# CENTRAL ELECTRICITY REGULATORY COMMISSION NEW DELHI

# Petition No. 156/TT/2017

Coram:

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

Date of Order: 05.10.2017

### In the matter of:

Determination of transmission tariff from COD to 31.3.2019 for **Asset-I:** 2 Nos. of 400 kV GIS line bays at Nizamabad (PG) for the termination of Nizamabad-Yeddumailaram (Shankarpalli) 400 kV D/C line (Anticipated COD: 1.11.2017) and **Asset-II:** 2 Nos. of 400 kV GIS line bays at Maheswaram (PG) for termination of Maheswaram (PG)-Mehboob Nagar 400 kV D/C Transmission line (Anticipated COD: 1.11.2017) under "Provision of Line bays for the Scheme-Connectivity lines for Maheswaram (Hyderabad) 765/400 kV Pooling Station" in Southern Region 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:

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

.....Petitioner

#### Vs

- Karnataka Power Transmission Corporation Limited (KPTCL), Kaveri Bhavan, Bangalore-560 009
- Transmission Corporation of Andhra Pradesh Limited (APTRANSCO), Vidyut Soudha, Hyderabad-500 082
- 3. Kerala State Electricity Board (KSEB), Vaidyuthi Bhavanam, Pattom, Thiruvananthapuram-695 004



 Tamilnadu Electricity Board (TNEB), NPKRR Maaligai, 800, Anna Salai, Chennai-600 002

 Electricity Department, Government of Goa, Vidyuti Bhawan, Panaji Goa-403 001

6. Electricity Department, Government of Pondicherry, Pondicherry-605 001

 Eastern Power Distribution Company of Andhra Pradesh Limited (APEPDCL), APEPDCL, P&T Colony, Seethmmadhara, Vishakhapatnam, Andhra Pradesh

 Southern Power Distribution Company of Andhra Pradesh Limited (APSPDCL), Srinivasasa Kalyana Mandapam Backside, Tiruchanoor Road, Kesavayana Gunta, Tirupati-517 501, Chittoor District, Andhra Pradesh

 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), Opposite NIT Petrol Pump, Chaitanyapuri, Kazipet, Warangal-506 004 Andhra Pradesh

11. Bangalore Electricity Supply Company Limited (BESCOM), Corporate Office, K. R. Circle, Bangalore-560 001, Karanataka

12. Gulbarga Electricity Supply Company Limited (GESCOM), Station Main Road, Gulbarga, Karnataka

13. Hubli Electricity Supply Company Limited (HESCOM), Nava Nagar, P.B. Road, Hubli, Karnataka

14. Mangalore Electricity Supply Company Limited (MESCOM), Paradigm Plaza, A.B. Shetty Circle, Mangalore-575 001, Karanataka



- Chamundeswari Electricity Supply Corporation Limited (CESC),
  # 927, L. J. Avenue, Ground Floor, New Kantharaj Urs Road,
  Saraswathi Puram, Mysore-570 009, Karanataka
- Powergrid NM Transmission Limited,
  B-9, Qutab Institutional Area,
  Katwaria Sarai, New Delhi-110 016
- 17. Transmission Corporation of Telangana Limited, Vidhyut Sudha, Khairatabad, Hyderabad-500 082
- Maheshwaram Transmission Limited F-1, Mira Corporate Suits,
   2, Mathura Road, Ishwar Nagar, New Delhi-110 065

.....Respondents

For petitioner : Shri S.S. Raju, PGCIL

Shri Vivek Kumar Singh, PGCIL Shri Rakesh Prasad, PGCIL

Shri B. Dash, PGCIL Shri Mohd. Mohsin, PGCIL Shri Rohit Gera, PGCIL

Shri Abhay Choudhary, PGCIL

For respondents : Shri S. Vallinayagam, Advocate for TANGEDCO

Ms. E. Shyamala, TANGEDCO Ms. K.S. Indra Kumari, TANGEDCO

## **ORDER**

The present petition has been filed by Power Grid Corporation of India Limited ('the petitioner'), for determination of tariff for **Asset-I:** 2 Nos. of 400 kV GIS line bays at Nizamabad (PG) for the termination of Nizamabad-Yeddumailaram (Shankarpalli) 400 kV D/C line and **Asset-II:** 2 Nos. of 400 kV GIS line bays at Maheswaram (PG) for termination of Maheswaram (PG)-Mehboob Nagar 400 kV D/C Transmission line (hereinafter referred as "transmission assets") under "Provision of Line bays for the Scheme-Connectivity lines for Maheshwaram (Hyderabad) 765/400 kV Pooling Station"

