

**CENTRAL ELECTRICITY REGULATORY COMMISSION  
NEW DELHI**

**Coram:**

**Shri A.S. Bakshi, Member  
Dr. M.K. Iyer, Member**

**Date of Hearing: 14.12.2015  
Date of Order : 31.12.2015**

**Petition No. 270/TT/2015**

**In the matter of**

Approval of transmission tariff of 2nos 400kV Bays at Khammam (existing) Substation and 2nos 400kV bays at Nagarjunsagar Substation under "Sub-Station Works Associated with System Strengthening in Southern Region for Import of Power from Eastern Region for the period from COD to 31.3.2019.

**And in the matter of**

Power Grid Corporation of India Limited  
"Saudamani", Plot No.2,  
Sector-29, Gurgaon -122 001

**.....Petitioner**

**Vs**

- 1      Karnataka Power Transmission Corporation Ltd.,  
         (KPTCL), Kaveri Bhavan,  
         Bangalore – 560 009
- 2      Transmission Corporation of Andhra Pradesh Ltd.,  
         (APTRANSCO), Vidyut Soudha,  
         Hyderabad– 500082
- 3      Kerala State Electricity Board (KSEB)  
         Vaidyuthi Bhavanam  
         Pattom, Thiruvananthapuram – 695 004
- 4      Tamilnadu Electricity Board (TNEB)  
         NPKRR Maaligai, 800, Anna Salai  
         Chennai – 600 002



- 5 Electricity Department  
Government of Goa  
Vidyuti Bhawan, Panaji  
Goa 403001
- 6 Electricity Department  
Govt of Pondicherry,  
Pondicherry - 605001
- 7 Eastern Power Distribution Company of Andhra Pradesh Limited  
APEPDCL, P&T Colony,  
Seethmmadhara, VISHAKHAPATNAM  
Andhra Pradesh.
- 8 Southern Power Distribution Company of Andhra Pradesh Limited  
(APSPDCL) Srinivasasa Kalyana Mandapam Backside,  
Tiruchanoor Road, Kesavayana Gunta,  
TIRUPATI-517 501,  
Chittoor District, Andhra Pradesh
- 9 Central Power Distribution Company of Andhra Pradesh limited  
(APCPDCL), Corporate Office,  
Mint Compound,  
HYDERABAD – 500 063  
Andhra Pradesh
- 10 Northern Power Distribution Company of Andhra Pradesh Limited  
(APNPDCL), Opp. NIT Petrol Pump  
Chaitanyapuri, Kazipet,  
WARANGAL – 506 004  
Andhra Pradesh
- 11 Bangalore Electricity Supply Company Ltd.,  
(BESCOM), Corporate Office,  
K.R.Circle  
BANGALORE – 560 001  
Karnataka
- 12 Gulbarga Electricity Supply Company Ltd.,  
(GESCOM), Station Main Road,  
GULBURGA, Karnataka.
- 13 Hubli Electricity Supply Company Ltd., (HESCOM)  
Navanagar, PB Road



HUBLI, Karnataka

- 14 MESCOM Corporate Office,  
Paradigm Plaza, AB Shetty Circle  
MANGALORE – 575 001  
Karnataka
- 15 Chamundeswari Electricity Supply Corporation Ltd.,  
(CESC), # 927, L J Avenue  
Ground Floor, New Kantharaj Urs Road  
Saraswatipuram, MYSORE – 570 009  
KARNATAKA
- 16 Vizag Transmission Limited  
GM I/C (TBCB),  
Power Grid Corporation of India Ltd.  
SAUDAMINI', Plot No-2,  
Sector-29, Gurgaon-122 001 (Haryana)

....Respondents

**For petitioner** : Shri S.S. Raju, PGCIL  
Shri Jasbir Singh, PGCIL,  
Shri Ved Prakash Rastogi, PGCIL  
Shri Rakesh Prasad, PGCIL  
Shri M.M. Mondal, PGCIL  
Shri S.K. Venkatesan, PGCIL  
Shri Amit Yadav, PGCIL  
Ms. Treepti Sonkatar, PGCIL

**For respondents** : Shri S.Vallinayagam, Advocate, TANGEDCO

### **ORDER**

Power Grid Corporation of India Limited (PGCIL) has sought approval for transmission tariff of 2nos 400kV Bays at Khammam (existing) Substation and 2nos 400kV bays at Nagarjunsagar Substation under "Sub-Station Works Associated with System Strengthening in Southern Region for the period from COD to 31.3.2019. The details of the elements covered in the petition are given below. The petitioner has also



prayed for allowing 90% of the Annual Fixed Charges claimed in terms of proviso (i) of Regulation 7(7) of the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2014 (hereinafter referred to as "the 2014 Tariff Regulations").

