



# **TAMIL NADU ELECTRICITY REGULATORY COMMISSION**

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Approval of True Up for the period from FY 2016-17 to FY  
2020-21 and Annual Performance Review for the FY 2021-22;  
Approval of Aggregate Revenue Requirement for the period  
from FY 2022-23 to FY 2026-27  
and  
Determination of Intra-State Transmission Tariff and other  
related charges for FY 2022-23 to FY 2026-27

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**Order No. 08 of 2022 in T.P. No. 2 of 2022 dated 09/09/2022**

(effective from 10/09/2022)



**TAMIL NADU ELECTRICITY REGULATORY COMMISSION**

(Constituted under Section 82(1) of Electricity Act, 2003)

(Central Act 36 of 2003)

PRESENT

Thiru M. Chandrasekar – Chairman

Thiru K. Venkatesan – Member

Order No. 08 of 2022 in T.P. No. 2 of 2022 dated 09/09/2022

**In the matter of: Approval of True Up for the period from FY 2016-17 to FY 2020-21 and Annual Performance Review for the FY 2021-22; Approval of Aggregate Revenue Requirement for the period from FY 2022-23 to FY 2026-27 and Determination of Intra-State Transmission Tariff and other related charges for FY 2022-23 to FY 2026-27**

In exercise of powers conferred by clause (b) of sub-section (1) of Section 62 and Clause (a) of sub-section (1) of Section 86 of the Electricity Act, 2003 (Central Act 36 of 2003) and all other powers hereunto enabling in that behalf and after considering the views of the State Advisory Committee meeting held on 11/08/2022 and after considering suggestions and objections received from the public during the public hearings held on 16/08/2022, 18/08/2022 & 22/08/2022, as per sub-section (3) of Section 64 of the said Act, the Tamil Nadu Electricity Regulatory Commission (Commission) hereby passes this Order for Approval of Final True Up for the period from FY 2016-17 to FY 2019-20, Provisional True-Up for the FY 2020-21 and Annual Performance Review for the FY 2021-22; Approval of Aggregate Revenue Requirement for the period from FY 2022-23 to FY 2026-27 and Determination of Intra-State Transmission Tariff and other related charges for the period from FY 2022-23 to FY 2026-27.

This Order shall take effect on and from 10/09/2022.

Sd/-  
(K. Venkatesan)  
Member

Sd/-  
(M. Chandrasekar)  
Chairman

(By Order of the Commission)

  
(Dr. C. Veeramani)  
Secretary

**LIST OF ABBREVIATIONS**

A&G	Administration and General Expenses
ABC	Aerial Bunched Cables
AMR	Automatic Meter Reading
APTEL	Appellate Tribunal for Electricity
APR	Annual Performance Review
ARR	Aggregate Revenue Requirement
ATC	Allotted Transmission Capacity
C&AG	Comptroller & Auditor General of India
CAG	Civic Action Group
CAGR	Compounded Annual Growth Rate
CERC	Central Electricity Regulatory Commission
CGS	Central Generating Station
CIP	Capital Investment Plan
CONFET	Consumer Federation Tamil Nadu
COD	Date of Commercial Operation
COS	Cost of Supply
CPP	Captive Power Plant
CPS	Contributory Pension Scheme
CSD	Consumer Security Deposit
CSS	Cross Subsidy Surcharge
CTU	Central Transmission Utility
CWIP	Capital Work in Progress
DA	Dearness Allowance
EA	Electricity Act
EHV	Extra High Voltage
FERV	Foreign Exchange Rate Variation

FRP	Financial Restructuring Plan
FY	Financial Year
GFA	Gross Fixed Assets
G.O.	Government Order
GPF	General Provident Fund
GoI	Government of India
GoTN	Government of Tamil Nadu
HT	High Tension
HUDCO	Housing and Urban Development Corporation
HVDS	High Voltage Distribution System
IDC	Interest During Construction
IEGC	Indian Electricity Grid Code
IPP	Independent Power Producer
IWPA	Indian Wind Power Association
IoWC	Interest on Working Capital
JICA	Japan International Co-operation Agency
kWh	kilo-Watt hour
LIC	Life Insurance Corporation of India
LT	Low Tension
LTOA	Long Term Open Access
LV	Low Voltage
MTOA	Medium Term Open Access
MU	Million Units
MW	Mega-Watt
MYT	Multi-Year Tariff
NABARD	National Bank for Agriculture and Rural Development
O&M	Operation & Maintenance

PFC	Power Finance Corporation Limited
PLF	Plant Load Factor
PoC	Point of Connection
PPA	Power Purchase Agreement
R&M	Repairs & Maintenance
RE	Renewable Energy
REC	Renewable Energy Certificate
RoE	Return on Equity
SBI PLR	State Bank of India Prime Lending Rate
SLDC	State Load Despatch Centre
STOA	Short Term Open Access
STU	State Transmission Utility
T&D	Transmission & Distribution
TANGEDCO	Tamil Nadu Generation and Distribution Corporation Ltd.
TANTRANSCO	Tamil Nadu Transmission Corporation Ltd.
TASMA	Tamil Nadu Spinning Mills Association
TNEB	Tamil Nadu Electricity Board
TNERC	Tamil Nadu Electricity Regulatory Commission
TO	Tariff Order
TP	Tariff Policy
UoM	Unit of Measurement

