



केन्द्रीय विद्युत विनियामक आयोग  
CENTRAL ELECTRICITY REGULATORY COMMISSION



*Shubha Sarma, IAS*  
Secretary

Pet No. 54/RP/2016

Dated the 7th November 2016

The Secretary,  
Central Electricity Authority,  
R.K. Puram,  
New Delhi 110066

Sub : Comments of CEA on PGCIL's Gooty-Madhugiri 400 kV D/C line along with the associated bays

Sir,

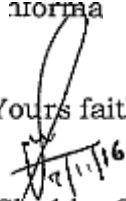
Power Grid Corporation of India Limited (PGCIL) filed Petition No. 403/TT/2014 for determination of tariff for Gooty-Madhugiri 400 kV D/C line along with the associated bays and establishment of new 400/220 kV Sub-station at Madhugiri with 2x500 MVA transformers under "Transmission System associated with System Strengthening XIII in Southern Regional Grid for the 2014-19 tariff period. The tariff for the said assets for the 2014-19 tariff period was allowed vide order dated 19.7.2016 and the recovery of the transmission charges through POC mechanism was linked to the establishment and commissioning of the downstream assets by Karnataka Power Transmission Corporation Limited. PGCIL has filed Review Petition No. 54/RP/2016 stating that the transmission assets are implemented as a system strengthening scheme and not merely for the benefit of the distribution companies in Karnataka and hence the tariff of the instant assets should be included in the POC charges from the date of commercial operation of the instant assets.

2. CEA is requested to provide its comments on PGCIL's contention that Gooty-Madhugiri 400 kV D/C line along with the associated bays is system strengthening scheme and it is not merely to serve distribution companies of Karnataka and whether the line could be utilized effectively with the commissioning of Madhugiri

4. A copy of the Review Petition No. 54/RP/2016 along with order dated 19.7.2016 in Petition No. 403/TT/2014 and reply of Tamil Nadu Generation and Distribution Corporation Limited (TANGEDCO) are enclosed for kind il

norma

Yours faithfully,

  
(Shubha Sarma)

Encl : As above

54/RP/2016.

BEFORE THE HON'BLE CENTRAL ELECTRICITY REGULATORY COMMISSION,  
NEW DELHI

REVIEW PETITION NO, ....., OF 2016

IN

PETITION NO, 403/TT/2014

**IN THE MATTER OF:**

Power Grid Corporation of India Limited

... Review Petitioner

**VERSUS**

**S**

Karnataka Power Transmission Corporation Ltd. & Ors. ... Respondents

-

S.NO,	PARTICULARS	PAGES
1,	Memorandum of Review Petition along with supporting Affidavit.	1-17
2	<b>Annexure A - Copy of the Order dated 19.07.2016 passed by this Hon'ble Commission</b>	<b>18 - 61</b>
3	<b>Court Fee: Paid through RTGS, UTR No. SBINR 12016092334704378, Rs. 300000/- dated 23.09.2016.</b>	<b>62</b>
4,	<b>Vakalatnama.</b>	<b>63</b>

POWERGRID CORPORATION OF INDIA LIMITED

THROUGH



(ANAND K GANESAN / SWAPNA SESHADRAN)

**MSA PARTNERS**

ADVOCATES FOR THE REVIEW

PETITIONER

C-67, LG.F, Nizamuddin East,

DATE: 28.09.2016

PLACE: NEW DELHI

**BEFORE THE HON'BLE CENTRAL ELECTRICITY REGULATORY COMMISSION**

**NEW DELHI-**

**REVIEW PETITION NO ... ..... OF 2016**

**IN**

**PETITION NO. 403 / TT / 2014**

**IN THE MATTER OF:**

Petition under Section 94 (1) (f) of the Electricity Act, 2003 read with Regulation 103 of the CERC (Conduct of Business) Regulations, 1999 for review of the Order dated 19/07/2016 passed by the Hon'ble Commission in Petition No. 403 / TT / 2014 in the matter of Determination of transmission tariff of Gooty-Madhugiri 400 kV D/C line along with the associated bays and establishment of new 400/220 kV Sub-station at Madhugiri with 2x500 MVA transformers (COD: 01/12/2015) under "Transmission System associated with System Strengthening-XIII in Southern Regional Grid" from COD to 31/03/2019, for tariff block 2014-19 under Regulation-86 of Central Electricity Regulatory Commission (Conduct of Business) Regulations, 1999 and Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2014.

