CENTRAL ELECTRICITY REGULATORY COMMISSION New Delhi

Petition No. 505/TT/2020

Subject: Petition for determination of transmission tariff from COD to

31.3.2019 for five no. of assets under System strengthening-

XXIII in Southern Region.

Date of Hearing : 13.7.2020

Coram : Shri. I.S. Jha, Member

Shri Arun Goyal, Member

Petitioner: Power Grid Corporation of India Ltd. (PGCIL)

Respondents: Tamil Nadu Generation and Distribution Corporation Ltd.

& Ors.

Parties Present : Shri Vallinayagam, Advocate, TANGEDCO

Shri S.S. Raju, PGCIL Shri Zafrul Hasan, PGCIL Shri A.K Verma PGCIL Shri V.P Rastogi PGCIL Shri B. Dash, PGCIL

Dr. R. Kathiravan, TANGEDCO Dr. Ramalakshmi, TANGEDCO

Record of Proceedings

The matter was heard through video conference.

- 2. The representative of the Petitioner submitted that the instant petition is filed for determination of transmission tariff from COD to 31.3.2019 in the respect of the following assets under System Strengthening-XXIII in Southern Region:-
 - (i) Asset 1: Replacement of 3x167 MVA, 400/220 kV ICTs with 1X500 MVA ICT at Somanhalli Sub-station (COD:16.3.2017),
 - (ii) Asset 2: Replacement of 4x167 MVA, 400/220 kV ICTs with 1X500 MVA ICT at Somanhalli Sub-station (COD:31.3.2017),
 - (iii) Asset 3: Replacement of 1x 50 MVAr Bus Reactor with 1x125 MVAr Bus Reactor at 400/220 kV Narendra Sub-station (COD:25.1.2017),
 - (iv) Asset 4: 01 No. 500 MVA, 765/400 kV Regional Spare ICTs at Thiruvalam Sub-station (COD:28.3.2017) and



- (v) Asset 5: 01 No. 500 MVA, 765/400 kV Regional Spare ICTs at Raichur Sub-station (COD: 6.2.2019).
- 3. The representative of the Petitioner submitted that tariff for the instant assets were earlier claimed in Petition No. 58/TT/2017 along with 9 other assets. However, the Commission vide order dated 5.7.2018 in Petition No. 58/TT/2017 directed the Petitioner to claim tariff for the instant assets after submission of the report of the Committee on Regional Spares constituted by the Commission vide order in in Petition No. 38/TT/2017. Accordingly, the instant petition is filed after the Committee has submitted its the report.
- 4. The representative of the Petitioner submitted that Assets-1 and 2 were planned to replace the old 167 MVA ICT at Somanhalli Sub-station with 2x500 MVA transformers, as both of them had completed the life of 25 years. The proposal for replacement of 02 nos. (7x167 MVA) 500 MVA ICTs (i.e. ICT-I&II) was approved in the 35th SCM meeting held on 4.1.2013. Further, the proposal was approved in the 22nd SRPC meeting held on 18.5.2013. It was agreed in these meetings that the dismantled ICTs shall be utilized as Regional Spares after refurbishment. With respect to Asset-3, he has submitted that due to high voltage problems, replacement of 1x50 MVAr Bus Reactor with 1x125 MVAr Bus Reactor at 400/220 kV Narendra Sub-station was approved in the 35th SCM meeting held on 4.1.2013. Further, the proposal was approved in the 21st SRPC dated 2.2.2013. As regards procurement of Assets-4 and 5, he submitted that they were discussed and approved in 23rd meeting of SRPC and 32nd meeting of SRPC dated 22.8.2017 as being essential for enhanced reliability. He further submitted that all the five assets have been approved by SRPC.
- 5. The representative of the Petitioner submitted that the subject assets were executed on time except for Asset-5 which was executed with time over-run of 18 months. He further submitted that the time over-run is not attributable to the Petitioner as it is due to deferment in supply of ICT by the contractor, demonetization and implementation of GST. He requested to condone the time over-run. He submitted that the estimated completion cost of all the assets is within the apportioned approved capital cost except Asset-1. However, there is no cost over-run as per RCE. He submitted that there is variation in awarded cost and item wise cost and the reasons for the same are mentioned in Form-5.
- 6. Learned counsel for TANGEDCO sought two weeks' time to file reply to the petition.
- 7. The Commission directed the Petitioner to submit the following information on an affidavit with advance copy to the Respondents by 11.8.2020:
 - a) Date of drawl of loan/loan allocation in respect of foreign loan i.e. "SUMITOMO MITSUI JPY" used for Asset-5.
 - b) Forms 12 A and 14 in respect of the instant assets except for Asset-5.
 - c) Form-15 for the instant assets.
 - c) Year-wise details of discharge of amount of initial spares for the instant assets.



- d) CEA energisation certificate under Regulation 43 of CEA (Measures Related to Safety & Electricity Supply) Regulations, 2010 and RLDC charging certificate for Assets-4 and 5 as per the 2014 Tariff Regulations.
- e) CMD Certificate for all the assets covered under the instant petition.
- f) Details of year-wise discharge of the initial spares.
- g) CPM and PERT chart for all the assets covered under the instant petition.
- h) Details of reasons for time over-run and correspondence exchanged, if any, and chronology of the time over-run along with documents in the following format:-

Asset	Activity	Period of activity				Time over-run	Reason(s)
		Planned		Achieved			for time over-run
		From	То	From	То		
	Land Acquisition						
	LOA						
	Supplies (Structure, equipment's, etc.)						
	Civil works & Erection						
	Testing & commissioning						
	Any other Activities for time over-run , if any						

- 8. The Commission directed the Respondents to file their reply by 4.8.2020 and the Petitioner to file rejoinder, if any, by 11.8.2020. The Commission also directed the parties to comply with the directions within the specified timelines and further observed that no extension of time shall be granted.
- 9. Subject to the above, the Commission reserved the order in the petition.

By order of the Commission

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