2. The details of the petitions and the elements covered in them are as follows:-

Srl. No.	Asset No.	Name of the Asset	Scheduled COD	Anticipated COD/actual COD as per the petition	Revised anticipated COD/actual COD
<b>Petition No. 270/TT/2015</b>					
1	Asset	2nos 400kV Bays at Khammam (existing) Substation and 2nos 400kV bays at Nagarjunsagar Substation	10.11.2017	1.1.2016 (Anticipated)	1.1.2016 (Anticipated)

3. The petition was heard on 14.12.2015. The representative of the petitioner requested to grant Annual Fixed Charges (AFC) in terms of proviso (i) of Regulation 7(7) of the 2014 Tariff Regulations. TANGEDCO, Respondent No. 4 was present. The Commission observed that commissioning of the transmission assets depends on downstream transmission system to be constructed by the Respondent No. 16. The representative of the petitioner has submitted that the above bays shall be commissioned along with 400KV D/C Khammam-Nagarjunasagar line to be constructed under tariff based competitive bidding route. The petitioner has already impleaded the Vizag Transmission Limited and served the copy of the petition. If there is mismatch in commissioning of transmission assets covered under the instant petition and



downstream system to be constructed by Respondent No.16, there will be a difficulty in recovery of the tariff through PoC charges in accordance with the Central Electricity Regulatory Commission (Sharing of Inter State Transmission charges and losses), Regulation, 2010.

4. As per proviso (i) of Regulation 7(7) of the 2014 Tariff Regulations, the Commission may grant tariff upto 90% of the AFC of the transmission system or element thereof for the purpose of inclusion in POC charges in accordance with the Central Electricity Regulatory Commission (Sharing of Inter State Transmission charges and losses), Regulation, 2010. Regulation 7(2) of the 2014 Tariff Regulations provides that the application for tariff should be made in accordance with the Central Electricity Regulatory Commission (Procedure for making of application for determination of tariff, publication of the application and other related matters) Regulations, 2004 (hereinafter referred to as "2004 Regulations"). Regulation 7 (4) provides that such an application shall be filed as per Annexure-I of these regulations.

5. The petitioner has made the application as per Annexure-I of the 2014 Tariff Regulations. The petitioner has also complied with the requirements of 2004 Regulations, such as service of the copy of the application on the beneficiaries, publication of notice and web hosting of the application, etc.

6. We have considered the submissions of the petitioner. The issue of mismatch between commissioning of transmission system by an ISTS licensee and upstream/downstream system has been addressed by the Commission in its order



11/SM/2014 dated 5.8.2015 and held that Implementation Agreement for development of ISTS and downstream system of STU in coordinated way to avoid any mismatch. We are of the view the CTU shall make similar arrangement of Implementation Agreement to avoid the mismatch of commissioning between the assets considered under the instant petition and transmission system developed by Respondent No. 16 to protect the interest of beneficiaries.

7. After carrying out a preliminary prudence check of the AFC claimed by the petitioner and taking into consideration the time over-run and cost variation in case of the assets covered in these petitions, which shall be looked into in detail at the time of issue of final tariff, the Commission has decided to allow tariff in terms of proviso (i) of Regulation 7(7) of the 2014 Tariff Regulations for the years 2015-16 and 2016-17 for inclusion in the PoC charges as per Para 7 of this order.

8. The details of the tariff claimed by the petitioner and tariff awarded by the Commission are as follows:-

A. Annual transmission charges claimed by the petitioner are as follows:-

( ₹ in lakh)				
<b>Assets</b>	<b>2015-16</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19</b>
<b>Asset</b>	157.50	651.17	660.42	659.91

B. Annual transmission charges allowed are as follows:-

( ₹ in lakh)		
<b>Assets</b>	<b>2015-16</b>	<b>2016-17</b>
	<b>(pro-rata)</b>	
<b>Asset-I</b>	109.40	452.32



8. The tariff allowed in this order shall be applicable from the date of commercial operation of the transmission system and the billing, collection and disbursement of the transmission charges shall be governed by the provisions of Central Electricity Regulatory Commission (Sharing of Inter-State Transmission Charges and Losses) Regulations, 2010, as amended from time to time. Further, the transmission charges allowed in this order shall be subject to adjustment as per Regulation 7(7) of the 2014 Tariff Regulations.

**sd/-**  
**(Dr. M.K. Iyer)**  
**Member**

**sd/-**  
**(A.S. Bakshi)**  
**Member**