**AND IN THE MATTER OF:**

Powergrid Corporation of India Limited  
Saudamani, Plot No 2. Sector 29  
Gurgaon 122001  
Haryana

.....Review  
Petitioner

**VERSUS**

1. Karnataka Power Transmission Corporation Ltd  
Kaveri Bhawan, K.G.Road  
Bangalore - 560 009



2. Transmission Corporation of Andhra Pradesh Ltd  
Vidyut Soudha , Khairatabad,  
Hyderabad - 500 082
3. Kerala State Electricity Boards  
Vydyuthi Bhavanam  
Thiruvananthapuram - 695 004
4. Tamil Nada Generation and Distribution Corporation Ltd  
NPKRR Maaligai, 800, Anna Salai,  
Chennai-600 002
5. Electricity Department, Government of Puducherry  
58, NSC Bose Salai,  
Puducherry - 605 001
6. AP Eastern Distribution Company Ltd  
Sai Shakthi Bhavan,  
30-14-09, Near Saraswathi Park  
Visakhapatnam - 530 020 (AP)
7. AP Southern Power Distribution Company Ltd. (APSPDCL)  
H. No. 193-93 CM) Upstairs  
Renigunta Road, Tirupathi - 517 `501 (AP)
8. AP Northern Power Distribution Company Ltd. (APNPDCL)  
H.No. 1-1-504, Opp.: NIT Petrol Pump  
Chaitanyapuri, Warangal - 506 004 (AP)
9. AP Central Power Distribution Company Ltd. (APCPDCL)  
Singareni Bhavan, Red Hills,  
Hyderabad-500 063 (AP)
10. Bangalore Electricity Supply Company Ltd. (BESCOM)  
Krishna Rajendra Circle  
Bangalore - 560 009
11. Mangalore ElectricitySupply Company Ltd. (MESCOM)  
Paradigm Plaza, A.B. Shetty Circle,  
Mangalore - 575 001

- Chamundeshwari Electricity Supply Corp. Ltd.  
CC ESC Mysore)  
Corporate office, 927, L.}.Avenue,  
New Kantharajours Road,  
Saraswathi Puram, Mysore - 570 009
12. Gulbarga Electricity Supply Company Ltd. (GESCOM)  
Main road, Gulbarga, Karnataka,  
Gulbarga - 585 102 ,
- Hubli Electricity Supply Company Limited,  
13. P.B. Road, Nava Nagar Hubli  
Karnataka- 580 025  
Electricity Department,  
Government of Goa,
- 14 Vidyuti Bhawan, Panaji, Goa 403 001

...Respondents

### MEMORANDUM OF REVIEW PETITION

#### MOST RESPECTFULLY SHOWETH

1. The Review Petitioner - Power Grid Corporation of India Limited,  
had filed Petition No. 403 / TT / 2014 before the Hon'ble  
Commission for determination of tariff of Gooty-Madhugiri 400 kV  
D/C line along with the associated bays and establishment of new  
400/220 kV Sub-station at Madhugiri with 2x500 MVA  
transformers (COD: 01/12/2015) under "Transmission System  
associated with System Strengthening-XHI in Southern Regional  
Grid" (hereinafter referred to as **\_Subject Transmission System'**)  
from COD to 31/03/2019, for tariff block 2014-19.
2. The tariff had been sought in terms of the provisions of the CERC  
(Terms and Conditions of Tariff) Regulations, 2014 (he



\_Tariff Regulations, 2014\_). The Hon'ble Commission has determined the tariff vide Order dated 19/07/2016. Copy of the said Order is attached hereto and marked as Annexure A.

3.

The subject transmission system was being developed by the Petitioner as a system strengthening scheme and not merely for use of any one constituent in the south~ em region. The subject transmission system consisted of the Gooty-Madhugiri 400 kV D/C line along with the associated bays & a new 400/220 kV substation at Madhugiri with 2x500 MVA transformers. This was planned as regional strengthening scheme and implemented under "Transmission system associated with System strengthening -XIII in southern regional grid". The scope of the scheme was discussed and agreed in 28th SCM meeting dated 15/06/2009 and 10th SRPC meeting dated 02/07/2009.

4.

The main purpose of the scheme was to strengthen the Southern Region Grid for the benefit of all the beneficiaries of the region and was not planned for Karnataka alone. The other assets covered under this scheme are given below -

- a. Madhugiri-Yelahanka 400 kV D/C quad Line
- b. Extension of 400/220 kV GIS substation at Yelahanka.

5.

It may be submitted that these other elements of SRSS-XIII scheme i.e

problems, POWERGRID could not complete the line and the reasons were beyond the control of POWERGRID.

Considering the severity of ROW/compensation issues in those areas, it was felt that commissioning of all the lines at same time would be very difficult.

6. Accordingly it was discussed in TCC and SRPC meetings and the extract of minutes of meeting in this regard is as given below

**REF: - Para: 3.2a e 9 of Minutes -**

*"3.2.3 The following had been noted in the TCC Meeting:*

*m PGCIL had informed that 400 kV Madhugiri-Yelahanka, 400 kV Dharmapuri- Somanahalli & 765 kV Salem-Madhugiri lines were held up due to compensation related issues. Based on the discussions in the recently held Power Mini'stars Conference, a High level Committee had been constituted by MOP for this purpose. It was however seen that about 80 % of the transmission system was not encountering any RoW issues. Hence to avoid cascading effect, it was felt prudent to deal with issues locally. Certain threshold limits could be specified by the Centre, above which the states were free to make any compensation payment*

