

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 534/TT/2014

Subject : Approval of transmission tariff for A) Kurnool-Thiruvalam 765 kV D/C line, B) Extension of 765 kV Substation at Kurnool and up gradation of 400 kV Sub-station at Thiruvalam to 765/400 kV with 2x1500 MVA, 765/400 kV transformers and C) 1x240 MVAR line reactor at both ends of each circuit of Kurnool-Thiruvalam 765 kV D/C line under "System Strengthening XIX in Southern Regional Grid" under Regulation-86 of Central Electricity Regulatory Commission (Conduct of Business) Regulations, 1999 and Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2014 from DOCO to 31.3.2019.

Date of Hearing : 9.2.2016.

Coram : Shri Gireesh B. Pradhan, Chairperson
Shri A.K. Singhal, Member
Shri A.S. Bakshi, Member
Dr. M.K. Iyer, Member

Petitioner : Power Grid Corporation of India Limited

Respondents : Tamil Nadu Generation and Distribution Corporation (TANGEDCO) and 15 others

Parties present : Shri M.M Mondal, PGCIL
Shri S.S Raju, PGCIL
Shri Jasbir Singh, PGCIL
Shri Rakesh Prasad, PGCIL
Shri Subhash C.Taneja, PGCIL
Shri S. Vallinayagam, Advocate, TANGEDCO

Record of Proceedings

The representative of the petitioner submitted as under:-

- a) This petition has been filed for determination of transmission tariff for above mentioned assets for the period 2014-19 under the "System strengthening-XIX in the Southern Regional Grid.
- b) The Investment Approval was accorded on 31.8.2012 and the scheduled completion was 27 months from the date of approval of the Board of Directors of the petitioner company. However, the up gradation of 400 kV substation to 765/400 kV (GIS) was completed on 21.3.2015.



- c) Additional ROE 0.5% has been claimed since the said assets have been completed within the time line of 40 months as specified under the 2014 Tariff Regulations.
- d) Tariff as claimed in the petition may be approved.
2. The learned counsel for the respondent, TANGEDCO submitted as under:
- a) The said assets have been commissioned at 400 kV instead of the designated voltage level of 765 kV. The claim of the petitioner for additional ROE of 0.5% is not allowable since 765/400 kV (GIS) has been actually commissioned on 20.3.2015.
- b) Due to the delay in commissioning of the 240 MVAR reactor the Kurnool-Thiruvallam 765 kV line could not be commissioned at 765 kV level. However, and the petitioner has declared the commercial operation of 400 kV level on 1.11.2014.
- c) The additional claim of ₹1508.88 lakh (including additional ROE of 0.5%) made by the petitioner is not permissible as the asset was commissioned at 400 kV level only and the benefits could be derived by the beneficiaries only on commissioning of the 765 kV level.
3. On specific query by the Commission as to why the line was charged at 400 kV, the representative of the petitioner clarified that 765 kV line was not ready at that point of time.
4. The representative of the petitioner submitted that the reply filed by the respondent TANGEDCO has not been received and accordingly prayed for time to file its rejoinder, as and when the reply is received. The Commission accepted the prayer and directed the respondent TANGEDCO to hand over a copy of its reply, if not already given. Accordingly, the petitioner shall file its rejoinder on or before 23.2.2016. No extension of time shall be granted for any reason whatsoever.
5. Subject to the above orders in the petition was reserved.

By order of the Commission

Sd/-
(T. Rout)
Chief (Law)

