

**CENTRAL ELECTRICITY REGULATORY COMMISSION
New Delhi**

Petition No. 357/TT/2020

- Subject** : Petition for truing up of transmission tariff of the 2014-19 tariff period and determination of transmission tariff of the 2019-24 tariff period for 07 number of assets under Transmission System for Ultra mega Solar Power Park at Tumkur (Pavagada), Karnataka-Phase-I in Southern Region
- Date of Hearing** : 20.4.2021
- Coram** : Shri P.K. Pujari, Chairperson
Shri I.S. Jha, Member
Shri Arun Goyal, Member
Shri Pravas Kumar Singh, Member
- Petitioner** : Power Grid Corporation of India Ltd. (PGCIL)
- Respondents** : Karnataka Power Transmission Corporation Ltd. & 16 Others
- Parties Present** : Shri B. Vinodh Kanna, Advocate, TANGEDCO
Shri S.S. Raju, PGCIL
Shri B. Dash, PGCIL
Shri Ved Prakash Rastogi, PGCIL
Shri A.K. Verma, PGCIL
Shri D.K. Biswal, PGCIL
Ms. R. Ramalakshmi, TANGEDCO
Dr. R. Kathiravan, TANGEDCO

Record of Proceedings

Case was called out for virtual hearing.

2. The representative of the Petitioner has made the following submissions:
- a. Instant petition has been filed for truing up of transmission tariff of the 2014-19 tariff period and determination of transmission tariff of the 2019-24 tariff period for the following assets under Transmission System for Ultra mega Solar Power Park at Tumkur (Pavagada), Karnataka-Phase-I in Southern Region:
- Asset-1:** LILO of one circuit of 400 kV D/C Gooty-Tumkur (Vasantnarsapur) D/C line at Tumkur (Pavagada) pooling station;
- Asset-2:** LILO of second circuit of 400 kV D/C Gooty-Tumkur (Vasantnarsapur) D/C line at Tumkur (Pavagada) pooling station along with associated bays and equipment;
- Asset-3:** New 400/220 kV pooling station at Tumkur (Pavagada) with 1x500 MVA 400/220 kV ICT along with associated bays and equipment;



Asset-4: 1x125 MVAR 400 kV Bus reactor and along with associated bays and equipment at 400/220 kV Tumkur (Pavagada) pooling station;

Asset-5: LILO of 400 kV D/C Bellary-Tumkur (Vasantnarsapur) D/C (Quad Moose) TL at Tumkur (Pavagada) pooling station along with associated bays and equipment;

Asset-6: 1x500 MVA 400/220KV ICT-II at 400/220 kV Tumkur (Pavagada) pooling station along with associated bays and equipment; and

Asset-7: 1x500 MVA 400/220 kV ICT-III at 400/220 kV Tumkur (Pavagada) pooling station along with associated bays and equipment.

- b. The assets were put into commercial operation in 2017-18 and 2018-19 periods;
- c. The transmission tariff of the assets from COD to 31.3.2019 was determined by the Commission vide order dated 9.10.2018 in Petition No. 2/TT/2018;
- d. The Commission vide order dated 9.10.2018 allowed additional Return on Equity (RoE) for 2014-19 tariff period for Asset-3, Asset-4, Asset-5, Asset-6 and Asset-7 as they were put into commercial operation as per the timeline specified in 2014 Tariff Regulations;
- e. Additional RoE has been claimed for Asset-3, Asset-4, Asset-5, Asset-6 and Asset-7 while truing up of tariff of 2014-19 tariff period in this petition as all the assets were were put into commercial operation as per the timeline specified in 2014 Tariff Regulations and there was no time over-run;
- f. Capital cost claimed as on COD is marginally higher than the capital cost approved vide order dated 9.10.2018 and Additional Capital Expenditure (ACE) has been claimed up to cut-off date;
- g. Initial Spares claimed for the instant assets are within the norms specified in the 2014 Tariff Regulations;
- h. Petitioner has received a grant from Solar Energy Corporation of India under Ministry of New and Renewable Energy towards the captioned transmission system and the same has been allocated amongst the assets with adjustment in the capital cost, as mentioned succinctly in the instant petition; and
- i. The additional information sought through Technical Validation letter was filed vide affidavit dated 27.11.2020.

3. The learned counsel for TANGEDCO submitted that TANGEDCO has filed the reply in the matter and has made the following submissions:

- a. As per the regulatory approval granted by the Commission vide order dated 19.8.2016 in Petition No. 36/MP/2016, the Petitioner is committed to tie up about 400 MW solar power with the other beneficiaries of Southern Region and the transmission charges liabilities, till the generators declare COD, shall be borne by Solar Generators/ Solar Power Park Developers and not by beneficiary DISCOMs;



- b. Regulation 7(1)(y) of the Central Electricity Regulatory Commission (Sharing of inter State Transmission Charges and Losses) Regulations 2010 (the 2010 Sharing Regulations) mandates that Petitioner is duty bound to recover the transmission charges from the generators that have not commissioned their project on COD of the associated transmission system;
- c. Regulation 8(6) of the 2010 Sharing Regulations provides that the generator is liable to pay the transmission charges till COD of the generating station;
- d. The Petitioner may be directed to share the information regarding actual COD for all the RE Generators covered under Phase-I (1000 MW) of the scheme, LTA operationalized in the 38th and 39th Commercial Sub Committee Meeting (CCM) of SRPC held on 29.6.2018 and 29.10.2018 respectively. The issue has been further deliberated in the 42nd, 43rd and 44th CCM and the relevant portions of the deliberations are mentioned in the petition;
- e. As per the Commission's order dated 28.4.2020 in Petition No. 49/TT/2019, only 12 numbers of solar generators declared COD as on the COD of the transmission system and the remaining capacity of 400 MW was not commissioned on the COD of the transmission system. Hence, those generators are liable to pay the transmission charges till the COD of the respective generators;
- f. The Petitioner is responsible to bring on record the following details:
- The generators eligible for waiver of transmission charges as per Regulation 7(1)(y) of the Sharing Regulations, 2010 and relevant documents to establish their eligibility as per the regulation;
 - Generator wise/ SPD wise COD covered under Phase I (1000MW);
 - Details of recovery made so far from the generators that have not achieved COD on the COD of the associated transmission system; and
 - Details of recovery to be made from the generators for the mismatch period and amount to be refunded to the beneficiaries.
- g. As regards Petitioner's claim that if GST is levied at any point of time in future the same shall be charged and billed separately by the Petitioner, learned counsel has submitted that GST is not applicable to transmission charges and there is no question of claiming the GST. In this context he referred to the judgment dated 19.12.2018 of the Gujarat High Court in Torrent Power Ltd. Vs. Union of India, Special Civil Appeal No. 5343 of 2018; and
- h. The new (2020) Sharing Regulations notified on 4.5.2020 came into effect on 1.11.2020 and therefore yearly transmission charges from March 2019 to 31.10.2020 have to be shared as per the 2010 Sharing Regulations and from November 2020 as per the new (2020) Sharing Regulations.

4. In response to the Commission's query regarding COD of the solar projects, the representative of the Petitioner submitted that it has submitted COD pertaining to 600 MW of the total capacity covered under the transmission scheme and the LTA for the remaining capacity of 400 MW has been granted on 28.9.2018. The transmission charges pertaining to the mismatch of actual COD and the grant of LTA has been charged to the respective



generators. The clarifications submitted by the representative was taken on record. He further submitted that all the information sought by the Commission has been filed.

5. After hearing the parties, the Commission reserved the order in the matter.

By order of the Commission

Sd/-
(V. Sreenivas)
Dy. Chief (Law)

