

**CENTRAL ELECTRICITY REGULATORY COMMISSION  
NEW DELHI**

**Petition No. 222/TT/2016**

- Subject:** Determination of transmission tariff for 1x125 MVAR Bus Reactor at 400 kV Nagapattinam GIS along with associated bays and equipments under Transmission System associated with Common Transmission Scheme associated with ISGS Projects in Nagapattinam/Cuddalore area of Tamil Nadu Part-A1(a) in Southern Region for tariff block 2014-19.
- Date of Hearing:** 7.2.2017
- 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 Limited and 15 others
- Parties present:** Shri S.S. Raju, PGCIL  
Shri Jasbir Singh, PGCIL  
Shri S.K. Venkatesan, PGCIL  
Shri M.M. Mondal, PGCIL  
Shri Vallinayagam, Advocate, TANGEDCO  
Ms. E. Shyamala, TANGEDCO  
Shri R. Katihraivan, TANGEDCO

**Record of Proceedings**

The representative of petitioner submitted that tariff for new 400 kV GIS at Nagapattinam and 1x125 MVAR Bus Reactor at 400 kV Nagapattinam GIS along with associated bays and equipments was claimed in Petition No.416/TT/2014 on anticipated basis. Tariff for new 400 kV GIS at Nagapattinam was allowed vide order dated 22.8.2016 in Petition No.416/TT/2014 and the petitioner was directed to claim tariff for 1x125 MVAR Bus Reactor at 400 kV Nagapattinam GIS along with associated bays and equipments after the commissioning of the asset. Accordingly, the instant petition is filed. The instant asset was actually commissioned on 1.8.2016, after a time over-run of 22 months. The time over-run was on account of land acquisition and resultant delay in award of contracts. The time over-run in commissioning of



Nagapattinam GIS was already condoned in Petition No. 416/TT/2014. The representative of petitioner further submitted that the estimated completion cost is lower than the cost as per RCE despite there being time over-run.

2. Learned counsel for Tamil Nadu Generation and Distribution Corporation Limited (TANGEDCO) submitted that the instant assets are covered in Transmission System associated with Common Transmission Scheme associated with ISGS Projects in Nagapattinam/Cuddalore area of Tamil Nadu Part-A1(a). The transmission system was not approved by the SRPC and Standing Committee on Power System Planning. He submitted that the system was evolved in the 31<sup>st</sup> meeting of the Standing Committee on Power System Planning exclusively for power evacuation from three IPPs namely NSL Power Private Limited (NELPPL), PEL Power Limited (PELPL) and IL&FS Tamil Nadu Power Company Limited (IL&FS). The transmission system has been executed specifically for these three IPPs and it has no beneficial use to the other respondents. With only one committed IPP out of three IPPs, the need for 765 kV system, was to be reviewed by the petitioner, which the petitioner failed to do despite its assurance in the Special meeting of SRPC held on 25.11.2010. Moreover the scheme was for 765 kV system but was charged at 400 kV level leading to avoidable and higher investments.

3. Learned counsel for TANGEDCO further submitted that the petitioner as a CTU has also failed to follow the procedure specified under Regulation 27(1) of the CERC (Grant of Connectivity, Long Term Access and Medium Term Open Access in Interstate Transmission and Related Matters) Regulations, 2009 before making such huge investment, as there are no beneficiaries tied up with the IPPs and in the absence of target beneficiaries, drawl points in ISTS and Long Term PPAs to be executed by generation projects, the petitioner should have revisited the scheme and approached the Commission for approval. Moreover, in the absence of both generation and target beneficiaries, the intended system would not serve its purpose but rather increase financial burden on the existing DICs. Learned counsel further stated that the petitioner has not even impleaded such IPPs in the instant petition and in Petition No. 214/TT/2016.

4. Learned counsel for TANGEDCO also submitted that the petitioner is not transparent and nor willing to place on record, the factual details of status of the generators, target beneficiaries, action taken with regard to review of the schemes as mandated in the regulations and methodology to recover such high costs and in view of many lapses and technical flaws of the scheme envisaged but implemented differently, the instant petition needs to be dismissed.

5. Taking into consideration the submissions made by TANGEDCO, the Commission directed Chief (Engineering), CERC to look into the issues raised by TANGEDCO with reference to various applicable regulations and submit a report within a month.



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

By Order of the Commission

sd/-  
(T. Rout)  
Chief (Legal)

