

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 215/TT/2016

Coram:

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

Date of Order : 6.3.2017

In the matter of:

Determination of transmission tariff for Asset-1 2 Nos. 400 KV Line bays at Narendra (New), 2 Nos. 400 kV line bays at Madhugiri (Tumkur), 2X63 MVAR (fixed) line reactors (with 600 ohm NGRs) at Narendra (New) and 2X63MVAR (fixed) line reactors (with 600 ohm NGRs) at Madhugiri (Tumkur) for Narendra (New) - Madhugiri (Tumkur) 765 kV D/C line (initially charged at 400 kV), Asset-2 2 Nos. 400 kV line bays at Madhugiri (Tumkur) for Madhugiri (Tumkur) -Bidadi 400 kV D/C (Quad) line and Asset-3) 2 Nos. 400 kV line bays at Bidadi for Madhugiri (Tumkur) - Bidadi 400KV D/C (Quad) line under "Sub-station extension works associated with transmission system required for evacuation of power from Kudgi TPS (3 X 800 MW in Phase -I) of NTPC Limited" in Southern Region 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 Ltd. (KPTCL),
Kaveri Bhawan, Bangalore-560 009.



2. Transmission Corporation of Andhra Pradesh Ltd. (APTRANSCO),
Vidyut Soudha,
Hyderabad-500 082.
3. Kerala State Electricity Board (KSEB),
Vaidyuthi Bhavanam,
Pattom, Thiruvananthapuram-695 004.
4. Tamilnadu Generation and Distribution Corporation Limited
NPKRR Maaligai, 800, Anna Salai,
Chennai-600 002.
5. Electricity Department,
Government of Goa
Vidyuti Bhawan, panji
Goa 403001
6. Electricity Department,
Government of Pondicherry,
Pondicherry-605 001.
7. Eastern Power Distribution Company of Andhra Pradesh Ltd. (APEPDCL),
APEPDCL, P&T Colony,
Seethmmadhara, Vishakhapatnam,
Andhra Pradesh.
8. Southern Power Distribution Company of Andhra Pradesh Ltd. (APSPDCL),
Srinivasasa Kalyana Mandapam Backside,
Tiruchanoor Road, Kesavayana Gunta,
Tirupati-517 501.
9. Central Power Distribution Company of Andhra Pradesh Ltd. (APCPDCL),
Corporate Office, Mint Compound,
Hyderabad-500 063.
10. Northern Power Distribution Company of Andhra Pradesh Ltd. (APNPDCL),
Opp. NIT Petrol Pump,
Chaitanyapuri, Kazipet,
Warangal-506 004.



11. Bangalore Electricity Supply Company Ltd. (BESCOM),
Corporate Office, K. R. Circle,
Bangalore-560 001.
12. Gulbarga Electricity Supply Company Ltd. (GESCOM),
Station Main Road, Gulbarga.
Karnataka.
13. Hubli Electricity Supply Company Ltd. (HESCOM),
Navanagar, PB Road,
Hubli, Karnataka.
14. MESCOM Corporate Office,
Paradigm Plaza, AB Shetty Circle,
Mangalore-575 001.
15. Chamundeswari Electricity Supply Corporation Ltd. (CESC),
927, L J Avenue, Ground Floor,
New Kantharaj Urs Road,
Saraswatipuram,
Mysore-570 009.
16. Transmission Corporation of Telangana Ltd
Vidhyut Sudha, Khairatabad
Hyderabad 500082

.....**Respondents**

For petitioner : Shri Vivek Kumar Singh, PGCIL
Shri K.K. Jain, PGCIL
Shri Rakesh Prasad, PGCIL
Shri M.M. Mondal, PGCIL
Shri S.S. Raju, PGCIL
Shri Jasbir Singh, PGCIL

For respondents : Rajeev Kumar Gupta, MPPMCL



ORDER

The petitioner, Power Grid Corporation of India Limited (PGCIL) has filed the instant petition for determination of transmission tariff for Asset-1) 2 Nos. 400 kV line bays at Narendra (New), 2 Nos. 400 kV line bays at Madhugiri (Tumkur), 2X63 MVAR (fixed) line reactors (with 600ohm NGRs) at Narendra (New) and 2X63MVAR (fixed) line reactors (with 600ohm NGRs) at Madhugiri (Tumkur) for Narendra (New) - Madhugiri (Tumkur) 765 kV D/C line (initially charged at 400KV), Asset-2) 2 Nos. 400 kV line bays at Madhugiri (Tumkur) for Madhugiri (Tumkur) -Bidadi 400KV D/C (Quad) line and Asset-3) 2 Nos. 400KV Line bays at Bidadi for Madhugiri (Tumkur) - Bidadi 400 kV D/C (Quad) line under "Sub Station extension works associated with transmission system required for evacuation of power from Kudgi TPS (3 X 800 MW in Phase -I) of NTPC Limited" 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 allowing 90% of the Annual Fixed Charges claimed, in terms of proviso (i) of Regulation 7(7) of the 2014 Tariff Regulations for inclusion in PoC mechanism. The details of the elements covered in the instant petition are as follows:-

