

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 172/TT/2020

Subject : Petition for truing-up of transmission tariff of 2014-19 period and determination of transmission tariff of 2019-24 tariff period of three assets under “Conversion of Fixed Line Reactors to Switchable Line Reactors” in Southern Region.

Date of Hearing : 8.6.2021

Coram : Shri P. K. Pujari, Chairperson
Shri I. S. Jha, Member
Shri Pravas Kumar Singh, Member

Petitioner : Power Grid Corporation of India Ltd.

Respondents : Karnataka Power Transmission Corporation Ltd.
& 16 Others

Parties present : Shri B. Vinodh Kanna, Advocate, TANGEDCO
Shri S. S. Raju, PGCIL
Shri A. K. Verma, PGCIL
Shri D.K. Biswal, PGCIL
Shri Ved Prakash Rastogi, PGCIL
Ms. R. Ramalakshmi, TANGEDCO
Mr. R. Srinivasan, TANGEDCO

Record of Proceedings

Case was called out for virtual hearing.

2. The representative of the Petitioner made the following submissions:

a. The instant petition is filed for truing up of transmission tariff of 2014-19 period and determination of transmission tariff of 2019-24 tariff period in respect of the following assets under “Conversion of Fixed Line Reactors to Switchable Line Reactors” in Southern Region:

Asset-I: Conversion of Fixed Line Reactors (FLR) to Switchable Line Reactors (SLR)-

(a) at Madurai end of Madurai-Karaikudi line,

(b) at Madurai end of Madurai-Trichy line,

(c) at Salem end of Salem-Hosur II line,



- (d) at Udumulpet end of Udumulpet-Salem II line,
- (e) at Thiruvalam end on both circuits of Nellore-Thiruvalam & II,
- (f) at Trichy end of Trichy-Nagapattinam-I line,
- (g) at Trichy end of Trichy-Nagapattinam-II line,
- (h) at Sriperumbadur end of Sriperumbadur-Chitoor line,
- (i) at Sriperumbadur end of Sriperumbadur-SV Chatram line;

Asset-II: Conversion of 63 MVAR FLR at both circuits of Kochi-Tirunelveli I & II lines into SLR; and

- Asset-III:**(i) Hyderabad end for Gajwel-Hyderabad II,
(ii) Nellore end for Nellore-Thiruvalem I & II,
(iii) Gooty end for Kurnool-Gooty line

b. Assets-I, II and III were put into commercial operation on 26.2.2018, 25.6.2018 and 24.5.2018, respectively.

c. Transmission tariff from the date of commercial operation of the transmission assets to 31.3.2019 was approved by the Commission vide order dated 28.6.2019 in Petition No. 174/TT/2018.

d. In order dated 28.6.2019 in Petition No. 174/TT/2018, the Commission directed the Petitioner to submit CEA certificate, RLDC certificate, CMD certificate and notification of trial operation letter which have been submitted along with the instant petition.

e. There is a marginal variation in the actual completion cost as on 31.3.2019 and the cost allowed vide order dated 28.6.2019 in Petition No. 174/TT/2018.

f. ACE has been projected during 2019-24 tariff period. Total completion cost of the transmission assets as on 31.3.2024 is within the apportioned approved FR cost.

g. Reply to the Technical Validation letter has been filed.

h. Notarized rejoinder to the reply of TANGEDCO could not be filed due to the prevailing pandemic situation. Therefore, unsigned and un-notarized copy of the rejoinder was uploaded on the filing portal of the Commission on 17.5.2021. Notarized rejoinder to the reply of TANGEDCO will be filed as soon as the situation improves.

3. Learned counsel for TANGEDCO made the following submissions:

a. The Commission vide order dated 28.6.2019 in Petition No. 174/TT/2018 restricted the IEDC for each asset. However, the Petitioner has claimed IEDC on the project as a whole in the instant petition. Therefore, the claim for IEDC may be



restricted to individual asset as per the order dated 28.6.2019 in Petition No. 174/TT/2018.

b. The Petitioner should be directed to furnish IEDC statement as per Form-12A.

c. The Petitioner has claimed ACE for 2019-20 period without properly disclosing the reasons for withholding the amount and reasons for withholding the names of the contractors. The Regulations oblige the Petitioner to prove each claim without any ambiguity and huge sums cannot be claimed solely on the basis of Auditor's certificates. Hence, the Commission may disallow ACE for which the Petitioner has failed to provide any substantive reasoning.

d. In terms of Regulation 35(3)(c) of the 2019 Tariff Regulations, the Petitioner may be directed to submit the assessment of the security requirement and estimated security expenses for 2019-24 tariff period.

e. Trial operation letter has not been furnished in line with the direction of the Commission vide order dated 28.6.2019 in Petition No. 174/TT/2018 and RLDC certificate furnished by the Petitioner in respect of Item No. 2 of Asset-III is undated and illegible. Therefore, the Commission may direct the Petitioner to rectify the mistake in the documents as pointed out and provide missing documents as per the Commission's order dated 28.6.2019 in Petition No. 174/TT/2018.

4. The Commission permitted the Petitioner to file the notarized rejoinder to TANGEDCO's reply; directed the Petitioner to clarify the issues raised by TANGEDCO; and also directed to submit the documents pointed out by TANGEDCO by 15.6.2021 on affidavit with a copy to TANGEDCO.

5. Subject to the above, the Commission reserved the order in the matter.

By order of the Commission

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

