

**CENTRAL ELECTRICITY REGULATORY COMMISSION  
NEW DELHI**

**Petition No. 110/TT/2017**

**Coram:**

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

**Date of Order : 5.7.2017**

**In the matter of:**

Approval of transmission tariff for Extension of Kudankulam APP-Tirunelveli 400 kV (Quad) D/C line to Tuticorin Pooling Station alongwith associated bays at Tuticorin Pooling Station (Anticipated COD:1.4.2017), under "Connectivity for Kudankulam 3 & 4 (2x1000 MW) with Inter-state Transmission System" in Southern Region from COD to 31.3.2019, 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.

**And in the matter of:**

Power Grid Corporation of India Limited  
"Saudamini", Plot No.2,  
Sector-29, Gurgaon -122 001

**.....Petitioner**

**Vs**

1. Karnataka Power Transmission Corporation Limited (KPTCL),  
Kaveri Bhawan,  
Bangalore-560 009
2. Transmission Corporation of Andhra Pradesh Limited (APTRANSCO),  
Vidyut Soudha,  
Hyderabad-500 082
3. Kerala State Electricity Board (KSEB),  
Vaidyuthi Bhavanam,  
Pattom, Thiruvananthapuram-695 004



4. Tamil Nadu Electricity Board (TNEB)  
NPKRR Maaligai, 800, Anna Salai,  
Chennai-600 002
  5. Electricity Department,  
Government of Goa,  
Vidyuti Bhawan, Panaji, Goa 403 001
  6. Electricity Department,  
Government of Pondicherry,  
Pondicherry-605 001
  7. Eastern Power Distribution Company of Andhra Pradesh Limited (APEPDCL),  
APEPDCL, P&T Colony,  
Seethmmadhara, Vishakhapatnam,  
Andhra Pradesh
  8. Southern Power Distribution Company of Andhra Pradesh Limited (APSPDCL),  
Srinivasasa Kalyana Mandapam Backside,  
Tiruchanoor Road, Kesavayana Gunta,  
Tirupati-517 501, Chittoor District, Andhra Pradesh
  9. Central Power Distribution Company of Andhra Pradesh Limited (APCPDCL),  
Corporate Office, Mint Compound,  
Hyderabad-500 063, Andhra Pradesh
  10. Northern Power Distribution Company of Andhra Pradesh Limited (APNPDCL),  
Opp. NIT Petrol Pump, Chaitanyapuri, Kazipet,  
Warangal-506 004, Andhra Pradesh
  11. Bangalore Electricity Supply Company Limited (BESCOM),  
Corporate Office, K.R. Circle,  
Bangalore-560 001, Karnataka
  12. Gulbarga Electricity Supply Company Limited (GESCOM),  
Station Main Road,  
Gulbarga, Karnataka
  13. Hubli Electricity Supply Company Limited (HESCOM),  
Navanagar, PB Road,  
Hubli, Karnataka
  14. MESCOM Corporate Office,  
Paradigm Plaza, AB Shetty Circle,  
Mangalore-575 001, Karnataka
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15. Chamundeswari Electricity Supply Corporation Limited (CESC),  
# 927, L J Avenue, Ground Floor,  
New Kantharaj Urs Road, Saraswatipuram,  
Mysore-570 009, Karnataka

16. Transmission Corporation of Telangana Limited,  
Vidhyut Sudha, Khairatabad,  
Hyderabad-500 082

17. Kudankulam Nuclear Power Plant (NPCIL),  
Kudankulam- 627 106, Radhapuram (Taluk),  
Tirunelveli (District), Tamil Nadu

.....**Respondents**

**For petitioner** : Shri Rakesh Prasad, PGCIL  
Shri B. Dash, PGCIL  
Shri S.K. Venkatesan, PGCIL  
Shri Jasbir Singh, PGCIL

**For respondents** : None

### **ORDER**

The instant petition has been filed by Power Grid Corporation of India Limited (the petitioner) for approval of the transmission tariff in respect of Extension of Kudankulam APP-Tirunelveli 400 kV (Quad) D/C line to Tuticorin Pooling Station alongwith associated bays at Tuticorin Pooling Station in Southern Region in accordance with the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2014 (hereinafter referred to as "the 2014 Tariff Regulations"). The petitioner has also prayed for grant of AFC under Regulation 7(7) of the 2014 Tariff Regulations. The instant assets are scheduled to be commissioned on 12.5.2018 as per the Investment Approval, vide Memorandum dated 14.1.2016 and they were anticipated to be commissioned on 1.4.2017 as per the submissions in the petition.



