

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 214/TT/2016

- Subject : Determination of transmission tariff for 2 nos. 400 kV bays each at Nagapattinam pooling station and Salem New (Dharmapuri) for terminating Nagapattinam Pooling Station - Salem New (Dharmapuri) 765 KV D/C Line (Initially charged at 400 KV) being implemented under tariff based bidding and 1 no. 63 MVAR line reactor at Nagapattinam pooling station and Salem New (Dharmapuri) each for both circuits of Nagapattinam Pooling Station -Salem New (Dharmapuri) 765 KV D/C Line (Initially charged at 400 KV) under "Common Transmission scheme associated with ISGS projects in Nagapattinam/Cuddalore area of Tamil Nadu - Part-A1 (b)" in Southern Region under Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2014.
- Date of Hearing : 20.6.2017
- 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 (PGCIL)
- Respondents : Karnataka Power Transmission Corporation Ltd. &16 others
- Parties present : Shri S.K. Venkatesan, PGCIL
Shri Rakesh Prasad, PGCIL
Shri B. Dash, PGCIL
Shri Jasbir Singh, PGCIL
Shri S. Vallinayagam, Advocate, TANGEDCO



Record of Proceedings

The representative of the petitioner submitted that they have filed rejoinder to the reply filed by the TANGEDCO, vide affidavit dated 28.4.2017. He further submitted that RCE has been filed and there is no time over-run.

2. Learned counsel for the TANGEDCO submitted as under:-

(a) The instant transmission system was developed pursuant to LTOA applications of three IPPs namely, NSL Power Private Limited (NSL), PEL Power Limited (PEL) and IL&FS Tamil Nadu Power Company Limited (IL&FS). The beneficiaries have not been identified and only IL&FS has entered into Power Purchase Agreement (PPA) with TANGEDCO for 540 MW whereby power is being evacuated through LILO of Neyveli-Trichy 400 kV S/C line at Nagapattinam pooling station.

(b) Two other IPPs viz. NSL and PEL have abandoned the project while IL&FS is operating at 50% capacity and has applied for relinquishment of the other 50% capacity. Thus, the purpose of construction of entire transmission scheme has become redundant. Therefore, there is no need of proceeding with the transmission system.

(c) The only evacuation of power i.e. through LILO of Neyveli-Trichy 400 kV S/C line at Nagapattinam pooling station, lies entirely within the state of Tamil Nadu.

(d) In absence of target beneficiaries, drawl point in ISTS and long term PPA to be executed by generation project, the petitioner should have revisited the transmission scheme and approached the Commission for approval.

(e) The petitioner has filed the instant petition without impleading the LTOA customers i.e. IPPs from the respondent list, who are actually the primary respondents responsible for payment of transmission charges.

(f) The petitioner has not complied with the procedure under Regulation 27(1) of Sharing Regulations which inter-alia provides that in case of more than one generator, 3 years prior to availing LTA, at least 50% of source of supply of power for which LTA is sought should be firmed up by way of signing of PPAs.

(g) The Commission vide its order in Petition No. 124/TT/2014 has concurred with the views of TANGEDCO in respect of the redundant assets which are not brought in to beneficial use, unless the pooling station and upstream connectivity is put under operation.



3. The representative of the petitioner submitted as under:
- (a) The 765 kV transmission system was planned in the wake of huge interest shown by the generators in the Tuticorin and Nagapattanam area as Southern Region at that point of time was projected to be having huge surplus of power in the range of 10,000 to 15,000 MW and almost in all the upcoming projects the target region was specified to be outside Tamil Nadu. Accordingly, a 765 kV D/C line was envisaged from Nagapattanam to Salem pooling station and from Salem to Madhugiri and Narendra and beyond.
 - (b) In the instant corridor of Nagapattanam pooling station when it came to know that two generators viz. NSL and PEL have backed out, the Commission was duly informed in this regard. The empowered committee directed CTU to carry out a site visit which was duly conducted and the report of the site visit was also brought to the notice of the Commission.
 - (c) The 765 kV system was de-rated at 400 kV considering that right of way will not be possible for many generating systems in future. Such de-rating of the transmission system is routine practice which has been amply adopted in earlier cases.
 - (d) IPPs namely NSL and PEL have been deliberated and dealt with by the Commission in Petition No. 106/MP/2015 and 315/MP/2015 respectively and therefore, it is incorrect to state that the transmission system was not revisited.
 - (e) The reliance by the TANGEDCO on the Petition No. 124/TT/2014 is incorrect as in the instant petition no assets are redundant and in fact the same are being used to evacuate 540 MW of power to TANGEDCO.
4. The Commission observed that the AFC allowed for the instant assets vide order dated 23.1.2017 will be included in the PoC computation only alongwith the associated lines, i.e. when line is included in the PoC.
5. The Commission directed the petitioner to submit the following information on affidavit, with an advance copy to the respondents, by 31.7.2017
- (a) When did the generators i.e. NSL Power Private Limited and PEL Power Limited informed PGCIL that the proposed transmission system is not required?
 - (b) When the generators i.e. NSL Power Private Limited and PEL Power Limited have relinquished their capacities?
 - (c) The status of associated transmission system when both generators informed about non-requirement of transmission system.



- (d) Details of un-discharged liabilities as on COD and the year wise actual discharge for all the assets, duly certified by Auditors.
- (e) Revised Form 4 A by reconciling the liability amount as mentioned in Form 5.
- (f) Whether the petitioner ensured that the generators deposited advance of 10% of the EPC contract value before taking up the construction of the instant transmission assets as required under the Connectivity Regulations?

6. The Commission directed the respondents to file their replies by 16.8.2017 with an advance copy to the petitioner, who shall file its rejoinder, if any, by 25.8.2017 failing which the matter would be decided on the basis of the information already available on record.

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

By order of the Commission

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

