

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 334/TT/2022

Subject : Petition for determination of transmission tariff for the 2019-24 tariff period in respect of seven no. of assets under “System Strengthening-XXV in Southern Region.”

Date of Hearing : 12.1.2023

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

Petitioner : Power Grid Corporation of India Limited

Respondents : Tamil Nadu Generation and Distribution Corporation Limited and 13 Others

Parties present : Shri S. Vallinayagam, Advocate, TANGEDCO
Shri S.S. Raju, PGCIL
Shri D.K. Biswal, PGCIL
Shri Ved Prakash Rastogi, PGCIL
Shri Zafrul Hasan, PGCIL
Shri Amit Yadav, PGCIL
Dr. R. Kathiravan, TANGEDCO
Ms. R. Ramalakshmi, TANGEDCO
Shri B. Rajeswari, 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 has been filed for determination of transmission tariff for the 2019-24 tariff period in respect of the following assets under “System Strengthening-XXV in Southern Region”:

Asset-1: 500 MVA, 400/220kV ICT along with associated bays at Gazuwaka Sub-station

Asset-2: 1X125 MVAR, 420 kV Bus Reactor along with associated bays at Madhugiri (Tumkur) 400kV Sub-station



Asset-3: 1X125 MVAR, 420 kV Bus Reactor along with associated bays at Dharampuri 400kV Sub-station

Asset-4: 1X125 MVAR, 420 kV Bus Reactor along with associated bays at Hosur 400kV Sub-station

Asset-5: 1X125 MVAR, 420 kV Bus Reactor along with associated bays at Hiriur 400kV Sub-station

Asset-6: 1X125 MVAR, 420 kV Bus Reactor along with associated bays at Pugalur 400kV Sub-station

Asset-7: 2X125 MVAR, 420 kV Bus Reactor along with associated bays at Pugalur HVDC (GIS) 400kV Sub-station

b. Assets-2, 3, 4, 5, 6 and 7 were put under commercial operation on 1.9.2021, 30.9.2021, 1.10.2021, 30.10.2021, 22.12.2021 and 21.2.2022 respectively. However, COD of Asset-1 has been claimed as 3.7.2021 under Regulation 5(2) of the 2019 Tariff Regulations due to mis-match in commissioning of the downstream system.

c. There is no time over-run in the case of the instant assets, as all the assets are covered by notifications issued by Ministry of Power on account of Covid-19 pandemic.

d. Estimated completion cost for all the assets is within the apportioned approved cost.

e. Initial Spares are higher than the ceiling limit. Initial Spares discharge details have been provided along with the petition. As the cost certificate is prepared on cash basis, any deduction to Initial Spares may be done from the last ACE instead from the cost of COD.

f. Rejoinder to the reply of TANGEDCO has been filed vide affidavit dated 2.1.2023.

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

a. A part of the time over-run in commercial operation of the assets is not covered by MoP notification and hence may not be condoned and the related IDC/IEDC may be disallowed.

b. Petitioner has clubbed different assets in different locations for the sake of administrative convenience, however contracts for each element were awarded to different agencies, therefore the Petitioner should decapitalize the unused Initial Spares after COD of the asset, since requirement of spares after COD will be taken care under O&M charges. Further, Initial Spares may be restricted based on capital cost of the asset.



4. In response, the representative of the Petitioner submitted that there were two notifications issued by the Ministry of Power and the total time over-run is covered under those notifications.

5. After hearing the parties, the Commission reserved order in the matter.

By order of the Commission

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