Name	Scheduled COD	Actual/Anticipated COD	Delay
Asset I: 2 Nos. 400 KV Line bays at Narendra (New), 2 Nos. 400KV Line bays at Madhugiri (Tumkur), 2X63 MVAR (fixed) line reactors (with 600 ohm NGRs) at Narendra (New) &	4.12.2015	24.9.2016(actual)	9 months 21 days



2X63 MVAR (fixed) line reactors (with 600 ohm NGRs) at Madhugiri (Tumkur) for Narendra (New) - Madhugiri (Tumkur) 765 kV D/C line (initially charged at 400 kV),			
Asset II: 2 Nos. 400 kV Line bays at Madhugiri (Tumkur) for Madhugiri (Tumkur) -Bidadi 400 kV D/C (Quad) line		25.8.2016(actual)	8 months 22 days
Asset III: 2 Nos. 400 kV Line bays at Bidadi for Madhugiri (Tumkur) - Bidadi 400 KV D/C (Quad) line		30.9.2016 (anticipated)	9 months 27 days

2. The matter was heard on 15.12.2016, the representative of the petitioner prayed for grant of Annual Fixed Charges (AFC) in terms of proviso (i) of Regulation 7(7) of the 2014 Tariff Regulations in respect of the instant asset.

3. 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) of the 2014 Tariff Regulations provides that such an application shall be filed as per Annexure-I of these regulations.



4. 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.

5. After carrying out preliminary prudence check of the AFC claimed by the petitioner and taking into consideration the time over-run, which will be considered at the time of grant 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 6 of this order for the years 2016-17 and 2017-18.

6. 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 are as follows:-

(₹ in lakh)

Asset	2016-17 (pro-rata)	2017-18
Asset-I	643.89	1318.25
Asset-II	126.19	236.74
Asset-III	198.83	443.16

B. Annual transmission charges allowed are given overleaf:-



(₹ in lakh)		
Asset	2016-17 (pro-rata)	2017-18
Asset-I	515.11	1054.60
Asset-II	100.95	189.39
Asset-III	126.54	282.04

7. The Annual Fixed Charges 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.

8. The petitioner is directed to submit the following information on affidavit with an advance copy to respondents by 20.3.2017:-

- (i) Details of capital cost as on COD on accrual basis, un-discharged liabilities as on COD and actual discharge of such liabilities (by payment) made during 2014-19 tariff period, duly certified by the Auditor for Asset I, Asset II and Asset III (if actually commissioned).
- (ii) In Form-4A for Asset-III (Statement of capital cost), indicate the liability included in the Gross Block.
- (iii) Whether entire amount of initial spares claimed has been discharged as on COD? If not, submit the year wise details of liability discharged and undischarged w.r.t. initial spare for all the assets. Also clarify whether the undischarged liability as on COD for initial spares are adjusted in estimated additional capitalisation or not.
- (iv) Computation of interest during construction for Asser -3 along with editable soft copy in Excel format with links for all assets, from the date of infusion of



debt fund up to scheduled COD and from scheduled COD to actual date of commercial operation .

- (v) Confirm whether the proposed loan as mentioned in Form 9C pertains to Bond Series LIV.
- (vi) Duly filled Form- 15 for actual cash expenditure and revised Form 6 by mentioning the apportioned approved cost for all the assets.
- (vii) Loan amount of proposed loan for asset 1 as shown in the IDC Statement are not reconciling with the Form 9C & Form 12B. Clarify the deviation.
- (viii) Is there any asset de-capitalised/replaced on commissioning of the instant assets?, if so, submit the details of de-capitalised/replaced asset (i.e. Date of Capitalization of replaced asset, gross block, accumulated depreciation till the date of replacement.) along with the details of petition Nos. in which the tariff of the replaced assets are claimed by the petitioner.
- (ix) CEA certificate under Regulation 43 of CEA (Measures Related to Safety and Electricity Supply) Regulations, 2010;
- (x) Actual COD of Asset-III and revised tariff forms;
- (xi) Colored single line diagram alongwith upstream/downstream network details for subject assets in the instant petition;
- (xii) Current status of Asset-III. Whether the petitioner carried out system studies while planning interim arrangement? if yes, submit the details. When will the interim arrangement be removed?
- (xiii) Trial run certificate issued by RLDC for Asset-I, II and III;
- (xiv) The RCE for cost over-run, if any.
- (xv) Detailed reasons for time over-run and chronology of the activities asset-wise along with documentary evidence, as per the following format:-

Asset	Activity	Period of activity				Reason(s) for delay along-with reference to supporting document
		Planned		Achieved		
		From	To	From	To	



9. The Commission directed the respondents to file their reply by 5.4.2017 with an advance copy to the petitioner who shall file its rejoinder, if any by 12.4.2017. The information sought above is in term 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. In case, information is not filed within the said date, the matter shall be placed before the Commission for necessary orders.

10. The petitioner is directed that in all future petitions all relevant documents as per the checklist in order dated 6.5.2016 in Petition No. 8/SM/2016 shall be filed.

11. The petition shall be listed for hearing on 20.4.2017 for final hearing.

sd/-

(Dr. M.K. Iyer)
Member

sd/-

(A.S. Bakshi)
Member

sd/-

(A.K. Singhal)
Member

sd/-

(Gireesh B. Pradhan)
Chairperson