in Southern Region in accordance with the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2014 (hereinafter referred to as "the 2014 Tariff Regulations"). The petitioner has also prayed for grant of 90% of the Annual Fixed Charges (AFC) claimed, in terms of proviso (i) of Regulation 7(7) of the 2014 Tariff Regulations for inclusion in PoC mechanism.

2. The petitioner had filed the petition based on the anticipated COD of Asset-I and Asset-II as 1.7.2017 and 1.9.2017 respectively, which was revised vide affidavit dated 21.9.2017 as 1.11.2017 for both the assets. The petitioner has claimed the tariff based on actual/estimated expenditure incurred up to anticipated COD and additional capitalization incurred from anticipated COD to 31.3.2019 in respect of the instant assets. The capital cost claimed by the petitioner is as under:-

(₹ in lakh)

Particulars	Approved apportioned	Expenditure incurred upto	Additional capital expenditure		Estimated completion
	cost as per FR	anticipated COD	2017-18	2018-19	cost
Asset-I	5471.61	2566.58	242.59	191.74	3000.91
Asset-II	3197.40	2096.21	464.25	232.12	2792.59
Total	8669.01	4662.79	706.84	423.86	5793.50

- 3. Therefore, the estimated completion cost is ₹5793.50 lakh as against the total approved apportioned cost of ₹8669.01 lakh. Thus, there is no cost over-run in respect of the instant assets.
- 4. During the hearing on 26.9.2017, the representative of the petitioner requested to grant AFC in terms of proviso (i) of Regulation 7(7) of the 2014 Tariff Regulations.

- 5. 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 the 2014 Tariff Regulations.
- 6. 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.
- 7. After carrying out preliminary prudence check of the AFC claimed by the petitioner, the Commission has decided to allow tariff in terms of proviso (i) of Regulation 7(7) of the 2014 Tariff Regulations as given in para-8 of this order.
- 8. The details of the tariff claimed by the petitioner and tariff awarded by the Commission are as under:-
  - A. Annual transmission charges claimed by the petitioner are as below:-

(₹ in lakh)

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Particulars	2017-18	2018-19
Asset-I	431.31	604.56
Asset-II	309.51	586.82

B. Annual transmission charges allowed are as below:-

(₹ in lakh)

Particulars	2017-18	2018-19	
Asset-I	366.61	513.88	
Asset-II	263.08	498.80	

- 9. The petitioner is directed to submit the following information on affidavit by 30.10.2017, with an advance copy to the beneficiaries:
  - a. Basis of apportionment of FR cost;
  - b. Auditors' Certificate and revised tariff forms based on actual commissioning of the instant assets;
  - c. Actual COD and COD letter and all tariff forms for the instant assets;
  - d. RLDC Certificate/Charging certificate for instant assets;
  - e. CEA certificate under Regulation 43 of CEA (Measures Related to Safety and Electricity supply) Regulations, 2010;
  - f. CMD Certificate as required under Grid Code;
  - g. With regard to additional capital expenditure on account of balance & retention payment, details of the nature/works against which the payment is withheld;
  - h. Status of associated upstream/downstream transmission system and to confirm whether the instant assets have been put to use; and
  - i. Status of 400 kV D/C Nizamabad-Yeddumailaram line and 400 kV D/C Maheswaram (PG)-Mehboob Nagar line.

- 10. The respondents to file their reply by 18.11.2017 with an advance copy to the petitioner who shall file its rejoinder, if any by 30.11.2017. The parties shall comply with the above directions within the due date mentioned above and no extension of time shall be granted.
- 11. The petition shall be listed for final hearing on 7.12.2017.

sd/-sd/-(M.K. lyer)(A.S. Bakshi)(A.K. Singhal)MemberMemberMember