

**KERALA STATE ELECTRICITY REGULATORY COMMISSION  
THIRUVANATHAPURAM**

**Present : Shri. Preman Dinaraj, Chairman**

**OP. No. 11/ 2018**

In the matter of : Petition for grant of 'in principle' approval in accordance with the provisions under Regulation 56 of the KSERC (Terms and Conditions of Tariff) Regulations, 2014, for the long term transmission plan, Transgrid 2.0, proposed to be executed in two phases during the period 2016- 21.

Petitioner : Chief Engineer (Commercial & Tariff), Kerala State Electricity Board Limited, Pattom, Thiruvananthapuram.

**Order No. 1741/ DD (T)/ 2016/ KSERC dated 20.10.2020**

1. KSEBL filed a petition dated 19.10.2016, for 'in principle approval' of the Long Term Transmission Plan, Transgrid 2.0, to be executed during the period 2016- 2021. The plan consisted of 87 Nos Transmission Projects with a total project cost outlay of Rs. 9425.37 Crores. The Commission registered the petition as OP. No. 11/ 2018.
2. Based on the preliminary scrutiny of the petition, the Commission vide letter dated 12.05.2017, sought additional information/ clarification from KSEBL on matters such as; Estimate, Cost – Benefit analysis, Financial analysis, Phasing of Investment, Sensitivity analysis, Effect on Transmission charges, Source of funds/ Grants etc. The Commission held a consultative meeting with the Senior Officials of KSEBL in the Commission Office on 25.05.2017, on the proposed plan and asked KSEBL to provide the details/ information sought by 30.06.2017.
3. Vide the letters dated 07.10.2017, 20.11.2017 & 09.03.2018, KSEBL provided some of the details of PSDF grant and the estimates of a few schemes. Also informed that the source of funds for the major projects will be through KIIFB.
4. Another meeting was held on 20.02.2018 with the Senior Officials of KSEBL, in the Office of the Commission. Based on the decision in the meeting, KSEBL vide letter dated 15.03.2018 informed that Sri. Santhosh. K, Deputy Chief Engineer is nominated as the Officer in charge, to provide the details to the Commission.

5. The Commission, vide letter dated 27.03.2018 sought more clarifications on the proposal and on the details provided. Meanwhile, the Commission published 'the (Terms and Conditions for Determination of Tariff) Regulations, 2018', in the Official Gazette dated 26.10.2018, for the new MYT Control period (2018-2022). Based on the new MYT Regulations, KSEBL filed the petition, 'for the approval of ARR & ERC and Tariff proposal' for the control period (2018-2022), on 31.10.2018. As Part II of this petition, 'the Capital Investment Plan' for the new Control period was also included, as stipulated in the MYT Regulations. The Commission registered the petition as OA. No. 15/ 2018, and vide Order dated 08.07.2019, approved 'the ARR & ERC and Tariff' for the new Control Period.
6. The 'Capital Investment Plan', provided as Part II of the Petition dated 31.10.2018, details the Capital works intended to be executed by KSEBL during the new control period upto March 2022. The projects provided in the Transmission Plan of this petition (Part II), include most of the Transmission projects envisaged in the Petition dated 19.10.2016, such as Transgrid 2.0 projects, Other Transmission development works in the State and the SLDC works etc. Vide this petition; KSEBL had proposed GFA addition of Rs.5774.85 Crores for SBU-T and Rs. 311.31 Crores for SLDC, totaling Rs.6086.16 Crores, for the Control Period.
7. The Commission, after preliminary examination of the proposals in 'the ARR & ERC and Tariff proposal' for the Control Period 2018-19 to 2021-22, provisionally approved Rs.3347.23 Crores towards the ongoing and new Capital works of SBU-T and Rs. 289.45 Crores towards SLDC Capital works, totaling Rs. 3636.68 Crores in the transmission sector. These amounts were approved for the purpose of determining depreciation, interest on loan etc.
8. In order to get the proposals appropriately assessed vis-a- vis the estimates, cost benefit analysis, impact on tariff etc., the Commission after due process, entrusted this task to a Consultant. The Report of the Consultant has since been received, but due to the 'COVID-19' pandemic, the public hearing has been delayed.
9. The Commission is however in the process of sorting out this difficulty and will be proceeding with the finalization of 'Part II – Capital Investment Plan' for the new control period (2018-2022), after due stakeholder consultation and hearing. As such, the petition dated 19.10.2016 filed by KSEBL has no more relevance, in view of the provisions in the MYT Regulations for the Control Period (2018-2022), and hence the petition has become 'Infructuous'.

10. In view of the above, the Commission hereby orders that the petition filed by KSEBL on 19.10.2016 and registered as OP. No. 11/ 2018 has become 'Infructuous' and is disposed of accordingly.

sd/-

**Preman Dinaraj**  
**Chairman**

Approved for issue,

C.R.Satheesh Chandran  
Secretary i/c