

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 36/TT/2020

Subject : Petition for truing up of transmission tariff of 2014-19 period and determination of transmission tariff of 2019-24 period for 4 assets under "Sub-station extension works associated with transmission system required for evacuation of power from Kudgi TPS (3X800 MW in Phase-I) of NTPC Limited" in 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 Limited

Respondents : KPTCL & 18 Others

Parties present : Shri S. Vallinayagam, Advocate, TANGEDCO
Shri S.S. Raju, 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 of transmission tariff of 2014-19 period and determination of transmission tariff of 2019-24 period for 4 assets under "Sub-station extension works associated with transmission system required for evacuation of power from Kudgi TPS (3X800 MW in Phase-I) of NTPC Limited" in Southern Region. He submitted that all the instant assets were put into commercial operation in the 2014-19 period and the tariff for the 2014-19 tariff period was determined vide order dated 29.7.2016 in Petition No. 201/TT/2015 for Asset-1 and vide order dated 9.7.2018 in Petition No. 215/TT/2016 for Asset-2, 3 and 4. The capital cost allowed as on COD was ₹11776.10 lakh and with ₹2339.34 lakh as add-cap during 2014-19 tariff period, the total capital cost allowed as on 31.3.2019 was ₹14115.44 lakh. He submitted that against the previously allowed capital cost of ₹14115.44 lakh as on 31.3.2019, the actual capital cost now being claimed is ₹13599.09 lakh as on 31.3.2019. The representative of the Petitioner further submitted that add-cap of ₹120.47 lakh has been claimed during the year 2019-20 in the 2019-24 tariff period and that all the assets have been combined during 2019-24 tariff period with



effective COD as 12.7.2016 and subsequently the cut-off date for the instant asset is 31.3.2019. The add-cap claimed upto 31.3.2019 during 2014-19 period is within the cut-off date and the add-cap claimed during 2019-24 period is beyond the cut-off date which is primarily on account of balance & retention payments. He also submitted that the year-wise and party-wise details of balance and retention payments have been submitted in the TV reply. He submitted that the Initial spares claimed are within the ceiling limit specified in the Tariff Regulations. He submitted that there is time over-run in case of Assets-2, 3 and 4 which was not condoned and accordingly IDC and IEDC for the period of time over-run not condoned has not been capitalized. The representative of the Petitioner further submitted that with respect to Asset-2 and 4, LD has been recovered from the contractor and the same has been added back to the capital cost as add-cap during 2014-19 period.

3. The learned counsel for TANGEDCO sought time to file reply. The learned counsel for TANGEDCO raised issues of recovery of transmission charges from NTPC, security expenses and capital spares. He submitted that details of recovery of transmission charges from Kudgi TPS (3X800 MW in Phase-I) have not been placed on record in the current petition. He further submitted that the Petitioner is entitled to claim the security expenses and capital spares if the recovery of the same is allowed under the provisions of the Tariff Regulations and that specifically seeking the approval to file a separate petition to claim security expenses and capital spares is not required.

4. In response, the representative of the Petitioner submitted that as per the directions of the Commission at para 74 in order dated 29.7.2016 in Petition No. 201/TT/2015, the transmission charges for Asset-I which includes 4 nos. of 400 kV Line Bays at Narendra (New) for Kudgi TPS-Narendra (New) 400 kV 2XD/C Quad lines was to be borne by NTPC till the COD of its first unit or the date of start of LTA. He further submitted that the first unit of Kudgi TPS-Narendra (New) achieved its COD on 1.8.2017 and accordingly, the Petitioner has raised the bilateral bills to NTPC from 11.12.2015 till 31.7.2017 complying with the directions of the Commission. The Petitioner further clarified that NTPC has already paid all the transmission charges billed. The Petitioner also submitted that a separate petition as per the 2019 Tariff Regulations has been filed to claim the security and capital expenses.

5. The Commission directed the Petitioner to clarify the issue of recovery of transmission charges from NTPC for period of mismatch, security expenses & capital spares raised by TANGEDCO. The Commission also directed the Petitioner to submit the details of bills raised on and paid by NTPC.

6. The Commission further directed the Petitioner to submit the following information, on affidavit, by 17.7.2020 with an advance copy to the Respondents:-

a. Year wise reconciliation statement for Additional capitalization reflecting the Gross Additional Capitalization, LD Adjustment amount and net Additional Capitalization after LD adjustment for Asset-2 and Asset-4 during 2014-19 period.



b. The loan amount for Asset-1 in the IDC statement against the Loan BOND L (₹650.06 lakh) do not match with loan amount reflected against Loan Bond L (₹505.39 lakh) in Form 9C and Form 12B. Similarly, the loan amount for Asset-4 in the IDC statement against the Loan BOND LIII (₹333.56 lakh) do not match with loan amount reflected against Loan Bond LIII (₹201.61 lakh) in Form 9C and Form 12B. Clarify the mismatch.

c. Details of the Proposed Loan (2016-2017) reflected in the IDC statement for Asset-2 and Asset-3. Also, reconcile the details with Form 9C and 12B.

7. The Commission directed TANGEDCO to file its reply by 17.7.2020 and the Petitioner to file rejoinder, if any, by 24.7.2020. The Commission also directed the parties to adhere to the above specified timeline and observed that no extension of time shall be granted.

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

By order of the Commission

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

