

**CENTRAL ELECTRICITY REGULATORY COMMISSION  
New Delhi**

**Petition No. 349/TT/2020**

- Subject** : Petition for truing up of transmission tariff of the 2014-19 period and determination of tariff of the 2019-24 period for seven number of assets under Transmission System for IPP Generation Projects in Madhya Pradesh and Chhattisgarh in the Western Region.
- Date of Hearing** : 11.2.2022
- Coram** : Shri I. S. Jha, Member  
Shri Arun Goyal, Member  
Shri P. K. Singh, Member
- Petitioner** : Power Grid Corporation of India Limited
- Respondents** : Madhya Pradesh Power Management Company Limited and 10 others
- Parties Present:** : Shri S.S. Raju, PGCIL  
Shri D.K. Biswal, PGCIL  
Shri V.P. Rastogi, PGCIL  
Ms. Anshul Garg, PGCIL

**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 the 2014-19 period and determination of transmission tariff of the 2019-24 period in respect of Combined Asset consisting of the following seven assets under Transmission System for IPP Generation Projects in Madhya Pradesh and Chhattisgarh in the Western Region:
- Asset A:** 400 kV Vadodra-Pirana transmission line along with associated bays at Pirana Sub-station (for direct inter connection with 400 kV D/C Vadodra-Asoj transmission line under interim contingency scheme)
- Asset B1:** 765 kV Indore Vadodara transmission line (for direct inter-connection with 400 kV D/C Vadodara-Asoj transmission line) by-passing Vadodara Pooling Sub-station under Interim contingency scheme
- Asset B2:** Extension of bays at 765/400 kV Indore Sub-station including Switchable Line Reactor (3X80 MVAR, 765 kV) at Indore (initially charged as Bus Reactor under Interim Contingency Scheme till readiness of 765 kV S/C Indore-Vadodara transmission line)



**Asset C1:** 765/400 kV ICT 1 at Vadodara GIS, 765 kV bay at Vadodara GIS along with 240 MVAR Line Reactor at Vadodara-Indore line, 400 kV GIS bay at Vadodara for Vadodara Pirana Circuit-2

**Asset C2:** 765/400 kV ICT 2 at Vadodara GIS

**Asset C3:** 400 kV GIS bay at Vadodara for Vadodara Pirana Circuit 2

**Asset C4:** 240 MVAR Bus Reactor with spare unit at Vadodara GIS

b. The date of commercial operation (COD) of Asset A, Asset B1, Asset B2, Asset C1, Asset C2, Asset C3 and Asset C4 was 1.4.2014, 5.5.2014, 1.4.2014, 8.6.2015, 22.6.2015, 29.6.2015 and 1.10.2015 respectively.

c. The transmission tariff for 2014-19 period for Asset A was allowed vide order dated 8.7.2016 in Petition No. 289/TT/2013. The transmission tariff for 2014-19 period for Asset B1 and Asset B2 was allowed vide order dated 21.3.2016 in Petition No. 142/TT/2014. The transmission tariff for 2014-19 period for Asset C1, Asset C2, Asset C3 and Asset C4 was allowed vide order dated 30.3.2016 in Petition No. 140/TT/2015.

d. The scheduled COD of the transmission assets was 1.12.2013 and there is time over-run in all the transmission assets. The Commission has condoned the time over-run for all assets except Asset B1. Out of total time over-run of 155 days, the Commission has not condoned 62 days of time over-run in case of Asset B1 vide order dated 21.3.2016 in Petition No. 142/TT/2014.

e. As against the apportioned RCE cost of ₹160637.63 lakh, the estimated completion cost as on 31.3.2019 is claimed as ₹154200.21 lakh.

f. In case of Asset A and Asset B1, the ACE claimed for the 2014-19 tariff period is higher than that allowed by the Commission. The Petitioner has submitted that the increase in cost is due to higher land compensation paid than that envisaged for both Asset A and Asset B1.

g. The estimated completion cost has been re-apportioned for 2 assets and the reasons for the same are submitted vide reply dated 27.11.2020 to technical validation (TV) letter.

h. The revised RCE-II along with revised apportionment details was submitted vide letter dated 3.1.2022.

i. Revised apportionment for all assets as per RCE-II may be considered and tariff may be granted. Cost variation in Asset A and Asset B1 may also be allowed.

j. In compliance to the directions of the Commission vide order dated 8.7.2016 in Petition No. 289/TT/2013 regarding filing of CEA clearance certificate, WRLDC certificate and DOCO letter in respect of Asset-A, the Petitioner has filed the same vide affidavit dated 17.6.2021.

k. In response to a query of the Commission in order dated 8.7.2016 in Petition No. 289/TT/2013 as to whether the year-wise discharge of liability



towards initial spares was included in ACE incurred/ to be incurred, the Petitioner has clarified the same in the Auditor Certificate. The initial spares discharged up to COD are included in the capital cost as on COD and the initial spares discharged after COD are included in ACE during the respective year.

l. In response to technical validation letter, information has been filed vide affidavit dated 27.11.2020 wherein Form-5, package-wise details of ACE, etc. have been submitted.

m. Rejoinder to the reply dated 5.6.2020 of the Respondent, Madhya Pradesh Power Management Company Limited has been filed vide affidavit dated 4.11.2020.

3. In response to Commission's query regarding connection of 765 kV Indore-Vadodara transmission line with 400 kV D/C Vadodara-Asoj transmission line, the Petitioner submitted that the Indore-Vadodara transmission line was charged at 400 kV. The Petitioner further submitted that due to delay in commissioning of Vadodara sub-station, this interim arrangement was discussed and agreed upon in the Standing Committee meeting. The Commission directed the Petitioner to submit whether the interim arrangement is continuing and if so, how long it would continue.

4. In response to Commission's query as to who is the competent authority to approve RCE-II, the representative of the Petitioner submitted that since the project cost is more than ₹1000 crores, the project has been approved as per the delegation of powers. The Commission directed the Petitioner to submit the details on an affidavit by 28.2.2022, with an advance copy to the Respondents, regarding powers of a competent authority to approve an amount under delegations of powers. The Commission also directed that in all future cases, while filing the petition, the Petitioner should invariably mention in the petition itself as to who is the competent authority to approve a project, RCE-I, RCE-II, etc. The Petitioner submitted that the details of the memorandum shall be submitted in all future Petitions.

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

**By order of the Commission**

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

