

**CENTRAL ELECTRICITY REGULATORY COMMISSION  
NEW DELHI**

**Petition No. 37/TT/2014**

Subject : Determination of transmission tariff from DOCO to 31.3.2019 for (I) Kurnool-Raichur 2nd 765 kV S/C line and extension of Kurnool 765 kV/400 kV & Raichur 765/400 KV Substations, (II) 1500 MVA, 765/400 kV ICT#2 and 240 MVAR Reactor along with the associated bays at 765/400 kV Nellore PS, (III) 1500 MVA, 765/400 ICT#3 and 240 MVAR Bus Reactor along with the associated bays at 765/400 kV Nellore PS under "Common system associated with ISGS projects in Krishnapatnam area of Andhra Pradesh" in Southern Region for tariff block 2009-14.

Date of Hearing : 17.3.2015

Coram : Shri Gireesh B. Pradhan, Chairperson  
Shri A.K. Singhal, Member  
Shri A.S. Bakshi, Member

Petitioner : Power Grid Corporation of India Limited (PGCIL)

Respondents : Karnataka Power Transmission Corporation Limited and 13 others

Parties present : Shri S.K. Venkatesan, PGCIL  
Shri S.S. Raju, PGCIL  
Shri M.M. Mondal, PGCIL  
Shri Jasbir Singh, PGCIL

**Record of Proceedings**

The representative of the petitioner submitted that the instant petition has been filed for determination of transmission tariff of "Common system associated with ISGS projects in Krishnapatnam area of Andhra Pradesh" in Southern Region for tariff block 2009-14. As per Investment Approval (IA), the project is scheduled to be commissioned within 36 months from the I.A. i.e. 4.8.2011. Hence, the commissioning schedule works out to 1.8.2014 against which Asset-II and III were commissioned on 1.2.2014 and 1.3.2014 respectively. However, Asset-I was anticipated to be commissioned on 1.6.2014. Accordingly, there is no anticipated time over-run. The total anticipated completion cost is ₹40518.37 lakh against the apportioned approved cost of ₹ 38518.00



lakh. Hence, there is a cost over-run. The petitioner has further requested for 0.5% additional Return on Equity (RoE).

2. None of the respondents were present.

3. Provisional tariff was allowed in this matter vide order dated 23.6.2014. Asset-II and III were commissioned during 2009-14 tariff period. As Asset-I was anticipated to be commissioned in 2014-19 tariff period, the petitioner was directed to file a separate petition and revised tariff forms as per the 2014 Tariff Regulations.

4. The Commission observed that a separate petition has not been filed by the petitioner for Asset-I, which has been commissioned during the 2014-19 tariff period, as directed in RoP dated 7.3.2014 and order dated 23.6.2014. The Commission directed the petitioner to file a separate petition for Asset-I by 24.4.2015 as per 2014 Tariff Regulations and observed that if no petition is filed within the said date, the AFC granted under Regulation 7(7) of the 2014 Tariff Regulations for inclusion in the PoC would be withdrawn.

5. The Commission further directed the petitioner to submit the following information, on affidavit by 24.4.2015 with a copy to all the respondents:-

- (i) CEA certificate under Regulation 43 of CEA (Measures Related to Safety & Electricity Supply) Regulations, 2010 for Asset-II and III;
- (ii) SCM approval for Asset-II and III;
- (iii) Whether Asset-II is a line reactor or Bus reactor? If it is a line reactor being charged as Bus Reactor, necessary approval in this regard;
- (iv) Schematic diagram for Nellore Sub-station showing upstream and downstream lines;
- (v) Status of line associated with line reactor (Asset-II);
- (vi) List of status of commissioning of all assets covered under scope of investment approval;
- (vii) Year wise actual capital expenditure, for the Asset-II and III, incurred up to 31.3.2014;

- (viii) The computation of the IDC (soft copy in excel format) and IEDC capitalized for Asset-II and III along with interest rates from time to time and interest payment schedule whether quarterly/half yearly/annually. Clarify whether entire amount of IDC has been paid prior to DOCO and if there is any default made by the petitioner in the payment of the interest;
- (ix) Detailed breakup of IDC and IEDC capitalized among the elements (i.e. Building, Civil work, sub-station, transmission line, PLCC and etc. of the Asset-II and III;
- (x) Clarify whether the entire liability against the procurement of the initial spares has been discharged prior to 31.3.2014? and
- (xi) Status of the compliance of directions in respect of Asset-A.

6. The Commission also directed the petitioner to file the information within the specified date and observed that information received after the due date shall not be considered while passing the final order in the petition.

7. Subject to the above, order in the petition was reserved.

By order of the Commission

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(T. Rout)  
Chief Legal