2. The details of capital cost claimed by the petitioner as per Management Certificate dated 4.1.2017 are as under:-

(₹ in lakh)

Approved apportioned cost	Cost as on COD	Projected capital expenditure			Estimated completion cost
		2017-18	2018-19	2019-20	
16211.03	13013.72	2389.08	698.32	118.78	16219.90

3. During the hearing of the petition on 20.6.2017, the representative of the petitioner requested to grant Annual Fixed Charges (AFC) in terms of proviso (i) of Regulation 7(7) of the 2014 Tariff Regulations in respect of the asset covered in the instant petition. The petitioner has further stated that the instant assets are now anticipated to be commissioned on 1.7.2017. The petitioner, vide affidavit dated 21.6.2017, has again revised the anticipated COD of the instant assets to 31.7.2017.

4. As per proviso (i) of Regulation 7(7) of the 2014 Tariff Regulations, the Commission may grant tariff upto 90% of the AFC of the transmission system or element thereof for the purpose of inclusion in POC charges in accordance with the Central Electricity Regulatory Commission (Sharing of Inter State Transmission charges and losses), Regulation, 2010. Regulation 7(2) of the 2014 Tariff Regulations provides that the application for tariff should be made in accordance with the Central Electricity Regulatory Commission (Procedure for making of application for determination of tariff, publication of the application and other related matters) Regulations, 2004 (hereinafter referred to as "2004 Regulations"). Regulation 7 (4) provides that such an application shall be filed as per Annexure-I of these regulations.



5. We have considered the submissions of the petitioner. The petitioner has made the applications as per Annexure-I of the 2014 Tariff Regulations. The petitioner has also complied with the requirements of 2004 Regulations, such as service of the copy of the application on the beneficiaries, publication of notice and web hosting of the application, etc.

6. After carrying out preliminary prudence check of the AFC claimed by the petitioner and taking into consideration the cost over-run in the instant petition, which shall be looked into in detail at the time of issue of final tariff, the Commission has decided to allow tariff in terms of proviso (i) of Regulation 7(7) of the 2014 Tariff Regulations as given in para-7 of this order for 2017-18 and 2018-19.

7. The details of the tariff claimed by the petitioner and tariff allowed by the Commission are as under:-

A. Annual transmission charges claimed by the petitioner based on original anticipated COD i.e. 1.4.2017 are as under:-

(₹ in lakh)	
2017-18	2018-19
2576.20	2784.07

B. Annual transmission charges based on revised anticipated COD i.e. 31.7.2017 allowed are as below:-

(₹ in lakh)	
2017-18 (pro-rata)	2018-19
1463.04	2365.17



8. The AFC allowed in this order shall be applicable from the date of commercial operation of the transmission system and the billing, collection and disbursement of the transmission charges shall be governed by the provisions of Central Electricity Regulatory Commission (Sharing of Inter-State Transmission Charges and Losses) Regulations, 2010, as amended from time to time. Further, the transmission charges allowed in this order shall be subject to adjustment as per Regulation 7(7) of the 2014 Tariff Regulations.

9. The Commission directed the petitioner to submit the following information on affidavit with a copy to the respondents by 31.7.2017:-

- a) Auditors' Certificate alongwith revised tariff forms on actual COD of the instant asset and ensure that liability as shown in Form-4A and Form-5 is reconciled with the Auditors' Certificate;
- b) Trial run certificate issued by RLDC in support of COD in accordance with the 2014 Tariff Regulations;
- c) CMD certificate as required under Grid Code;
- d) CEA certificate under Regulation 43 of CEA (Measures Relating to safety and Electric supply) Regulations, 2010 certificate for instant asset;
- e) RCE alongwith Form-6 and Form-5C;
- f) Computation of IDC based on actual COD;
- g) Details of discharge for liability against initial spares; and
- h) Details of de-cap due to commissioning of the instant assets, if any.

10. NPCIL is directed to submit the status of commissioning of Kudankulam APP by 18.7.2017.



11. The information sought above is in terms of the Commission's order dated 6.5.2016 in Petition No.8/SM/2016, which has not been filed by the petitioner. The petitioner shall ensure that the above information is filed within the due date mentioned.

12. The parties are directed to complete the pleadings by 25.8.2017. The matter shall be listed on 12.9.2017.

sd/-  
**(M.K. Iyer)**  
**Member**

sd/-  
**(A.S. Bakshi)**  
**Member**

sd/-  
**(A.K. Singhal)**  
**Member**

sd/-  
**(Gireesh B. Pradhan)**  
**Chairperson**