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# 1 Introduction

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## 1.1 Preamble

- 1.1.1 Consequent to the enactment of the Electricity Regulatory Commissions Act, 1998 (Central Act 14 of 1998), the Government of Tamil Nadu (GoTN) constituted the Tamil Nadu Electricity Regulatory Commission (TNERC or Commission) vide G.O.Ms. No.58, Energy (A1) Department, dated March 17, 1999.
- 1.1.2 The Commission issued its first Tariff Order under Section 29 of the Electricity Regulatory Commissions Act, 1998, on 15-03-2003 based on the Petition filed by the erstwhile Tamil Nadu Electricity Board (TNEB) on September 25, 2002.
- 1.1.3 The Electricity Regulatory Commissions Act, 1998 was repealed and the Electricity Act, 2003 (Central Act 36 of 2003) (hereinafter referred as “the EA, 2003” or “the Act”) was enacted with effect from June 10, 2003.
- 1.1.4 The Commission notified the Tamil Nadu Electricity Regulatory Commission (Terms and Conditions for Determination of Tariff) Regulations, 2005 (hereinafter called Tariff Regulations) on 24/06/2005 under Section 61 read with Section 181 of the Act.
- 1.1.5 The Commission issued its first Order (Order No. 2 of 2006) on Transmission Charges, Wheeling Charges, Cross Subsidy Surcharge (CSS) and Additional Surcharge on May 15, 2006, based on the Petition filed by the erstwhile TNEB on September 26, 2005 under Section 42 of the Act.
- 1.1.6 The Commission notified the TNERC (Terms and Conditions for Determination of Tariff for Intra-State Transmission/Distribution of Electricity under MYT Framework) Regulations, 2009 (herein after called MYT Regulations) on February 11, 2009 w.e.f. March 11, 2009.
- 1.1.7 Subsequently, TNEB filed an Application for determination of Aggregate Revenue Requirement (ARR) with Tariff for all functions on January 18, 2010, which was admitted by the Commission after initial scrutiny on February 9, 2010. The Commission issued its second Retail Tariff Order (Order No. 3 of 2010) on July 31, 2010, in which the annual Transmission Charges were also determined.
- 1.1.8 The erstwhile TNEB was formed as a statutory body by GoTN on July 1, 1957 under the Electricity (Supply) Act, 1948. TNEB was primarily responsible for generation, transmission, distribution and supply of electricity in the State of Tamil Nadu.
- 1.1.9 GoTN, vide G.O (Ms) No. 114 Energy Department, dated October 8, 2008 accorded in principle approval for the re-organisation of TNEB by establishment of a holding company, namely TNEB Ltd. and two subsidiary companies, namely Tamil Nadu Transmission Corporation Ltd. (hereinafter referred as TANTRANSCO or the Petitioner)) and Tamil Nadu Generation and Distribution Corporation Ltd. (hereinafter

referred as TANGEDCO) with the stipulation that the aforementioned Companies shall be fully owned by the Government.

- 1.1.10 TANTRANSCO was incorporated on June 15, 2009 and started functioning as such with effect from November 1, 2010. Post restructuring, TANTRANSCO was provided with the function of transmission of electricity in the State of Tamil Nadu. Being STU, TANTRANSCO has been vested with the functions of State Load Dispatch Centre till further orders of the GoTN from the date of transfer.
- 1.1.11 Subsequent to the filing of Tariff Petition by TANTRANSCO for determination of Intra-State Transmission Tariff for FY 2012-13, the Commission scrutinized and reviewed the same. After a thorough review, the second Order (Order No. 2 of 2012) of the Commission on Intra-State Transmission Tariff and other related charges was passed on March 30, 2012.
- 1.1.12 TANTRANSCO filed its Application before the Commission for determination of Intra-State Transmission Tariff for FY 2013-14. Based on the Petition and after considering views of the State Advisory Committee and the public, the Commission passed the third Order on June 20, 2013 and directed TANTRANSCO to file a separate Petition for SLDC's ARR in accordance with the Tariff Regulations.
- 1.1.13 Subsequently, in the event of TANTRANSCO not filing the ARR and Tariff Petition for FY 2014-15, the Commission initiated Suo-motu proceedings for tariff determination in accordance with Section 64 of the Act. After a thorough review of the available information, the fourth Order of the Commission on determination of Intra-State Transmission Tariff and other related Charges was passed on December 11, 2014.
- 1.1.14 TANTRANSCO filed a Petition for True-up for the period from FY 2011-12 to FY 2015-16 and approval of Aggregate Revenue Requirement (ARR) for the Control Period from FY 2016-17 to FY 2018-19 and determination of Intra-State Transmission Tariff for FY 2017-18. This was processed and approved as the fifth Order of the Commission on determination of Intra-State Transmission Tariff and other related Charges, passed on 11<sup>th</sup> August 2017.
- 1.1.15 The current tariff proceedings commence from the filing of Petition by TANTRANSCO, for Approval of True Up for the period from FY 2016-17 to FY 2020-21 and Annual Performance Review for the FY 2021-22; Approval of Aggregate Revenue Requirement for the period from FY 2022-23 to FY 2026-27 and Determination of Intra-State Transmission Tariff and other related Charges for the period from FY 2022-23 to FY 2026-27. After thorough review of the available information, this sixth Order of the Commission on determination of Intra-State Transmission Tariff and other related Charges is passed.

