

**CENTRAL ELECTRICITY REGULATORY COMMISSION  
NEW DELHI**

**Coram:**

- 1. Shri Ashok Basu, Chairperson**
- 2. Shri Bhanu Bhushan, Member**

**Petition No. 105/2006**

**In the matter of**

Determination of provisional transmission tariff for LILO of Nagarjunasagar-Raichur 400 kV S/C line at Mehboobnagar and LILO of both the circuits of Nellor-Sriperumbudur 400 kV D/C line at Almathi along with associated bays at Mehoobnagar and Almathi under system strengthening-IV of Southern Region Grid in Southern Region.

**And in the matter of**

Power Grid Corporation of India Limited, Gurgaon  
Vs

**..Petitioner**

1. Karnataka Power Transmission Corporation Ltd, , Bangalore
2. Transmission Corporation of Andhra Pradesh Ltd., Hyderabad
3. Kerala State Electricity Board, Thiruvananthapuram
4. Tamil Nadu Electricity Board, Chennai
5. Electricity Department, Govt. of Pondicherry

**.....Respondents**

**The following were present:**

1. Shri U.K. Tyagi, PGCIL
2. Shri M.M.Mondal, PGCIL
3. Shri Prashant Sharma, PGCIL
4. Shri C.Kannan, PGCIL
5. Shri R. Prasad, PGCIL
6. Shri V.K.Jain, TNEB
7. Shri P.S.Shankar, TNEB

**ORDER  
(DATE OF HEARING: 21.12.2006)**

The application has been made for approval of provisional transmission tariff for LILO of Nagarjunasagar-Raichur 400 kV S/C line at Mehboobnagar and LILO of both the circuits of Nellor-Sriperumbudur 400 kV D/C line at Almathi along with associated bays at Mehoobnagar and Almathi (the transmission assets) under the scheme System Strengthening-IV of Southern Region Grid (the scheme) in Southern Region.

2. The investment approval for the scheme was accorded by Board of Directors of the petitioner company vide Memorandum dated 25.2.2004 at an estimated cost of Rs.10194 lakh, which included IDC of Rs.703 lakh. The scheduled completion date and details of commercial operation of the transmission assets are as under:

S.No.	Name of asset	Scheduled completion date	Date of commercial operation
1.	LILO of Nagarjunasagar-Raichur 400 kV S/C line at Mehboobnagar along with associated bays at Mehboobnagar	February 2007	1.1.2006
2.	LILO of both circuits of Nellore-Sriperumbdur 400 kV D/C line at Almathi along with associated bays at Almathi	February 2007	1.6.2006

3. The details of capital expenditure submitted by the petitioner in support of its claim for tariff are as follows:

(Rs. in lakh)

S.No.	Name of asset	Apportioned approved cost	Expenditure up to 31.3.2006	Expenditure from 1.4.2006 to date of commercial operation	Balance estimated expenditure	Total
1.	LILO of Nagarjunasagar-Raichur 400 kV S/C line at Mehboobnagar along with associated bays at Mehboobnagar	1084	-	1162.88 (Expenditure up to date of commercial operation, that is, 1.1.2006)	216.70	1379.58
2.	LILO of both circuits of Nellore-Sriperumbdur 400 kV D/C line at Almathi along with associated bays at Almathi	9110	7467.24	209.44	1126.42	8803.10

4. The annual provisional transmission charges claimed by the petitioner are given hereunder:

(Rs. in lakh)

S.No.	Name of asset	2005-06	2006-07	2007-08	2008-09
1.	LILO of Nagarjunasagar-Raichur 400 kV S/C line at Mehboobnagar along with associated bays at Mehoobnagar	53.04 (Pro rata)	212.66	212.13	211.73
2.	LILO of both circuits of Nellore-Sriperumbdur 400 kV D/C line at Almathi along with associated bays at Almathi	-	929.92 (Pro rata)	1109.61	1100.79
	<b>Total</b>	<b>53.04</b>	<b>1142.58</b>	<b>1321.74</b>	<b>1312.52</b>

5. The petitioner has claimed provisional transmission charges based on the capital cost as on the date of commercial operation of the respective asset. The petitioner has published notices in the newspapers on the provisional tariff proposal in accordance with the procedure specified by the Commission. However, no suggestion or comments have been received from the general public.

6. The expenditure up to 31.3.2006 in respect of LILO of two circuits of Nellore-Sriperumbdur transmission line has been verified from audited statement of accounts. For the period from 1.4.2006 to 30.4.2006 the expenditure indicated is based on books of accounts of the project, which are yet to be audited.

7. The petition has been heard after notice to the respondents. Karnataka Power Transmission Corporation Limited and Tamil Nadu Electricity Board in their reply have raised certain issues. Since the present petition is being considered for provisional tariff only, the issues raised are not being gone into at this stage. The respondents are at liberty to bring up these issues, if so advised, when the petition for final tariff is filed in due course and these issues will be examined then. The petitioner shall, however, take these points into account while making the application for approval of final tariff.

8. Taking into consideration the capital expenditure up to the date of commercial operation, as claimed by the petitioner, as the base, we allow annual transmission charges of Rs. 201.55 lakh and Rs.1060.11 lakh, respectively for the two transmission assets, on provisional basis from the date of commercial operation subject to adjustment after determination of final tariff. The provisional transmission charges allowed are 95% of the transmission charges corresponding to the capital cost of Rs.1162.88 lakh and Rs. 7676.68 lakh, respectively.

9. The petitioner has sought approval for the reimbursement of expenditure of Rs. 1,19,601/- incurred on publication of notices in the newspapers. The petitioner shall claim reimbursement of the said expenditure directly from the respondents in one installment in the ratio applicable for sharing of transmission charges. The petitioner has also sought reimbursement of filing fee of Rs.5 lakh paid. A final view on reimbursement of filing fee is yet to be taken by the Commission for which views of the stakeholder have been called for. The view taken on consideration of the comments received shall apply in the present case as regards reimbursement of filing fee.

10. With the above, the present petition stands disposed of. The petitioner shall file the fresh petition for approval of final tariff in accordance with the Commission's regulations on the subject latest by 31.10.2007.

11. The petitioner is also directed to file the following information/clarification at the time of filing of petition for approval of final tariff, namely;-

- (a) A certificate, duly signed by the Auditors, certifying the loan details (including Bond XVII in respect of LILO of Nagarjunasagar-Raichur 400 kV S/C line at Mehboobnagar along with associated bays at Mehoobnagar and Bond

XVII & XIX in respect of LILO of both circuits of Nellore-Sriperumbdur 400 kV D/C line at Almathi along with associated bays at Almathi which has been taken into account) duly reconciled with audited accounts of 2006-07;

(b) Clarification on use of date of award of tower package in implementation schedule in investment approval; and

(c) Details in Form-5B and 5C, and reasons for excessive cost for the work executed by APTRANSCO as deposit work in respect of LILO of Nagarjunasagar-Raichur 400 kV S/C line at Mehboobnagar along with associated bays at Mehboobnagar;

**sd-/**

**(BHANU BHUSHAN)  
MEMBER**

**sd-/**

**(ASHOK BASU)  
CHAIRPERSON**

**New Delhi dated the 21st December 2006**