

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 413/TT/2020

Subject : Petition for revision of transmission tariff of 2001-04, 2004-09 and 2009-14 periods, truing up of transmission tariff of 2014-19 period and determination of transmission tariff of 2019-24 period for two assets under “Kayamkulam Transmission System” in Southern Region.

Date of Hearing : 26.10.2021

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

Petitioner : Power Grid Corporation of India Ltd.

Respondents : Karnataka Power Transmission Corporation Ltd. & 17 Others

Parties present : Ms. Swapna Seshadri, Advocate, PGCIL
Shri Aditya H. Dubey, Advocate, PGCIL
Shri S. Vallinayagam, Advocate, TANGEDCO
Shri P.V. Dinesh, Advocate, KSEB
Shri Ashwini Kumar Singh, Advocate, KSEB
Shri Bineesh K., Advocate, KSEB
Shri S. S. Raju, PGCIL
Shri D.K. Biswal, PGCIL
Shri Ved Prakash Rastogi, PGCIL
Shri A.K. Verma, PGCIL
Dr. R. Kathiravan, TANGEDCO
Shri R. Ramalakshmi, TANGEDCO
Shri R. Srinivasan, TANGEDCO

Record of Proceedings

Case was called out for virtual hearing.

2. Learned counsel for the Petitioner made the following submissions:
 - a. The instant petition has been filed for revision of transmission tariff of 2001-04, 2004-09 and 2009-14 tariff period, truing up of transmission tariff of 2014-19



period and determination of transmission tariff of 2019-24 period for the following assets under “Kayamkulam transmission System” in Southern Region:

Asset-a: 220 kV D/C Kayamkulam-Edmon transmission line; and

Asset-b: 220 kV D/C Kayamkulam-Pallom transmission line with associated bays.

b. The instant assets were put under commercial operation on 1.11.1998 and 1.12.1999 respectively.

c. The revision of transmission tariff of 2001-04 and 2004-09 periods and consequent revision of tariff of 2009-14 period has been claimed by the Petitioner in line with Commission’s order dated 18.1.2019 in Petition No. 121/2007.

d. Transmission tariff for 2014-19 tariff period for the instant assets was determined by the Commission vide order dated 10.11.2015 in Petition No. 166/TT/2014.

e. The Petitioner has claimed O&M Expenses for AIS type bays installed at KSEB Edamon Sub-station as per the 2014 Tariff Regulations. These AIS bays have been replaced by KSEB with hybrid GIS equipment on 22.6.2018 and 1.7.2018 as per the scheme of Ministry of Power. Thereafter, the Petitioner and KSEB entered into an MoU for O&M Expenses of these bays wherein gross block value for these bays has been recorded. Further, the Petitioner in the 34th meeting of SRPC held on 11.8.2018 clarified that it would neither pay O&M Expenses to KSEB nor claim the same for the said bays, based on which the bays at Edamon Sub-station have been decapitalised by the Petitioner. Thereafter, on 3.11.2020, KSEB wrote to the Petitioner for taking over the two bays at depreciated cost wherein KSEB considered the gross block value of the bays less than what was agreed in the MoU.

f. After exchange of correspondence, KSEB informed the Petitioner that it has filed a petition before KSERC for taking over the bays at Edamon and value of the assets proposed to be taken over. However, it was submitted that KSERC has no jurisdiction over the said asset and the exclusive jurisdiction over the said assets is of this Commission as per Section 79(1)(c) of the Electricity Act, 2003.

g. Two weeks’ time is sought to file rejoinders to the replies of TANGEDCO and KSEB, who have recently filed their replies vide affidavit dated 22.10.2021.

3. Learned counsel for TANGEDCO referred to his reply and made the following submissions:

a. The judgment in U.P. Power Corporation Ltd. Vs. NTPC Ltd. reported in (2009) 6 SCC 235 has been followed by another 3 Judge Bench of Hon’ble Supreme Court itself in common judgment dated 9.5.2019 in CA No. 684/2007 and CA No. 13452 of 2015 and as such the Petitioner cannot be allowed retrospective revision of tariff.



- b. The Petitioner must submit documents relating to payment of compensation for land acquisition.
- c. Capital cost of the assets must be segregated between the 2010 Sharing Regulations regime and the 2020 Sharing Regulations regime, following the ratio of this Commission's order dated 25.7.2016 in Petition No. 102 of 2016.
- d. Sharing of transmission charges from 1.11.2020 onwards should be allowed as per the 2020 Sharing Regulations.
4. Learned counsel for KSEB adopted the submissions of learned counsel for TANGEDCO. He also submitted that as per clause 5.8 of Annexure-1 of the 2020 Sharing Regulations, dedicated transmission lines constructed, owned and operated by the Inter-State Transmission Licensees shall be considered a part of the basic network. In order to substantiate this point, he sought two weeks' time to file an additional affidavit.
5. In response to the submissions of TANGEDCO, learned counsel for the Petitioner submitted as follows:
- a. Revision of transmission tariff of 2001-04 and 2004-09 periods and consequent revised transmission tariff of 2009-14 period has been claimed by the Petitioner in line with Commission's order dated 18.1.2019 in Petition No. 121/2007.
- b. The Commission's order dated 25.7.2016 in Petition No. 102 of 2016 is not applicable to the facts of the present case and is distinguishable on facts.
- c. The submissions of learned counsel for TANGEDCO are purely academic in nature as the transmission charges are being billed bilaterally to KSEB only and not to TANGEDCO.
6. In response to the submissions of KSEB, the learned counsel for the Petitioner submitted that only KSEB has been using the instant assets since 1998. Hence, the billing has only been done bilaterally. None of the other beneficiaries have utilised the subject assets as such the subject assets are not included in PoC.
7. The Commission directed KSEB to file additional affidavit by 26.11.2021 with an advance copy to the Petitioner who may file its rejoinder by 13.12.2021. The Commission further directed the Petitioner to clarify the issues raised by TANGEDCO during the hearing. The Commission directed the parties to strictly comply with the above timelines and observed that no extension of time shall be entertained.
8. Subject to the above, the Commission reserved order in the matter.

By order of the Commission

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