## **1.2 The Electricity Act, 2003, Tariff Policy and Regulations**

- 1.2.1 Section 61 of the Act stipulates the guiding principles for determination of Tariff by the Commission and mandates that the Tariff should 'progressively reflect cost of supply of

electricity’, ‘reduce cross-subsidy’, ‘safeguard consumer interest’ and ‘recover the cost of electricity in a reasonable manner’, as reproduced below:

*“Section 61. (Tariff regulations):*

*The Appropriate Commission shall, subject to the provisions of this Act, specify the terms and conditions for the determination of tariff, and in doing so, shall be guided by the following, namely:-*

- (a) the principles and methodologies specified by the Central Commission for determination of the tariff applicable to generating companies and transmission licensees;*
- (b) the generation, transmission, distribution and supply of electricity are conducted on commercial principles;*
- (c) the factors which would encourage competition, efficiency, economical use of the resources, good performance and optimum investments;*
- (d) safeguarding of consumers’ interest and at the same time, recovery of the cost of electricity in a reasonable manner;*
- (e) the principles rewarding efficiency in performance;*
- (f) multi-year tariff principles;*
- (g) ...*
- (h) ...*
- (i) the National Electricity Policy and tariff policy:”*

1.2.2 Section 62 (1) of the Act enables the Commission to determine the transmission tariff, which stipulates as under:

*“Section 62(1):*

- 1. The Appropriate Commission shall determine the tariff in accordance with provisions of this Act for*
- a. ... ..*
- b. transmission of electricity;*
- c. wheeling of electricity;*
- ... ..”*

1.2.3 Similarly, the objectives stipulated in the Tariff Policy 2016 are as under:

*“4.0 Objectives of the Policy*

*The objectives of this tariff policy are to:*

- a. *Ensure availability of electricity to consumers at reasonable and competitive rates;*
- b. *Ensure financial viability of the sector and attract investments;*
- c. *Promote transparency, consistency and predictability in regulatory approaches across jurisdictions and minimise perceptions of regulatory risks;*
- d. *Promote competition, efficiency in operations and improvement in quality of supply.*
- e. ...
- f. ...
- g. ...
- h.
- i. ..”

1.2.4 The Principles of tariff setting as specified in the TNERC (Terms and Conditions for Determination of Tariff) Regulations, 2005 are reproduced below:

*“4. Tariff setting principles*

*The Commission, while determining the tariff, shall be guided by the following factors:-*

*i. The guidelines outlined in Section 61 of the Act which reads as:*

*“The Appropriate Commission shall, subject to the provisions of this Act, specify the terms and conditions for the determination of tariff, and in doing so, shall be guided by the following, namely:-*

*a. the principles and methodologies specified by the Central Commission for determination of the tariff applicable to generating companies and transmission licensees;*

*b. ...*

*c. ...*

*d. ...*

*e. ...*

*f. ...*

*g. ...*

*h. ...*

*i. the National Electricity Policy and tariff policy:”*

*ii. Rationalisation of tariff*

*iii. Avoidance of tariff shock to any category while setting the tariff to progressively reflect the cost.*

*iv. Consideration of minimum level of support required to make electricity affordable for household of very poor category.*

*v. In the process of determining tariff to progressively reflect the cost to serve each category, the Commission may endeavour to see that tariff to any category of consumers does not exceed 150% of the cost of supply and also is not less than 50% of the cost of supply.*

*vi. Adequate payment security arrangements like Letter of credit shall be ensured to Generating Companies.*

*vii. The Generating Companies shall be allowed to sell to other buyers without losing their claim on committed capacity charges in case of under recovery of these charges from alternate sales.*

*viii. For new Generating Stations, a significant part of the capacity shall be made available (as free capacity) to be sold through trading markets and the remaining capacity only shall be contracted through Power Purchase Agreement.*

*ix. The new Power Purchase Agreement shall have appropriate clauses to ensure that the contracts can be modified to align them with the emerging market structures.*

*x. The linkage of Power Purchase Agreement terms to loan tenor shall be progressively de-emphasized as the electricity markets and trading arrangements provide alternate avenues to developers for selling their output.”*

- 1.2.5 In the State of Tamil Nadu, Tamil Nadu Electricity Regulatory Commission in exercise of powers vested in it under the Electricity Act, 2003 (the Act) passes the Tariff Orders.

