

**CENTRAL ELECTRICITY REGULATORY COMMISSION
New Delhi**

Petition No. 593/TT/2025

Coram:

**Shri Ramesh Babu V., Member
Shri Harish Dudani, Member**

Date of Order: 30.03.2026

In the matter of:

Approval under Section 62 read with Section 79 (1) (d) of the Electricity Act, 2003 and under Regulation 15 (1) (a) and Regulation 23 of the Central Electricity Regulatory Commission (Conduct of Business) Regulations, 2023 read with the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2019 and the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2024 for trueing up of the transmission tariff for the 2019-24 tariff period and the determination of the transmission tariff for the 2024-29 tariff period for the Combined Asset under "System Strengthening-XXIV" in the Southern Region.

And in the matter of:

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

...Petitioner

Versus

- 1. Tamil Nadu Generation and Distribution Corporation Limited,**
NPKRR Maaligai, 800, Anna Salai,
Chennai – 600 002.
- 2. Kerala State Electricity Board Limited,**
Vaidyuthi Bhavanam, Pattom,
Thiruvananthapuram – 695 004.
- 3. Electricity Department, Government of Goa,**
Vidyuti Bhawan, Panaji, Goa – 403 001.
- 4. Electricity Department, Government of Pondicherry,**
137, Netaji Subash Chandra Bose Salai,
Pondicherry – 605 001.
- 5. Eastern Power Distribution Company of Andhra Pradesh Limited,**
P&T Colony, Seethmmadhara, Vishakhapatnam, Andhra Pradesh.



6. **Southern Power Distribution Company of Andhra Pradesh Limited,**
#19-13-65/A, Srinivasapuram, Tiruchanoor Road,
Tirupati – 517 503, Andhra Pradesh.
7. **Andhra Pradesh Central Power Distribution Company Limited,**
Corporate Office, Beside Polytechnic College, ITI Road,
Vijayawada – 520 008, Krishna District, Andhra Pradesh.
8. **Southern Power Distribution Company of Telangana Limited,**
6-1-50, Corporate Office, Mint Compound,
Hyderabad – 500 063, Telangana.
9. **Northern Power Distribution Company of Telangana Limited,**
H. No 2-5-3 1/2, Vidyut Bhawan, Corporate Office, Nakkal Gutta,
Hanamkonda, Warangal – 506 001, Telangana.
10. **Bangalore Electricity Supply Company Limited,**
Corporate Office, K R Circle,
Bangalore – 560 001, Karnataka.
11. **Gulbarga Electricity Supply Company Limited,**
Corporate Office, Station Main Road, Opposite Parivar Hotel,
Gulbarga (Kalburgi), Karnataka – 585 102.
12. **Hubli Electricity Supply Company Limited,**
Navanagar, PB Road, Hubli, Karnataka- 580 025
13. **Mangalore Electricity Supply Company Limited,**
Corporate Office, 1st Floor, MESCOM Bhavan,
Kavoor Cross Road, Bejai, Mangalore – 575 004, Karnataka
14. **Chamundeswari Electricity Supply Corporation Limited,**
Corporate Office, #29, Vijayanagara 2nd Stage, Hinkal,
Mysuru - 570 017

...Respondents

Parties Present:

Shri Zafrul Hasan, PGCIL
Shri Angaru Naresh Kumar, PGCIL
Shri Arjun Malhotra, PGCIL
Shri Mukesh Bhakar, PGCIL
Shri Piyush Awvasthi, PGCIL
Shri G. Vijay, PGCIL

ORDER

The instant Petition has been filed by Power Grid Corporation of India Limited (hereinafter referred to as “the Petitioner / PGCIL”), for truing-up of the transmission tariff



for the 2019-24 tariff period under the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2019 (hereinafter referred to as “the 2019 Tariff Regulations”), and for the determination of the transmission tariff for the 2024-29 tariff period under the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2024 (hereinafter referred to as “the 2024 Tariff Regulations”), with respect to the following assets (hereinafter referred to as “the transmission assets/Combined Asset”) under the “System Strengthening-XXIV” (hereinafter referred to as the “Transmission Project”) in the Southern Region:

Asset No.	Asset Name
Asset-A	LILO of Kurnool-Thiruvalam 765 kV D/C line along with bays and equipment at the 765/400 KV at Cuddapah Sub-station and establishment of the 765/400 kV Sub-station at Cuddapah with 2x1500 MVA transformer (GIS) along with associated bays and 2x240 MVAR bus reactors at the Cuddapah GIS Sub-station
Asset-B	400 kV D/C line from Cuddapah GIS to LILO point of NP Kunta portion of Cuddapah-Hindupur 400 kV D/C line along with bays and equipment at Cuddapah GIS
Asset-C	400 kV D/C line from LILO point of NP Kunta to Hindupur Sub-station along with 2 Nos. 400 kV bays and 2x80 MVAR switchable line reactor and 2 nos. 400 kV line bays at Hindupur Sub-station

