

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 93/TT/2020

Subject : Petition for truing up of transmission tariff of 2014-19 period and determination of transmission tariff of 2019-24 period for three number of assets under “Transmission System associated with System Strengthening-XII in Southern Region”.

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 : Tamil Nadu Generation & Distribution Corporation Limited & 16 Others

Parties present : Shri S. Vallinayagam, Advocate, TANGEDCO
Shri Shahbaaz Husain, Advocate, KPTCL
Ms. Stephania Pinto, Advocate, KPTCL
Shri S.S. Raju, PGCIL
Shri D.K. Biswal, PGCIL
Shri A.K. Verma, PGCIL
Shri Ved Prakash Rastogi, PGCIL
Dr. R. Kathiravan, TANGEDCO
Ms. R. Ramalakshmi, TANGEDCO
Shri R. Srinivasan, TANGEDCO
Shri B. Rajeswari, TANGEDCO
Shri R. Kumutha, TANGEDCO

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 2014-19 period and determination of transmission tariff of 2019-24 period in respect of the following assets under “Transmission System associated with System Strengthening-XII” in Southern Region:



Asset-1: LILO of 400 kV S/C Neelmangla-Hoody Transmission Line at new 400/220 kV GIS Sub-station at Yelahanka with 1X63 MVA 420 kV Bus Reactor along with associated bays and equipment;

Asset-2: 2X500 MVA, 400/220 kV ICTs along with associated bays and 02 number 220 kV bays at 400/220 kV Yelahanka Sub-station, and

Asset-3: 04 number 220 kV bays at 400/220 kV Yelahanka Sub-station.

b. The transmission assets were put under commercial operation on 1.4.2018.

c. Transmission tariff for 2014-19 tariff period was determined by the Commission vide order dated 8.11.2019 in Petition No. 361/TT/2018.

d. The Commission approved the COD of Asset-1, Asset-2 and Asset-3 under Regulation 4(3) of the 2014 Tariff Regulations as power flow did not take place on 1.4.2018 as the associated transmission assets under the scope of KPTCL were not ready. Power flow in Asset-1 and Asset-2 started on 13.10.2018. Therefore, the transmission charges were bilaterally billed on KPTCL from 1.4.2018 to 13.10.2018.

e. KPTCL's downstream asset connecting Asset-3 has yet not been executed. Therefore, bills are being raised on KPTCL bilaterally.

f. Entire delay of 2106 days in execution of the transmission assets was condoned by the Commission vide order dated 8.11.2019 in Petition No.361/TT/2018.

g. As per the directions of the Commission vide order dated 8.11.2019 in Petition No.361/TT/2018, the details of IDC and IEDC along with percentage of hard cost has been submitted.

h. The Petitioner preferred an Appeal before the Appellate Tribunal for Electricity (APTEL) against the order of the Commission dated 8.11.2019 in Petition No. 361/TT/2018 with reference to restriction of IEDC and it was registered as Appeal No. 55 of 2020. APTEL vide judgment dated 22.4.2021 decided the said Appeal and directed the Commission to re-look into the issue of restriction of IEDC.

i. Details of ACE incurred beyond the cut-off date have been given.

j. Details of Initial Spares calculations for the transmission assets have been given and the same are within the norms.

k. KPTCL filed Review Petition No. 5/RP/2020 wherein it was contended by KPTCL that it should not be made liable for payment of the transmission charges



in respect of Asset-3 and the Commission vide its order dated 9.4.2022 dismissed the said Review Petition.

l. Details of ACE with regard to 2019-24 tariff period have already been submitted.

m. The Petitioner has claimed combined tariff for Asset-1 and Asset-2 and in view of the fact that bilateral billing is being on KPTCL, tariff forms of Asset-1, Asset-2 and Asset-3 may be permitted to be revised.

o. Rejoinder to the reply of TANGEDCO has been filed by the Petitioner.

p. Reply to the Technical Validation has been submitted vide affidavit dated 30.9.2020.

q. The Petitioner may be permitted to place on record the judgment of APTEL in Appeal No. 55 of 2020, revised tariff forms, break-up of tariff for 2019-24 tariff period and rejoinder to the reply of KPTCL.

3. In response to a query of the Commission, the Petitioner submitted that cost of the project is more than capital cost allowed vide order dated 8.11.2019 in Petition No. 361/TT/2018 and it is due to the IEDC claimed, which was restricted in order dated 8.11.2019, as per the judgment of APTEL in Appeal No. 55 of 2020.

4. Learned counsel for TANGEDCO made the following submissions:

a. In terms of the Commission's order dated 8.11.2019 in Petition No. 361/TT/2018, the Petitioner was directed to submit approval of SCM regarding 1x63 MVAR bus reactor and the same has not yet been submitted by the Petitioner till date.

b. IEDC is supposed to be claimed as per the particulars specified in Form 12A of the 2014 Tariff Regulations. However, the Petitioner did not submit Form 12A along with the petition.

c. APTEL vide judgment dated 22.4.2021 in Appeal No. 55 of 2020, set aside the order of the Commission insofar as the cap of 10.7% of hard cost was placed on IEDC as there is no cap in the 2014 Tariff Regulations. However, the Petitioner is still required to fulfill mandate of the Regulations which specifically envisages that Form-12A has to be submitted in order to claim IEDC which the Petitioner has failed to submit. The Petitioner is not entitled to claim IEDC in the absence of Form-12A.

5. Learned counsel for KPTCL made the following submissions:

a. The Petitioner was required to build 6 bays and KPTCL was required to evacuate power through 6 overhead cables. However, due to RoW issues there was delay in execution by the Petitioner and the same was condoned by the



Commission. KPTCL also faced similar issues as it was working on downstream system in the same area.

b. Bilateral billing was imposed upon KPTCL for non-execution of 4 number of overhead cables. However, two number of over-head cables executed by KPTCL on 13.10.2018 has full capacity to evacuate power from the upstream system and sub-station.

c. Review Petition No. 5/RP/2020 was dismissed on admissibility and merits of the submissions were not discussed in the order of the Review Petition.

d. Considering the submissions of KPTCL in the instant petition, bilateral billing may not be imposed on it.

6. In response to a query of the Commission, the Petitioner submitted that Form-12A for all the transmission assets has already been submitted in response to the Technical Validation letter of the Commission.

7. The Commission directed the Petitioner to submit revised tariff forms, break-up of tariff for 2019-24 tariff period, approval of SCM regarding 1x63 MVAR bus reactor and rejoinder to the reply of KPTCL by 13.8.2022. The Commission directed the Petitioner to submit the revised tariff forms within the specified time and observed that no further extension of time shall be granted.

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

By order of the Commission

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

