

**CENTRAL ELECTRICITY REGULATORY COMMISSION  
New Delhi**

**Petition No. 83/TT/2020**

- Subject** : Truing up of transmission tariff for 2014-19 period and determination of tariff for 2019-24 period for transmission assets under “Sub-station works associated with Hyderabad (Maheshwaram) Pooling Station” 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** : TANGEDCO and 19 others
- Parties Present** : Shri S. Vallinayagam, Advocate, TANGEDCO  
Dr. R. Kathiravan, TANGEDCO  
Shri S.S. Raju, 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 of tariff from COD to 31.3.2019 and determination of tariff for the 2019-24 for the assets under “Sub-station works associated with Hyderabad (Maheshwaram) Pooling Station” in the Southern Region. The instant petition covers four assets which were put into commercial operation during the 2014-19 tariff period. The assets covered are as under:

<b>Asset</b>	<b>Name of Asset</b>
Asset-I(A)(a)	765/400 kV GIS Pooling Station at Hyderabad (Maheshwaram) with 1x1500MVA 765/400 kV Transformers-I and 2 nos. 240 MVAR Bus Reactor 765 kV alongwith associated bays at Hyderabad (Maheshwaram) Pooling Station
Asset-I(A)(b)	Hyderabad (Maheshwaram) - Kurnool 400 kV S/C line
Asset-I(B)(a)	1x1500MVA 765/400 kV ICT-II alongwith associated bays at Maheshwaram pooling station
Asset-I(B)(b)	400 kV Maheshwaram-Hyderabad S/C line



Asset	Name of Asset
Combined Asset	Combined Asset for sub-station works associated with Hyderabad (Maheshwaram) Pooling Station

3. The representative of the Petitioner submitted that the tariff for the 2014-19 period for the instant assets was approved vide order dated 5.7.2018 in Petition No. 157/TT/2017. The Petitioner claimed additional RoE of 0.5% for completing the instant assets within the timeline specified in the 2014 Tariff Regulations in Petition No.157/TT/2017. The Commission disallowed the Petitioner's prayer for grant of additional RoE for the LILO of Hyderabad-Kurnool 400 kV D/C Transmission Line as its length is less than 50 km. As regards the other assets, the Commission directed the Petitioner to submit the segregated cost of the ICTs, the Bus Reactors and the bays in Maheshwaram GIS for consideration of the prayer for additional RoE. Accordingly, the assets have been segregated as per the table above and additional RoE has been claimed for Asset I(A)(a) and Asset I(B)(a).

4. The representative of the Petitioner submitted that the capital cost claimed is within the approved FR cost. He submitted that the assets have been combined in the 2019-24 tariff period and an Additional Capital Expenditure (ACE) of ₹1785.32 lakh is claimed during 2019-20 for the Combined Asset. The cut-off date is 31.3.2020 and the entire ACE claimed is within the cut-off date. The representative of the Petitioner also submitted that reply to the Technical Validation (TV) letter has been submitted vide affidavit dated 12.3.2020 and no reply has been received from any of the respondents.

5. In response to the Commission's query regarding additional RoE claimed for Asset I(A)(a) and Asset I(B)(a), the representative of the Petitioner submitted that the additional RoE has been sought as per the Commission's directions in order dated 5.7.2018 in Petition No. 157/TT/2017.

6. The Commission observed that the tariff can be allowed for the various assets of a transmission project as approved in the Investment Approval and splitting of assets is allowed for the convenience of the Petitioner as elements of some of the assets are put into commercial operation on different dates and splitting of assets put into commercial operation on the same date cannot be allowed for grant of additional RoE. The Commission further observed that the Annual Fixed Charges (AFC) were approved vide order dated 5.7.2018 in Petition No. 157/TT/2017 for two assets and the breakup of assets must not be altered at the time of truing-up. However, the Commission directed the Petitioner to make detailed submissions on this issue for further consideration.

7. The Commission directed the Petitioner to submit the following information on affidavit with an advance copy to the Respondents by 10.7.2020:

- a) Detailed justification for ACE claimed in the 2014-19 tariff period under Regulation 14(1)(i) and 14(1)(ii) along with contractor-wise undischarged liabilities.
- b) Details of discharged liabilities other than IDC on cash basis for 2014-19 tariff period in line with order dated 5.7.2018 in Petition No. 157/TT/2017.



- c) Justification for ACE claimed and contractor-wise list of balance and retention payments for 2019-24 tariff period. Flow of liabilities statement as per Annexure-I(A) enclosed with TV letter may be submitted alongwith confirmation that no 'previously recognized liabilities' remain to be discharged

8 The learned counsel for Tamil Nadu Generation and Distribution Corporation (TANGEDCO) sought 2 weeks' time to submit a reply in respect of additional RoE, approved FR cost and the cut-off date claimed by the Petitioner. The learned counsel also requested for one more opportunity of hearing as they would like to make oral submissions.

9. The Commission directed Respondents, including TANGEDCO, to file their reply by 13.7.2020 with a copy to the Petitioner and the Petitioner to file its rejoinder, if any, by 20.7.2020.

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

11. The Commission further directed to list the matter for further hearing.

**By order of the Commission**

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