### **1.3 Petition Filing**

- 1.3.1 TANTRANSCO has made the following submission relating to how it has segregated data relating to it and SLDC:

*This petition contains the trueing-up of the ARR for FY 2016-17 and the figures of which are based on the audited accounts for the FY 2016-17. The annual statement of accounts of TANTRANSCO has been prepared and audited for FY2017-18, FY2018-19 and FY 2019-20. However, as per the Order of TNERC in T.P.No:3 of 2017 dated 11.08.2017 for SLDC function, the opening balance sheet as on 1.4.2017 has been prepared for SLDC function separately. A separate Profit & Loss account for the FY 2017-18, FY 2018-19 and FY 2019-20 has been prepared for SLDC*

*function separately. Hence the bifurcated figures of annual accounts for the FY 2017-18, FY 2018-19 and FY 2019-20 (SLDC adjusted) for TANTRANSCO is the basis for the True-up of the FY 2017-18, FY 2018-19 and FY 2019-20. The ARR for the FY 2020-21 has been considered as per the provisional annual statement of Accounts and for FY 2021-22 have been projected based on the provisional figures and past performance and expected growth in each cost element and revenue for the ensuing years. TANTRANSCO has studied the past trends and other internal and external developments to estimate the projections for FY 2022-23 to FY 2026-27.*

1.3.2 TANTRANSCO has also clarified further on the below aspects:

*(i) The figures of bifurcated accounts between State Load Despatch Centre & TANTRANSCO for the FY 2020-21 have been considered for creation of baseline data for FY 2021-22 against various heads.*

*(ii) Escalation Factors have been considered for projection as per TNERC Tariff Regulations, 2005*

*(iii) TANTRANSCO has claimed the depreciation on the total book value of the assets and has not claimed any depreciation on the revalued assets.*

*(iv) Considering the debt profile allotted to TANTRANSCO, it has claimed the total actual interest in line with the accounts.*

1.3.3 The Commission had reviewed the data available thoroughly and have undergone public consultations regarding the Petition filed by TANTRANSCO. After undertaking due process, the Commission hereby passes its sixth Tariff Order for TANTRANSCO, which deals with Approval of True Up for the period from FY 2016-17 to FY 2020-21 and Annual Performance Review for the FY 2021-22; Approval of Aggregate Revenue Requirement for the period from FY 2022-23 to FY 2026-27 and Intra-State Transmission Tariff and other related Charges for the period from FY 2022-23 to FY 2026-27.

## **1.4 Procedure Adopted**

1.4.1 Regulation 7 (2) of the TNERC (Terms and Conditions for Determination of Tariff) Regulations, 2005 specifies as under:

*“The applicant shall publish, for the information of public, the contents of the application in an abridged form in English and Tamil newspapers having wide circulation and as per the direction of the Commission in this regard. The copies of Petition and documents filed with the Commission*



*shall also be made available at a nominal price, besides hosting them in the website.”*

- 1.4.2 TANTRANSCO has published the Public Notice on the abridged version of the petition in the following newspapers on 22/07/2022.
- The Hindu (English Newspaper)
  - Times of India (English Newspaper)
  - Dina Thanthi (Tamil Newspaper)
  - Dina Karan (Tamil Newspaper)
- 1.4.3 TANTRANSCO published the copy of the Petition on their website. The written suggestions/objections/comments from the stakeholders were invited by 24/08/2022.
- 1.4.4 The Commission has provided sufficient time to Stakeholders for submission of written comments and suggestions on the Petition filed by TANTRANSCO. The last date for submission of written comments and suggestions was 18/08/2022. Additional time of 7 days were permitted to be stakeholders i.e., 24/08/2022. However, the comments received upto 02/09/2022 were considered by the Commission.
- 1.4.5 The Petition was placed before the State Advisory Committee on August 11, 2022. The list of Members who attended the State Advisory Committee meeting is placed as **Annexure I**.
- 1.4.6 The list of stakeholders who have submitted objections/suggestions/views regarding the Petition in response to the Public Notice is placed as **Annexure II** and the issue wise summary of objections/suggestions/views along with TANTRANSCO’s Replies and the Commission’s ruling on each issue, are included in Chapter 2.
- 1.4.7 The Commission conducted the Public Hearing at the following places on the dates noted against each:

<b>Date and day</b>	<b>Place</b>	<b>Venue</b>
16 August 2022 (Tuesday)	Coimbatore	S.N.R. College Auditorium, Nava India Bus Stop, Avinashi Road, Coimbatore 641 006.
18 August 2022 (Thursday)	Madurai	Lakshmi Sundaram Hall, Thallakulam, Madurai 625 002.
22 August 2022 (Monday)	Chennai	Kalaivanar Arangam, Chennai 600 005.

