

**CENTRAL ELECTRICITY REGULATORY COMMISSION
New Delhi**

Petition No. 120/TT/2020

- Subject:** : Truing up transmission tariff for tariff period 2014-19 and determination of tariff of 2019-24 tariff period for transmission assets consisting of **Asset 1:** LILO of existing Kolar-Sriperumbudur 400 kV S/C line at Thiruvalem along with associated bays; **Asset 2:** Kurnool-Thiruvalem 765 kV D/C line along with associated bays and equipment both at Kurnool and Thiruvalem Sub-stations (charged at 400 kV) and 2x240 MVAR, 765 kV line reactor at both Kurnool and Thiruvalem Sub-stations along with associated bays and equipment; **Asset 3:** Upgradation of 400 kV Sub-station at Thiruvalem to 765/400 kV with 2x1500 MVA, 765/400 kV transformers; **Asset 4:** 765 kV and 400 kV ICT bays at Thiruvalem under the Southern Region System Strengthening Scheme (SRSS) XIX in the Southern Region
- Date of Hearing** : 24.6.2020
- Coram** : Shri P. K. Pujari, Chairperson
Shri I.S Jha, Member
Shri Arun Goyal, Member
- Petitioner** : Power Grid Corporation of India Ltd. (PGCIL)
- Respondents** : KPTCL and 17 others
- Parties Present** : Shri S. Vallinayagam, Advocate, TANGEDCO
Dr. R. Kathiravan, TANGEDCO
Shri S.S. Raju, PGCIL
Shri A.K. Verma, PGCIL
Shri. B. Dash, PGCIL
Shri Vipin Joseph, PGCIL
Shri Zafrul Hasan, PGCIL

Record of Proceedings

The matter was heard through video conferencing.

2. The representative of the Petitioner submitted that the instant petition is filed for truing up transmission tariff of 2014-19 period and determination of transmission tariff for 2019-24 period of four assets under SRSS-XIX in the Southern Region. The representative of the Petitioner submitted that the instant assets were put into commercial operation during the 2014-19 period. The tariff of Asset-1 for 2014-19 period was determined vide order dated 8.1.2016 in Petition No. 102/TT/2014 and tariff of Asset-2, Asset-3 and Asset-4 for 2014-19 period was allowed vide order dated 12.5.2016 in Petition No. 534/TT/2014. He further submitted that there was no time over-run in case of Asset-1 and Asset-2, whereas, there was time over-run of 3



months and 22 days in case of Asset-3 and Asset-4, which was not condoned. He submitted that in order dated 12.5.2016 in Petition No. 534/TT/2014, additional RoE and IDC and IEDC for the period of time over-run was disallowed. Therefore, the Petitioner had filed a Review Petition No. 37/RP/2016 seeking review of the said order. The Commission vide order dated 31.7.2017 in Petition No.37/RP/2016 allowed additional RoE for all elements of assets covered in Petition No. 534/TT/2014 except for ICT bays and as regards disallowance of IDC and IEDC, the Petitioner was directed to submit individual Form 12A and Form 9 for Asset-2 and Asset-3 at the time of true-up which has been furnished along with the instant petition. He requested to allow additional RoE, where applicable, and IDC and IEDC may be deducted as applicable. He further submitted that Additional Capital Expenditure (ACE) in case of Asset-3 of ₹68.21 lakh in the year 2018-19 and ₹1175.79 lakh in the year 2019-20 is beyond the cut-off date (31.3.2018) which is claimed towards balance and retention payments.

3. In response to the Commission's query regarding the directions in order dated 31.7.2017 in Review Petition No. 37/RP/2016, the representative of the Petitioner submitted that additional RoE was allowed for all elements of assets covered in Petition No. 534/TT/2014 except for the ICT bays. As regards disallowance of IEDC, it was observed in order dated 31.7.2017 that based on the discharge details of IEDC submitted by the Review Petitioner, the IEDC for Asset-1 and Asset-2 would be reviewed from the respective CODs on receipt of the segregated capital cost including IDC and IEDC for ICT bays at the time of truing up. The Commission observed that the truing up of the capital expenditure of the 2014-19 period will be done taking into consideration the orders issued earlier in respect of the instant assets and as per the directions in order dated 31.7.2017 in Petition No.37/RP/2016 and no further review will be allowed at the time of truing up.

4. Learned counsel for TANGEDCO submitted that the Petitioner is yet to submit Form 12A, Form 5 and Form 9 and sought two weeks' time to file reply after submission of pending information by the Petitioner.

5. The Commission directed the Petitioner to submit the following information on affidavit by 13.7.2020 with advance copy to the Respondents:

- a. Flow of liabilities statement for all the assets
- b. Form 5 for all the assets
- c. Initial Spares discharge statement for all the assets
- d. Reconciliation between Form 4A and Form 7 considering the adjustments made towards Liquidated Damages(LD) recovered for Combined Asset 2 and 3.
- e. Justification for claiming higher ACE of ₹495.16 lakh in Asset-1 for 2014-19 period as against ₹399.08 lakh approved by the Commission in order dated 8.1.2016 in Petition No. 102/TT/2014, when the same was submitted to be on account of retention payments; explain increase of ₹96.08 lakh in total capital cost as on 31.3.2019 with details of the change in package-wise cost estimates.



- f. Reasons for increase in total capital cost for Combined Asset 2 and Asset 3 as on 31.3.2019 by ₹1275.53 lakh i.e. from ₹179326.27 lakh to ₹180601.80 lakh with details of the change in package-wise cost estimates.
6. The Commission directed the Respondents, including TANGEDCO, to file its reply by 27.7.2020 with a copy to the Petitioner and the Petitioner to file its rejoinder, if any, by 31.7.2020.
7. The Commission directed the parties to comply with the above directions within the specified timeline and observed that no extension of time will be granted.
8. Subject to above, the Commission reserved the order in the matter.

By order of the Commission

sd/-
(V. Sreenivas)
Dy. Chief (Law)

