

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 473/TT/2020

- Subject** : Petition for revision of transmission tariff of the 2001-04, 2004-09 and 2009-14 tariff periods, truing up of transmission tariff of the 2014-19 tariff period and determination of transmission tariff of the 2019-24 tariff period for Transmission System associated with Ramagundam STPP including ICT at Khammam and Reactor at Gazuwaka under CTP Augmentation 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.
- 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 B. Dash, PGCIL
Shri Ved Prakash Rastogi, 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 revision of transmission tariff of the 2001-04, 2004-09 and 2009-14 tariff periods, truing up of transmission tariff of the 2014-19 tariff period and determination of transmission tariff of the 2019-24 tariff period for Transmission System associated with Ramagundam STPP including ICT at



Khammam and Reactor at Gazuwaka under CTP Augmentation in Southern Region.

- b. The subject asset was put under commercial operation on 1.4.1992.
- c. As per the directions of the Commission vide order dated 18.1.2019 in Petition No. 121/2007, revision of tariff for 2001-04, 2004-09 and 2009-14 tariff periods has been claimed.
- d. The Commission vide order dated 9.2.2016 in Petition No. 35/TT/2015 allowed Additional Capital Expenditure (ACE) during 2014-19 tariff period towards replacement of obsolete equipment.
- e. The total capital cost including ACE and de-capitalization for 2014-19 period with respect to the transmission system is within the estimated completion cost as on 31.3.2019 that has been allowed by the Commission vide order dated 9.2.2016.
- f. ACE during 2014-19 and 2019-24 tariff periods is claimed under Regulation 25 of the 2019 Tariff Regulations and is towards replacement of problematic and defective equipment, which are going to complete 25 years.
- g. The Petitioner vide affidavit dated 13.4.2021 has submitted justification with reference to ACE with approval of the Competent Authority, Revised Auditor's Certificate, CPRI Reports recommending replacement of reactors and bus reactors, revised Tariff Forms subsequent to revision of Auditor's Certificate, Form 10B carrying the de-capitalization details and letters from suppliers that they cannot provide service with respect to obsolete equipment.
- h. No reply has been received from any of the Respondents.

- 3. The learned counsel for TANGEDCO has made the following oral submissions:
 - a. The revision of transmission tariff sought to be effected in the present petition is not justifiable under the Electricity Act, 2003 and the Tariff Regulations do not envisage and permit retrospective revision of the bills with effect from COD. He placed reliance on the judgment of Hon'ble Supreme Court of India in U.P. Power Corporation Ltd. Vs. NTPC Ltd. reported in (2009) 6 SCC 235.
 - b. It is impossible to make the calculations retrospectively in the ARRs of the distribution companies for two decades and bill the arrears to the same customers of the corresponding tariff blocks. The present consumers cannot be burdened for the liability in the past and it is untenable in law.
 - c. The Petitioner may be directed to furnish documentary evidence pertaining to defective and problematic equipment that have been decapitalized during the 2014-19 tariff period and also place on record the details of discussions held during SRPC meetings regarding decapitalization of assets i.e. sub-station equipment, building and civil structures for the 2014-19 and 2019-24 periods.



d. The new 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 Sharing Regulations notified on 4.5.2020.

4. The Commission observed that the Petitioner has not obtained the consent of the beneficiaries for replacement of the residential buildings as pointed out by the Commission on earlier occasions.

5. The Commission directed TANGEDCO to upload its reply by 24.4.2021 and the Petitioner to file rejoinder, if any by 11.5.2021.

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

By order of the Commission

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