- 1.4.8 The list of participants in each public hearing, is placed as **Annexure III** to this Order. The objections/suggestions/views raised by the participants are discussed in Chapter 2.

## 1.5 Transfer Scheme

- 1.5.1 The proposal for Assets Transfer and Employee transfer called as Tamil Nadu Electricity Board (Reorganization and Reforms) Transfer Scheme, 2010 was notified by GoTN vide G.O. (Ms) No.100 Energy (B2) Department dated October 19, 2010 with the effective date of implementation as November 1, 2010. Based on the above notification, TNEB was re-organized with effect from November 1, 2010.
- 1.5.2 As per the Transfer Scheme the Provisional period for transfer of Assets was 1 year and for transfer of employees was 3 years. From November 1, 2010 onwards, the services of all the employees of the erstwhile TNEB stood transferred to and absorbed in TANGEDCO on a provisional basis and assigned to the services of the relevant transferee, viz., TANTRANSCO and TNEB Ltd., on deputation on “as-is-where-is” basis until further notice for permanent absorption into respective entities.
- 1.5.3 At the time of issue of Suo-Motu Tariff Order dated December 11, 2014, the Transfer Scheme was not finalised. Therefore, the Commission had stated the following regarding the provisional Transfer Scheme:

*“This Transfer Scheme is provisional and addresses various issues like transfer of assets, revaluation of assets and partly addresses the issue of accumulated losses. This Transfer Scheme envisages deployment of staff of the erstwhile TNEB to TANGEDCO and TANTRANSCO. The Commission in its earlier Tariff Order No. 3 of 2010 dated 31-07-2010 had suggested in line with the National Electricity Policy (para 5.4.3) and Tariff Policy that the accumulated losses should not be passed on to the successor entities and financial restructuring has to be resorted to clean up the Balance Sheet of the successor companies and allow them to start on a clean slate so that the successor entities could start performing better. The statutory advices that have been sent to the Government of Tamil Nadu in this regard are appended as Annexure V. The Commission has also issued a statutory advice with regard to the establishment of a separate Generating Company and establishment of four Distribution Companies so that the performance of these companies can be improved and efficiently monitored, which will enable proper investments and growth of the individual company. This document is appended as Annexure VI.*

*Subsequently, as per the request of TNEB Limited, the second provisional transfer scheme was notified by the State Government vide G.O. (Ms.) No.2, Energy (B2) department, dated 2nd January 2012 with amendment in the restructuring of Balance Sheet of TNEB for the successor entities i.e. TANGEDCO and TANTRANSCO, considering the audited balance sheet of TNEB for FY 2009-10 and it had extended the provisional time for final transfer of assets and liabilities*

*to the successor entities of erstwhile TNEB up to 31st October 2012. The same has been appended as Annexure VII.*

*This Transfer Scheme is also provisional and is subject to revision. The transactions for 7 months i.e. from 1st April 2010 to 30th October, 2010 do not get reflected in the opening balance sheet of the TANGEDCO as specified in the Transfer Scheme.”*

- 1.5.4 GoTN vide the Gazette Notification G.O. (Ms) No. 49 dated August 13, 2015, issued the final Transfer Scheme.

*“In the Government order first read above, Government have notified the Tamil Nadu Electricity (Re-organisation and Reforms) Transfer Scheme, 2010. The erstwhile Tamil Nadu Electricity Board has been reorganized with effect from 01.11.2010, as per the provisions of the Electricity Act, 2003. In the above transfer scheme, the assets and liabilities were segregated based on the available unaudited balance sheet of erstwhile Tamil Nadu Electricity Board as on 31.03.2009 instead of balance sheet as on 31.10.2010 which was not ready at that time and stated that this shall be provisional for a period of one year from the respective date of transfer as per the clause 9(1) of the said scheme (i.e., upto 31.10.2011).*

*Now, the Chairman and Managing Director, Tamil Nadu Generation and Distribution Corporation Limited has stated that as the audited balance sheet as on 31.10.2010 is ready, it is essential to issue notification for the final amendment to the earlier transfer scheme notified in Government Order 2nd read above for giving effect to the transfer of assets and liabilities to successor entities of erstwhile Tamil Nadu Electricity Board as on 01.11.2010.*

*Amendment to the existing Tamil Nadu Electricity (Reorganisation and Reforms) Transfer Scheme, 2010 notified in G.O.Ms.No.100, dated 19.10.2010, subsequently amended in G.O.(Ms.) No.2, Energy (B2) Department, dated 02.01.2012 by issuing Notification for giving effect to transfer of assets and liabilities to successor entities of erstwhile Tamil Nadu Electricity Board Limited as on 01.11.2010 be issued.*

*The Notification appended to this order will be published in the Tamil Nadu Government Gazette, Extraordinary, dated 13.08.2015.”*

- 1.5.5 The transfer value of the Fixed Assets forming part of Schedules A, B and C of the respective Transferees have been done at book values, excluding the land, buildings, plant and machineries, lines, cables and network, which are revalued based on the guideline value resulting into Revaluation Reserve of Rs. 7164 Crore for TANTRANSCO.
- 1.5.6 Post restructuring, TANTRANSCO as per the Notification was provided with the function of transmission of electricity in the State of Tamil Nadu. TANTRANSCO has

been vested with the State Load Despatch functions till further orders of the State Government from the date of transfer.

