

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 29/TT/2019

Coram:

**Shri P. K. Pujari, Chairperson
Dr. M. K. Iyer, Member
Shri I. S. Jha, Member**

Date of Order : 25.06.2019

In the matter of:

Approval of transmission tariff from anticipated COD to 31.3.2019 for Asset-I: 1X125 MVAR 400 kV Bus reactor alongwith associated bays at Cuddapah Sub-station, 1X240 MVAR 765 kV Bus reactor alongwith associated bays at Kurnool Sub-station, 1X240 MVAR 765 kV Bus reactor alongwith associated bays at Nellore PS Sub-station, 1X240 MVAR 765 kV Bus reactor alongwith associated bays at Raichur Sub-station, Asset-II: 2X240 MVAR 765 kV Bus Reactors alongwith associated bays at Thiruvalam Sub-station under Installation of Bus reactors at Cuddapah, Nellore PS , Kurnool, Raichur and Thiruvalam 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. Tamil Nadu Generation and Distribution Corporation Ltd,
NPKRR Maaligai, 800, Anna Salai,
Chennai-600002
2. Transmission Corporation of Andhra Pradesh Limited,
(APTRANSCO), Vidyut Soudha,
Hyderabad- 500082



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,
3rd Floor, Panaji, Goa-403001
6. Electricity Department,
Government of Pondicherry,
Pondicherry - 605001
7. Eastern Power Distribution Company of Andhra Pradesh Limited,
(APEPDCL) P&T Colony, Seethammadhara,
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 Ltd. (BESCOM),
Corporate Office, K. R. Circle
Bangalore - 560001, Karnataka
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 – 575001, Karnataka
15. Chamundeswari Electricity Supply Corporation Ltd.,
(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-500082
17. Transmission Corporation Ltd. (KPTCL),
Kaveri Bhawan,
Bangalore-560009
18. Tamil Nadu Transmission Corporation,
NPKRR Maaligai, 800, Anna Salai,
Chennai-600002

...Respondents

For petitioner : Shri S. S. Raju, PGCIL
Shri B. Dash, PGCIL
Shri Amit K Jain, PGCIL
Shri Zafrul Hasan, PGCIL

For respondents : None

ORDER

Power Grid Corporation of India Limited (PGCIL) has filed the instant petition for determination of transmission tariff for Asset-I: 1X125 MVAR 400 kV Bus reactor alongwith associated bays at Cuddapah Sub-station, 1X240 MVAR 765 kV Bus reactor



alongwith associated bays at Kurnool Sub-station, 1X240 MVAR 765 kV Bus reactor alongwith associated bays at Nellore PS Sub-station, 1X240 MVAR 765 kV Bus reactor alongwith associated bays at Raichur Sub-station, Asset-II: 2X240 MVAR 765 kV Bus Reactors alongwith associated bays at Thiruvalem Sub-station under Installation of Bus reactors at Cuddapah, Nellore PS , Kurnool, Raichur and Thiruvalem 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").

2. The petitioner has submitted as per the Investment approval dated 10.3.2017, the transmission scheme was scheduled to be put into commercial operation in 27 months i.e,10.6.2019. The petitioner submitted that Asset-I was put into commercial operation on 31.10.2018 and Asset-II was successfully charged on 5.6.2019. There is no time overrun in case of Asset-I. However, in case of Asset-II, the COD is beyond the current tariff period. Therefore, the tariff for Asset-II has to be determined under the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2019. Accordingly, the petitioner is directed to file a fresh petition for determination of tariff as per the 2019, Tariff Regulation. In this petition, tariff for Asset-I only is considered.

3. The petitioner has also prayed for grant of 90% of the Annual Fixed Charges (AFC) claimed, in terms of proviso (i) of Regulation 7(7) of the 2014 Tariff Regulations for inclusion in PoC mechanism.



4. The petitioner has claimed the tariff based on actual/estimated expenditure incurred up to COD and additional capitalization incurred from COD to 31.3.2019 in respect of the instant asset. The capital cost claimed by the petitioner is as follows:-

(₹ in lakh)

Particulars	Apportioned Approved Cost as per FR	Expenditure up to COD	Projected Add-Cap			Estimated Completion Cost
			2018-19	2019-20	2020-21	
Asset-I	14218.50	10077.14	2003.60	439.81	--	12520.55
Total	14218.50	10077.14	2003.60	439.81	--	12520.55

5. Against the total apportioned approved cost of ₹14218.49 lakh, the estimated completed cost is ₹12520.55 lakh, so there is no cost over-run in comparison to apportioned FR cost.

6. During the hearing on 18.6.2019, the representative of the petitioner submitted that the petitioner has filed RLDC certificate, CMD certificate, Auditor certificate and revised tariff Forms based on actual COD of Asset-I. He prayed that provisional tariff as prayed for in the petition may be granted.

7. 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.

8. 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.

9. The petitioner has claimed tariff based on the anticipated COD of 1.12.2018 and the petitioner has not submitted the revised tariff Forms. Accordingly, the tariff claimed by the petitioner is considered in the instant order. After carrying out preliminary prudence check of the AFC claimed by the petitioner, the Commission has decided to allow tariff in terms of proviso (i) of Regulation 7(7) of the 2014 Tariff Regulations for Asset-I as given in paragraph 10 of this order.

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

A. Annual transmission charges claimed by the petitioner are as follows:-



(₹ in lakh)	
Asset	2018-19 (pro-rata)
Asset	936.82

B. Annual transmission charges allowed are given below:-

(₹ in lakh)	
Asset	2018-19 (pro-rata)
Asset	796.30

11. The tariff allowed in this order shall be applicable from the actual COD of instant asset 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.

12. The Commission directed the petitioner to submit the Auditor Certificate and the Revised Tariff Forms based on actual COD for the Asset-I, on affidavit, by 12.7.2019 with an advance copy to the respondents.

13. The respondents are directed to file their reply by 22.7.2019 with an advance copy to the petitioner who shall file its rejoinder, if any by 31.7.2019. The parties shall comply with the above directions within the due date mentioned above and no extension of time shall be granted.



14. The next date of hearing shall be intimated to the parties in due course of time.

sd/-
(I. S. Jha)
Member

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

sd/-
(P. K. Pujari)
Chairperson

