CENTRAL ELECTRICITY REGULATORY COMMISSION NEW DELHI

Review Petition No. 43/RP/2018 in Petition No. 215/TT/2016 alongwith IA No. 92/IA/2018

Coram:

Shri P.K. Pujari, Chairperson Dr. M.K. Iyer, Member

Date of Order : 07.02.2019

In the matter of:

Review petition under Section 94(1)(f) of the Electricity Act, 2003 read with Regulation 103 of the Central Electricity Regulatory Commission (Conduct of Business) Regulations, 1999, seeking review of order dated 9.7.2018 in Petition No. 215/TT/2016.

And in the matter of:

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

.... Review Petitioner

Vs

- 1. Karnataka Power Transmission Corporation Ltd., (KPTCL), Kaveri Bhavan, Bangalore 560 009.
- Transmission Corporation of Andhra Pradesh Ltd., (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, Panaji, Goa-403001.
- 6. Electricity Department, Govt. of Pondicherry, Pondicherry 605001.



- 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.
- Northern Power Distribution Company of Andhra Pradesh Limited (APNPDCL) Opp. NIT Petrol Pump Chaitanyapuri, Kazipet, WARANGAL – 506 004, Andhra Pradesh.
- Bangalore Electricity Supply Company Ltd., (BESCOM), Corporate Office, K. R. Circle BANGALORE – 560001 Karanataka.
- Gulbarga Electricity Supply Company Ltd., (GESCOM) Station Main Road, GULBURGA Karnataka.
- 13. Hubli Electricity Supply Company Ltd., (HESCOM) Navanagar, PB Road HUBLI, Karnataka.
- MESCOM Corporate Office,
 Paradigm Plaza, AB Shetty Circle
 MANGALORE 575 001 Karnataka.
- 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 Limited,
 Vidhyut Sauda, Khairatabad, Hyderabad- 500082. ... Respondents

For petitioner : Shri Sitesh Mukherjee, Advocate, PGCIL

Shri Divyanshu Bhatt, Advocate, PGCIL

Shri Deep Rao, Advocate, PGCIL Shri Abhay Choudhary, PGCIL

Shri S. S. Raju, PGCIL

Shri S. K. Venkatesan, PGCIL

For respondents : None



<u>ORDER</u>

Power Grid Corporation of India Ltd. (hereinafter referred to as "Review Petitioner") seeking review and modification of the order dated 9.7.2018 in petition No. 215/TT/2016 wherein the 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 was allowed. The Review Petitioner has also filed an Interlocutory Application No. 92/IA/2018 seeking condonation of delay of 40 days in filing the review petition.

- 2. The instant assets were scheduled to be put into commercial operation on 4.12.2015. Assets-I, II and III were put into commercial operation on 24.9.2016, 25.8.2016 and 3.4.2017 respectively. The time over-run of 9 months 21 days, 8 months 22 days and 16 months in case of Assets-I, II and III respectively was not condoned in the impugned order and accordingly IDC and IEDC for the period of time over-run was disallowed.
- 3. The Review Petitioner has sought review of the impugned order on the following grounds:-

- a. The time over-run in case of the instant assets was not condoned on the ground that the Review Petitioner has not submitted the documentary evidence to show that Assets-I and II were ready on the scheduled COD. The Review Petitioner submitted that the COD of the instant transmission assets was not sought under proviso (ii) of Regulation 4(3) of the 2014 Tariff Regulations where documents for "no load charging" are required for approval of COD. The instant assets were implemented matching with the COD of the associated transmission lines.
- b. To reduce the IDC and IEDC, the Review Petitioner prudently deferred the placement of award after the Investment Approval taking into consideration the time and anticipated COD of the associated transmission lines. However, the IDC and IEDC incurred upto the actual COD from the date of infusion of funds is being restricted to the scheduled COD for no fault of the Review Petitioner. The time taken from the date of placement of award or date of infusion of equity till the actual COD is within the timeline of 22 months specified in the Investment Approval and the cost of the instant assets is within the FR cost. Therefore, IDC and IEDC claimed for Assets-I and II should be allowed as part of tariff.
- c. The IDC for the construction period should be calculated from the date of infusion of funds into the project. The time period for completion of the instant assets is 22 months and therefore IDC should be allowed for 22 months in case of Asset-III from the actual date of infusion of funds. Since the award was placed on 17.12.2014, IDC should be allowed for Asset-III upto 16.10.2016 and

restricting the IDC to ₹₹50.94 lakh against the claim of ₹205 lakh is an apparent error.

4. Heard the learned counsel for the Review Petitioner and perused the record.

The delay of 40 days in filing the review petition is condoned. Accordingly, I.A. No.

92/IA/2018 is disposed of. Admit the Review Petition and issue notice to the

Respondents.

5. The Review Petitioner is directed to serve a copy of the review petition on the

respondents by 11.2.2019. The respondents shall file their reply by 28.2.2019, with

advance copy to the Review Petitioner, who shall file its rejoinder, if any, by

11.3.2019. The parties shall ensure completion of pleadings within the due date as

mentioned above.

6. Matter shall be listed for hearing in due course for which separate notices shall

be issued to the parties.

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

sd/-(P.K. Pujari) Chairperson