1.5.7 TANTRANSCO has submitted the impact of the Final Transfer Scheme as under:

- a. For the Purpose of Return on Equity, Equity Capital of Rs. 1506.15 Crore has been considered as per the final Transfer Scheme.
- b. Long Term Loan has been considered as Rs. 12695 Crore in line with the notified Balance Sheet and interest has been calculated on actual basis as accrued from November 1, 2010 to March 31, 2011 and the differential treatment between provisional and final Transfer Scheme has been adjusted in FY 2015-16. Some of the generic loans such as bonds, loan from HUDCO, LIC, Tamil Nadu Powerfin and Medium-Term Loan were availed by erstwhile TNEB and have been considered as the long-term loan of TANTRANSCO.
- c. The allocation of fixed assets and Loans are similar and have been transferred under the Final Transfer scheme resulting in additional burden of the debt obligation on TANTRANSCO.
- d. The transfer value of the fixed assets is determined based on revenue potentials of the asset and in line with the provisions of the Act.
- e. The Opening Balance Sheet of TANTRANSCO includes assets and liabilities of SLDC.
- f. The impact of the final Transfer Scheme has been carried out under prior period items in FY 2015-16.

## **1.6 Unbundling of TNEB**

1.6.1 TNEB was unbundled on November 1, 2010. Consequently, it started functioning as two separate entities namely, TANGEDCO and TANTRANSCO. While TANGEDCO was made responsible for Generation and Distribution functions, TANTRANSCO was made responsible for transmission activities within the State.

1.6.2 The Commission in its Tariff Orders dated July 31, 2010, March 30, 2012, June 20, 2013 and December 11, 2014 had indicated that the accumulated losses up to the date of unbundling will have to be dealt with in accordance with the National Electricity Policy and Tariff Policy. The Commission had also clearly indicated that any losses incurred after November 1, 2010 only are being dealt with in various Tariff Orders subsequent to Unbundling.

1.6.3 The approach followed by the Commission to treat the Revenue Gap has been discussed in Chapter 5 of this Order.

## **1.7 Brief Note on Public Hearing**

- 1.7.1 The Commission has noted the various views expressed by stakeholders both in the written comments submitted to the Commission as well as the concerns expressed during the Public Hearings.
- 1.7.2 Various suggestions and objections that were raised on the TANTRANSCO's Petition after the issuance of the Public Notice, both in writing as well as during the Public Hearing, and the Commission's views have been detailed in Chapter 2 of this Order.

## **1.8 Applicability of Order**

- 1.8.1 This Order will come into effect on and from 10/092022. The Intra-State Transmission and other Charges determined in this Order will be valid until issue of the next Order.

## **1.9 Layout of the Order**

- 1.9.1 This Order is organized into following Chapters:
- a. **Chapter 1** provides details of the tariff setting process and the approach of the Order;
  - b. **Chapter 2** provides a brief of the Public Hearing process, including the details of comments of various stakeholders and views of the Commission thereon;
  - c. **Chapter 3** provide details/analysis of the true-up of ARR of TANTRANSCO for the period from FY 2016-17 to FY 2019-20;
  - d. **Chapter 4** provide details/analysis of provisional true-up of the ARR of TANTRANSCO for FY 2020-21 and Annual Performance Review (APR) for FY 2021-22;
  - e. **Chapter 5** provide details/analysis of the ARR of TANTRANSCO for the period from FY 2022-23 to FY 2026-27;
  - f. **Chapter 6** provides details of determination of Intra-State Transmission and other Charges for the period from FY 2022-23 to FY 2026-27.
- 1.9.2 The Order contains the following Annexures, which are an integral part of the Tariff Order.
- (a) **Annexure I**- The list of participants at the State Advisory Committee
  - (b) **Annexure II**- The list of stakeholders who have submitted written objections/ suggestions/ views in response to the Public Notice.
  - (c) **Annexure III**- The list of participants at each Public Hearing.

## **1.10 Approach of the Order**

- 1.10.1 The Commission has taken into consideration the final Transfer Scheme notified by GoTN vide G.O. (Ms.) No.49, Energy (B1) department, dated August 13, 2015 with

amendment in the restructuring of Balance Sheet of TNEB for TANGEDCO and TANTRANSCO.