*@ KPTCL had informed that the state had earlier decided for 100% land value for tower foot print and 50 % for the corridor. In urban areas, compensation could go up to 75% on case to case basis. It was seen that additional compensation payable was having marginal impact on the overall project cost. However, it had also been decided to await the recommendations of the High Level Committee set up on a national level*

*m PGCIL had informed that about 67 km was pending in respect of 400 kV Gooty-Madhugiri D/C line. They were putting all efforts to complete the line by August 2015. KPTCL were requested to commission at least one evacuation feeder from Madhugiri by*

*Ju Othne/er Julevyacu 2 Olati 5 on Iwhiicnesh frwouomld Yelensahurenkaat Iand east Madpagairi Lti hwe ~ Ton'o,-*

*needed to be expedited by KPTCL to reap benefits of the upstream system. It was suggested that 400 kV Gooty-Madhugiri D/C line along with Madhugiri PS be allowed to put under commercial operation as and when they get commissioned without linking to availability of downstream system. Vijayawada-Nellore 400 kV D/C line was also in advanced stage of commissioning and they were obtaining full support from AP administration. This line was expected by June/July 2015.*

*m TSTRANSCO had expressed concern that high compensation (up to Rs. 10 Crores/Km) being paid in certain states was affecting compensation amounts in other states also and hence a cautious approach needed to be adopted. Compensation for 400 kV level was affecting lower voltage Levels also.*

*m After deliberations TC had recommended that PGCIL could declare commercial operation of 400 kV Gooty-Madhugiri D/C line along with Madhugiri PS as and when they get commissioned without linking the same to downstream system.*

**REF: - Para: 3.2.11 Page 11 of Minutes -**

*"SRPC concurred that PGCIL could declare commercial operation of 400kV Gooty-Madhugiri D/C line along with Madhugiri PS as and when they get commissioned without linking the same to downstream system"*

7. With regard to sharing of transmission charges, this Hon'ble

Commission has held as under in the Order dated 19/07/2016 -

***"Sharing of Transmission Charges***



72. The petitioner vide aJf\_tdavit dated 27.4.2016 has submitted the RLDC charging certificate dated 21.4.2016. RLDC vide letter dated 21.4.2016 has stated the following:-

*"The elements were in continuous service for 24 hours. However, there has been no powerflow in the line & ICT's due to non-commissioning of other 400 kV lines emanating from Madhugiri! & the associated downstream network*

73. The moot question is who would bear the transmission charges if upstream/downstream transmission system is not ready? It was decided in the 27<sup>th</sup> Meett.ing of SRPC dated 12.5.2015' that the petitioner could declare commercial operation without linking the same to downstream system The relevant extract of meeting is as under:-

*"PGCIL had informed that about 67 km was pending in respect of 400 kV Gooty- Madhugiri D/C line. They were putting all efforts to complete the line by August 2015. KPTCL were requested to commission at least one evacuation feeder from Madhugiri by June/July 2015 which would ensure at least partial utilization. Other evacuation lines from Yelahanka and Madhugiri were also needed to be expedited by KPTCL to reap benefits of the upstream system. It was suggested that 400 kV Gooty-Madhugiri D/C line along with Madhugiri PS be allowed to put under commercial operation as and when they get commissioned without linking to availability of downstream system. Vijayawada-Nellore 400 kV D/C Line was also in advanced stage of commissioning and they were obtaining full support from AP administration. This line was expected by June/July 2015."*

*"After deliberations, TCC had recommended that PGCIL could declare commercial operation of 400 kV Gooty-Madhugiri D/C line along with Madhugiri PS as and when they get commissioned without linking the same to downstream system"*

74. We have also pursued the minutes of meeting of 28th SCM on Power System Planning on Southern Region held on 12.5.2015. Keeping the above and minutes of meeting of 28th SCM on Power System Planning on Southern Region in view, it can be inferred that the instant asset has been established under system strengthening scheme for Southern Region and developed to in feed Bangalore.

75. The Commission in order dated 25.1.2016 in Petition No. 253/TT/2015 has held that the delay on account of commissioning of the concerned generating station or in commissioning of the upstream or downstream transmission system, the transmission licensee shall approach the Commission for approval of the date of commercial operation. The relevant extract of order is as follows:-

"7. The petitioner has prayed for approval of the assets under proviso (ii) of Regulation 4(3) of the 2014 Tariff Regulations as the downstream assets executed by UPPTCL have not been commissioned. Proviso (ii) of Regulation 4(3) of the 2014 Tariff Regulations provides as under:-

"in case a transmission system or an element thereof is prevented from regular service for reasons not attributable to the transmission licensee or its supplier or its contractors but is on account of the delay in commissioning of the concerned generating station or in commissioning of the upstream or downstream transmission system, the transmission licensee shall approach the Commission through an appropriate application for approval of the date of commercial operation of such transmission system or an element thereof."

In the present case, the assets are anticipated to be commissioned in 31st January, 2016 and 15th March 2016. The Commission will take a view with regard to the declaration of COD of the instant assets under regulation proviso (ii) of Regulation 4(3) after the lines are certified for regular service by the concern RLDC. The petition~ GC