

**CENTRAL ELECTRICITY REGULATORY COMMISSION
New Delhi**

Petition No. 23/TT/2022

- Subject** : Truing up of transmission tariff of 2014-19 tariff period and determination of transmission tariff for the 2019-24 tariff period for one asset under “Sub-station works associated with additional inter-regional AC link for import of power into Southern Region i.e. Warora-Warangal and Chilakaluripeta-Hyderabad-Kurnool 765 kV Link”.
- Date of Hearing** : 26.7.2022
- Coram** : 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 Limited (KPTCL) and 17 others
- Parties Present** : Shri S. Vallinayagam, Advocate, TANGEDCO
Shri S.S. Raju, PGCIL
Shri A.K. Verma, PGCIL
Shri V.P. Rastogi, PGCIL
Shri D.K. Biswal, PGCIL

Record of Proceedings

Case was called out for virtual hearing.

2. The representative of the Petitioner has made the following submissions:
- a. The instant petition is filed for truing up of transmission tariff for the 2014-19 period and determination of transmission tariff for the 2019-24 period in respect of following asset under “Sub-station works associated with additional inter-regional AC link for import of power into Southern Region i.e. Warora-Warangal and Chilakaluripeta-Hyderabad-Kurnool 765 kV Link”:
- Asset-1:** 2 numbers of 240 MVAR, 765 kV Switchable Line Reactors (6x80 MVAR, 765 kV, 1-Ph Shunt Reactor), along with Reactor Bays & 2 numbers 765 kV Line Bays excluding PLCC, Telecom equipment and Line Terminal equipment such as LA, CVT & Wave Trap at 765/400 kV Kurnool substation.
- b. The actual date of commercial operation (COD) of the asset was 11.3.2019.
- c. The tariff for the other asset (4 numbers Line Bays (GIS) at (Hyderabad) Maheshwaram 765/400 kV SS, 2 Nos Line Bays at Warangal 400/220 kV SS and Balance items



(PLCC, Telecom equipment and Line Terminal equipment such as LA, CVT & Wave Trap) at Kurnool 765/400 kV sub-station) under the instant project is claimed in Petition No. 169/TT/2020, the COD of which is claimed on 9.11.2019.

- d. The Petitioner has submitted that while claiming tariff for 2 no. of line bays at Kurnool Sub-station, the Petitioner has excluded PLCC, Telecom equipment and Line Terminal equipment such as LA, CVT & Wave Trap at 765/400 kV Kurnool Sub-station, as they were claimed in Petition No.169/TT/2020. However the Petitioner during the hearing dated 7.7.2022 in Petition No. 169/TT/2020 has submitted that liberty may be given to withdraw the claim regarding cost of PLCC equipment at Kurnool Sub-station and amend the trueing up tariff petition of Kurnool Sub-station. As such the Petitioner submitted that Asset-1 in the instant petition will include the excluded items like PLCC, telecom equipment and line terminal equipment such as LA, CVT & Wave Trap.
 - e. Based on admitted capital cost as on COD and projected Additional Capital Expenditure (ACE) during 2014-19 period, the transmission tariff for the 2014-19 period was allowed by the Commission *vide* order dated 25.2.2021 in Petition No. 248/TT/2019.
 - f. The Commission *vide* order dated 25.2.2021 in Petition No. 248/TT/2019 directed the Petitioner to approach SCM/RPC for continuing to use the line reactor as bus reactor post scheduled COD of the associated transmission line and treatment of transmission charges beyond scheduled COD. In absence of the line, the asset is being used as bus reactor. In compliance of the same, the Petitioner has submitted the minutes of the meeting of 39th meeting of TCC and SRPC dated 3.1.2022 wherein the SRPC has approved continuation of the use of 2x240 MVAR, 765 kV Switchable Line Reactors at Kurnool 756 kV Sub-station as bus reactors till COD of Hyderabad-Kurnool D/C line.
 - g. The Commission had further directed the Petitioner to submit the detailed IDC statement by rectifying the mismatch in loan amount mentioned in Form 6 and Form 9C at the time of true up of capital cost for 2014-19 period and the Petitioner has submitted the same in the instant petition.
 - h. Based on the actual ACE claimed in the 2014-19 period of ₹445.87 lakh, the capital cost as on 31.3.2019 is ₹8377.07 lakh. The Initial spares claimed are within the ceiling limit.
 - i. Based on the actual ACE claimed during 2019-20, 2020-21 and 2021-22, the estimated capital cost as on 31.3.2024 is ₹10126.90 lakh as against the FR cost of ₹11488.19 lakh.
 - j. The information sought in technical validation letter was filed *vide* affidavit dated 4.5.2022.
3. In response to the Commission's query regarding the actual ACE claimed in 2019-24 period, the Petitioner submitted that the ACE for 2019-20, 2020-21 and 2021-22 is claimed under balance and retention payments and are estimated figures.
4. The learned counsel of TANGEDCO made the following submissions:
- a. The Commission had directed the Petitioner to charge the beneficiaries only upto the SCOD. After the SCOD, the transmission charges should be borne by WKTL.



- b. A joint committee meeting was held with CEA wherein the utilization of Hyderabad-Kurnool D/C line was discussed and SRPC concluded that independent commissioning of the transmission line without the other elements like Warora-Warangal and Chilakaluripeta-Hyderabad-Kurnool 765 kV Link may not be useful for the Southern Region Grid.
 - c. Requested one week time to file the reply after the Petitioner submits the amended petition.
5. The Commission directed the Petitioner to submit the following information on affidavit by 15.8.2022 with a copy to the Respondents:
- a. Revised tariff forms for 2014-19 and 2019-24 period.
 - b. Package-wise and vendor-wise details of ACE claimed in 2014-19 and 2019-24 tariff periods
 - c. Details of capital cost as on COD and ACE due to PLCC, telecom equipment and Line Terminal equipment such as LA, CVT & Wave Trap.
 - d. Details of O&M Expenses claimed for PLCC, telecom equipment and line terminal equipment such as LA, CVT & Wave Trap.
6. The Commission directed the Petitioner to file amended petition along with the information stated above in paragraph 7 by 13.8.2022, the Respondents, including TANGEDCO, to file reply by 24.8.2020 and the Petitioner to file rejoinder, if any, by 31.8.2022. The Commission directed the parties to adhere to the specified timeline for completion of pleadings and observed that no further extension of time shall be granted.
7. Subject to the above, the Commission reserved order in the matter.

By order of the Commission

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(V. Sreenivas)
Joint Chief (Law)