- 1.10.2 The Commission has referred to the Audited Accounts of TANTRANSCO for FY 2016-17 to FY 2019-20 for truing up the expenses in accordance with the Tariff Regulations and MYT Regulations. Based on the prudence check of the expenses and revenue reported in the Audited Accounts of TANTRANSCO, the Commission has arrived at the allowable ARR and revenue recovered by the utility.
- 1.10.3 The Commission had undertaken provisional True up of FY 2020-21 based on provisional accounts and Annual Performance Review of FY 2021-22 based on review of TANTRANSCO's submissions.
- 1.10.4 The impact of True-up for FY 2016-17 to FY 2019-20 and provisional true-up for FY 2020-21 and APR for FY 2021-22, in terms of cumulative Revenue Gap/(Surplus), has been considered as a Regulatory asset and have not been taken into account while determining the Transmission Tariff for FY 2022-23 to FY 2026-27.
- 1.10.5 The Commission has determined the ARR for FY 2016-17 to FY 2019-20 in accordance with the Tariff Regulations and MYT Regulations, past trends observed after final true up and actual figures provided by TANTRANSCO.
- 1.10.6 For the Control Period between FY 2022-23 to FY 2026-27, the Commission has extended the rationale adopted for allowing/disallowing various controllable components of the ARR while truing up of past years, to project the ARR for the Control Period and determine tariff.
- 1.10.7 The Commission has determined the Transmission Tariff based on the methodology adopted in the previous models, and after complying with various Judgments of Hon'ble APTEL.

## **2 Stakeholders' comments, TANTRANSCO's Reply and Commission's View**

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### **2.1 Background**

- 2.1.1 The following Section summarizes the key views/objections/suggestions and requests made by stakeholders. These include submissions received in writing as well as submissions received, and observations made at the Public Hearings held by the Commission at three venues.
- 2.1.2 In this Section, the Commission has addressed the specific views/ objections/ suggestions made by stakeholders on each issue. The general comments is also attached with specific requests made by stakeholders like Indian Wind Power Association (IWPA), National Solar Energy Federation of India (NSEF), Tamil Nadu Power Producers Association (TNPPA), Tamil Nadu Spinning Mills Association (TASMA) to which the Commission has responded. All comments received from the stakeholders have been provided to TANTRANSCO, Chennai for responding. The responses so received have been included under the relevant heads in below table. Therefore, view of each stakeholder has been considered by the Commission and appropriately addressed in this Order.

**Table 2-1: Gist of the Objections of the stakeholders / public, TANTRANSCO's response and the Commission's views**

Sl.No	Name	Comments	Reply
1.	Pandian Chemicals Limited, Madurai	To hike Transmission charges by 255% for non-conventional clean green power produced for captive consumption will result in "Nil " Growth of Non - conventional green power plants such as "wind and sun shine.	TANTRANSCO has filed a Tariff Petition after a period of 5 years.  Even then , taking into account the world wide Covid -19 and recession and to avoid tariff shock to the OA consumers, TANTRANSCO has proposed to recover the ARR for the FY 2022-23 which is less than the estimated ARR for the FY 2022-23.  Further, it is to be mentioned that in order to maintain the existing network of TANTRANSCO and to erect additional transmission network to cater the any additional generating capacity during the financial year 2022-23, the transmission tariff proposed by TANTRANSCO is very much required.
2.	Shri Saampavi Spinning Mills,	<b>Transmission Charges:</b> Proposal to increase the said charges to the tune of 80% is beyond the capacity of the HT consumers, which would affect the very survival of the Industries	
3.	Padma Textile Engineers, Somanur,		
4.	KSD Zonne Energie LLP, Udamalpet,	Do not increase all the charges more than 10 % to 20%	
5	M/s.Swelect Energy Systems Limited	Steep increase such as the one now proposed would give tariff shock	TANTRANSCO has filed a Tariff Petition after a period of 5 years. Even then , taking into account the world wide Covid -19 and recession and to avoid tariff shock to the OA consumers, TANTRANSCO has proposed to recover the ARR for the FY 2022-23 which is less than the estimated ARR for the FY 2022-23.  Further, it is to be mentioned that in order to maintain the existing network of TANTRANSCO and to erect additional transmission network to cater the any additional generating capacity during the financial year 2022-23, the transmission tariff proposed by TANTRANSCO is very much required.
6	M/s.National Solar Energy Federation of India		
7	Indian Wind Power Association	<b>Avoidance of Tariff Shock</b>	
8	M/s.Orient Green Power Company Ltd.	In the Petition, the tariff parameters/different costs sought for by the Licensees are 200 to 400 percent more. The Commission's Regulation 4 of the Tariff Regulation specifies that tariff shock to any category is to be avoided while setting the tariff. We request the Hon'ble Commission to restrict the increase in (and tariff parameters) tariff to any category within the level of maximum of 10%.	
9	Agni Steels P. Ltd	Open Access Charges: The proposed hikes in the open access charges are exorbitant and likely to impact adversely the progressive development of renewable energy segment.	
10	M/s. Tamil Nadu Steel Re-Rollers Council,		



