner submitted that for the aforementioned reasons, coupled with the technical requirement of tie at Srikakulam Sub-station for smooth operation of the grid as well as supply of power from ER and Chhattisgarh generation for which SR beneficiaries signed the PPA, the above arrangements were made.



7. In response to a specific query of the Commission whether the changed nature of the present scheme was discussed and approved in any RPC/Standing Committee Meeting, the representative of the Petitioner submitted that 400 kV D/C Srikakulam-Garividi Transmission Line was part of System Strengthening Scheme for Transmission System beyond Vemagiri and was discussed in the 37<sup>th</sup> Standing Committee Meeting dated 31.7.2014 and the same was also discussed in the 26<sup>th</sup> SRPC meeting dated 20.12.2014. He, however, admitted that there is no such pleading on record.

8. In response to another query of the Commission, the representative of the Petitioner informed that both the generators have relinquished their LTAs and the relinquishment charges have been considered as per the order of the Commission in Petition No. 92/MP/2015. He further submitted that the cost of sub-station is apportioned in the line when determining the stranded capacity. The sub-station portion is to be apportioned to the lines emanating from it which was done by the Petitioner. He further submitted that after determining the relinquishment charges of the generators as per the methodology prescribed, the utilization of Angul-Srikakulam line and other lines has increased considerably and the stranded capacity charges of East Coast Energy are 'zero'. He sought time to submit detailed information in this regard.

9. In response to a further query of the Commission, the representative of the Petitioner submitted that the ICTs are put to use and power is flowing in the lines. He, however, sought time to submit the details of power flow and utilization of the lines.

10. After hearing the parties, the Commission directed the Petitioner to submit the following information on affidavit by 31.7.2020 with advance copy to the Respondents, who may file their response, if any, by 14.8.2020:-

- (a) Copy of the Minutes of Meeting of RPC/Standing Committee wherein the present scheme is delinked from Common Transmission System associated with East Coast Energy Private Limited and NCC Power Projects Limited and linked with system strengthening of Transmission System beyond Vemagiri'
- (b) The details of the relinquishment charges of the both the generators i.e. East Coast Energy Private Limited and NCC Power Projects Limited
- (c) Details of changes made in the configuration of the scheme to adapt to the subsequent developments, based on consultations done with the stakeholders, if any.
- (d) The manner in which the instant assets are being utilized.

11. The Commission further directed the parties to comply with the above directions within the specified time and observed that no extension of time shall be allowed.



12. Subject to above, the Commission reserved order in the matter.

By order of the Commission

Sd/  
(V. Sreenivas)  
Dy. Chief (Law)