2. The Petitioner has made the following prayers in the instant Petition:

- a) *“Approve the trued-up Transmission Tariff for 2019-24 block and transmission tariff for 2024-29 block for the assets covered under this petition, as per para 14 and 15 above.*
- b) *Admit the capital cost claimed and additional capitalization incurred during 2019-24 (arbitral award) and also allow the projected additional capitalization during 2024-29.*
- c) *Allow the petitioner to recover the shortfall or refund the excess Annual Fixed Charges, on account of Return on Equity due to change in applicable Minimum Alternate/Corporate Income Tax rate as per the Income Tax Act, 1961 (as amended from time to time) of the respective financial year directly without making any application before the Commission as provided in Tariff Regulations 2019 and Tariff Regulations, 2024 as per para 14 and 15 above for respective block.*
- d) *Approve the reimbursement of expenditure by the beneficiaries towards petition filing fee, and expenditure on publishing of notices in newspapers in terms of Regulation 94 (1) Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2024, and other expenditure (if any) in relation to the filing of petition.*
- e) *Allow the petitioner to bill and recover RLDC fees & charges and Licensee fee separately from the respondents in terms of Regulation 94 (3) and (4) Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2024.*
- f) *Allow the petitioner to bill and adjust impact on Interest on Loan due to change in Interest rate on account of floating rate of interest applicable during 2024-29 period, if*



- any, from the respondents.
- g) *Allow the petitioner to file a separate petition before the Commission for claiming the overall security expenses and consequential IOWC on that security expenses as mentioned at para 21 above.*
- h) *Allow the petitioner to file a separate petition before the Commission for claiming the overall insurance expenses and consequential IOWC on that insurance expenses as mentioned at para 21 above.*
- i) *Allow the petitioner to file a separate petition before the Commission for claiming the overall capital spares at the end of tariff block as per actual as mentioned at Para 21 above.*
- j) *Allow the petitioner to claim expenses of CTUIL borne by POWERGRID through a separate petition as mentioned at para 22 above.*
- k) *Allow the Petitioner to bill and recover GST on Transmission Charges separately from the respondents, if GST on transmission is levied at any rate in future. Further, any taxes including GST and duties including cess etc. imposed by any statutory/Govt./municipal authorities shall be allowed to be recovered from the beneficiaries.*

and pass such other relief as the Commission deems fit and appropriate under the circumstances of the case and in the interest of justice.”

Background

3. The brief facts of the case are as under:

- a) The Investment Approval (the IA) for the implementation of the Transmission Project was accorded by the Board of Directors (BoD) of the Petitioner's Company on 12.1.2016 and communicated vide Memorandum No. C/CP/SRSS-XXIV dated 14.1.2016 at an estimated cost of ₹145547 lakh including IDC of ₹8850 lakh based on the August 2015 price level.
- b) As per the IA, the entire scope of work is completed and covered under the instant transmission project is as under:

Transmission Line:

- i. LILO of Kurnool-Thiruvalem 765 kV D/C line at Cuddapah-92 km;
- ii. Cuddapah-Hindupur 400 kV (Quad) D/C line- 166.3 km.

Sub-station:

- i. Cuddapah 765/400 kV Sub-station.



765 kV

- i. Establishment of the 765/400 kV sub-station at Cuddapah with 2x1500 MVA Transformers (GIS);
- ii. 765 kV ICT bays: 2 Nos.;
- iii. 765 kV line bays: 4 Nos.;
- iv. 765 kV bus reactor bays: 2 Nos.;
- v. 2x240 MVAR bus reactors at Cuddapah Sub-station.

400 kV

- i. 400 kV ICT bays: 2 Nos;
- ii. 400 kV line bays: 2 Nos.

Hindupur 400 kV Sub-station (Sub-station to be implemented by APTRANSCO)

- i. 2x80 MVAR switchable line reactors;
- ii. 400 kV line bays: 2 Nos.;
- iii. 400 kV switchable line reactor bays: 2 Nos.

c) As per the IA dated 12.1.2016, the transmission assets were scheduled to be put into commercial operation within 30 months from the date of IA, i.e., by 11.7.2018. the details of the scheduled date of commercial operation (SCOD), date of commercial operation (COD) of the transmission assets along with time over-run of the transmission assets covered in the instant Petition are as under:

Asset No	Asset Name	COD	Time Over-run
Asset-A	LILO of Kurnool-Thiruvalam 765 kV D/C line along with bays and equipment at 765/400 KV at Cuddapah Sub-station and establishment of 765/400 kV Sub-station at Cuddapah with 2x1500 MVA transformer (GIS) along with associated bays and 2x240 MVAR bus reactors at Cuddapah GIS Sub-station	25.10.2018	106 days
Asset-B	400 kV D/C line from Cuddapah GIS to LILO point of NP Kunta portion of Cuddapah-Hindupur 400 kV D/C line along with bays and equipment at Cuddapah GIS	4.8.2018	24 days
Asset-C	400 kV D/C line from LILO point of NP Kunta to Hindupur Sub-station along with 2 nos. 400 kV bays and 2x80 MVAR switchable line reactor and 2 nos. 400 kV line bays at Hindupur Sub-station	12.10.2018	93 days

d) The Commission, vide its order dated 29.7.2019 in Petition No. 257/TT/2018, had allowed the transmission tariff for the transmission assets from its

