

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 117/TT/2020

Subject : Petition for truing up of transmission tariff of 2014-19 period and determination of transmission tariff of 2019-24 period for 7 assets under "System Strengthening - VIII" in Southern Region.

Date of Hearing : 24.6.2020

Coram : Shri P.K. Pujari, Chairperson
Shri I. S. Jha, Member
Shri Arun Goyal, Member

Petitioner : Power Grid Corporation of India Limited

Respondents : TANGEDCO & 17 Others

Parties present : Shri S. Vallinayagam, Advocate, TANGEDCO
Shri S.S. Raju, PGCIL

Record of Proceedings

The matter was heard through video conferencing.

2. The representative of the Petitioner submitted that the instant petition is filed for truing up of transmission tariff of the 2014-19 period and determination of transmission tariff of the 2019-24 period of Asset 1: 63 MVAR Line Reactors at Madurai and Trichy Sub-stations along with associated bays; Asset 2: 63 MVAR Bus Reactors at Hosur and Salem Sub-stations along with associated bays; Asset 3: 63 MVAR Bus Reactor at Sriperumbudur Sub-station along with associated bays; Asset 4: 63 MVAR Bus Reactors at Kolar, Hyderabad and Munirabad Sub-stations along with associated bays; Asset 5: 63 MVAR Bus Reactors at Hiriyur Sub-station along with associated bays; Asset 6: 63 MVAR Reactor at Udumalpet Sub-station along with associated bays; and of Asset 7: 63 MVAR Reactor at Trivandrum Sub-station along with associated bays under "System Strengthening-VIII" in Southern Region. He submitted that the instant assets were put into commercial operation in the 2009-14 period and the tariff for the 2014-19 tariff period was approved vide order dated 28.4.2016 in Petition No. 533/TT/2014. The capital cost approved as on 31.3.2014 was ₹8366.51 lakh and add-cap approved during the 2014-19 tariff period was ₹115.60 lakh, whereas, the capital cost claimed in the instant true up petition is ₹8389.61 as on 31.3.2014 and ₹171.26 lakh as add-cap during the 2014-19 period. He submitted that the total capital cost as on 31.3.2019 is ₹8560.87 lakh. The cut-off date for the instant asset is 31.3.2013 and



the add-cap claimed during the year 2015-16 and 2016-17 is beyond the cut-off date and is towards balance and retention payment. He submitted that earlier Initial Spares amounting to ₹85.90 lakh were disallowed. In the instant petition, Initial Spares are claimed considering the overall project cost as per the judgment of the Appellate Tribunal for Electricity dated 14.9.2019 in Appeal No. 74 of 2017. Accordingly, the Initial Spares have been re-calculated and ₹23.12 lakh has been added to capital cost as on 31.3.2014. He requested to allow the capital cost and the tariff as prayed in the petition.

3. The representative of the Petitioner submitted that the information sought through the Technical Validation letter has been furnished vide affidavit dated 12.3.2020. He submitted that no reply has been received from the Respondents.

4. The learned counsel for TANGEDCO sought time to file reply, especially on the applicability of the judgment of the Appellate Tribunal for Electricity dated 14.9.2019 in Appeal No. 74 of 2017 regarding Initial spares vis-à-vis judgment dated 28.11.2013 in Appeal No. 165 of 2012.

5. The Commission directed the Petitioner to submit the following information, on affidavit, by 13.7.2020, with an advance copy to the Respondents:-

- a. Reasons for variation in trued up capital cost allowed as on 31.3.2014 for Asset-6 as compared to expenditure claimed in the instant petition as on 31.3.2014.
- b. Details of Asset-wise capital cost up to cut-off date for the purpose of calculation of allowable Initial Spares

6. The Commission directed the Respondents, including TANGEDCO, to file its reply by 13.7.2020 and the Petitioner to file rejoinder, if any, by 20.7.2020. The Commission also directed the parties to adhere to the above specified timeline and observed that no extension of time shall be granted.

7. The Commission also directed to list the matter for final hearing.

By order of the Commission

sd/-
(V. Sreenivas)
Deputy Chief (Law)