11	Tamil Nadu Power Producers Association	After removing the excess claim, Transmission charges to be calculated.
12	M/s.OPG	
13	M/s.Southern Energy Development Corporation Limited	Steep hike in OA charges
14.	M/s.DCW Limited	The Transmission Charges for LTOA is being increased from Rs.3037.30 /MW/Day to Rs.5388.55 MW/Day and the Transmission Charges for STOA is being increased from Rs.126.55 / MW/Hr. To Rs.224.52 / MW/Hr. The increase is high and may be reduced.
15.	M/s. TASMA	The Tariff Parameters/Different Costs sought for by the Transmission Utility are 200 to 400 percent more. The Commission's Regulation 4 of the Tariff Regulation specifies that tariff shock to any category is to be avoided while setting the tariff. We request the Hon'ble Commission to restrict the increase in(and tariff parameters) tariff to any category within the level of maximum of 10%.
<p><b>Commission's Views:</b> The Commission has taken note of the reply furnished by the TANTRANSCO and the matter has been dealt with appropriately in the relevant Chapter of this Tariff Order.</p>		

1	Indian Wind Power Association	<p>1. Certain repair and replacement activities at Generator connected SSs are not attended timely and generators are advised to attend the repair and replacement on their own. These expenses are to be borne by the Generators only. Now, even repairing of power transformer are carried out by the Generators. Hence, we request TNERC to pass an direction that if the repair and replacements are not done by TANGEDCO/TANTRANSCO within stipulated time, the generators carry out under the supervision of TANGEDCO/TR officials. However, the expenses are to be adjusted in the payment to be made by the respective generators as wheeling charges or transmission Charges.</p> <p>2.TANTRANSCO has sought for a whopping increase in Transmission charges from RS. 3037.30/day/MW to Rs.5388.55/MW/Day an increase of 77% that is from 11 paise to Rs.1.12 per unit.</p>	<p>1. TANTRANSCO would like to inform that TANTRANSCO has been incurring certain amount of R&amp;M expenses towards maintenance of the transmission systems every year.</p> <p>2. Regarding the request to adjust the repair and replacement expenses to be made by the generators if any, the concerned officer will be instructed to carry out the repair and replacement expenses within time by TANTRANSCO itself.</p> <p>3. Further, the transmission tariff has been proposed for revision after 5 years i.e, from 12.66 paise per unit to 22.45 paise per unit only considering the outbreak of Covid and recession in industry.</p> <p>Hence, to meet out the capital and revenue expenses the revision of transmission tariff is very much required.</p>															
2	M/s. The Southern India Mills Association,		<table border="1"> <thead> <tr> <th colspan="2" data-bbox="1317 898 2092 938">Transmission Charges</th> </tr> <tr> <th data-bbox="1317 938 1744 970">Existing</th> <th data-bbox="1744 938 2092 970">Proposed</th> </tr> </thead> <tbody> <tr> <td data-bbox="1317 970 1744 1026">Rs.3037.30 /MW/Day</td> <td data-bbox="1744 970 2092 1026">Rs.5388.58 /MW/Day</td> </tr> <tr> <td colspan="2" data-bbox="1317 1026 2092 1082">For Wind Generators at 50% concessional tariff</td> </tr> <tr> <td data-bbox="1317 1082 1744 1153">Rs. 1518.65 MW/Day</td> <td data-bbox="1744 1082 2092 1153">Rs. 2694.28 /MW/Day</td> </tr> <tr> <td data-bbox="1317 1153 1744 1369">While calculating per unit cost, it works out to =Rs.63.28/ MW/Hr. =Rs.0.06/kWh. (or Rs./unit) =6.33 paise / unit</td> <td data-bbox="1744 1153 2092 1369">While calculating per unit cost, it works out to =Rs.112.26/ MW/Hr. =Rs.0.11/kWh (Rs./or unit) =11.23 paise / unit</td> </tr> <tr> <td colspan="2" data-bbox="1317 1369 2092 1431">Hence, there will be a increase of only 4.9 paise /unit for wind generators.</td> </tr> </tbody> </table>		Transmission Charges		Existing	Proposed	Rs.3037.30 /MW/Day	Rs.5388.58 /MW/Day	For Wind Generators at 50% concessional tariff		Rs. 1518.65 MW/Day	Rs. 2694.28 /MW/Day	While calculating per unit cost, it works out to =Rs.63.28/ MW/Hr. =Rs.0.06/kWh. (or Rs./unit) =6.33 paise / unit	While calculating per unit cost, it works out to =Rs.112.26/ MW/Hr. =Rs.0.11/kWh (Rs./or unit) =11.23 paise / unit	Hence, there will be a increase of only 4.9 paise /unit for wind generators.	
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Rs. 1518.65 MW/Day	Rs. 2694.28 /MW/Day																	
While calculating per unit cost, it works out to =Rs.63.28/ MW/Hr. =Rs.0.06/kWh. (or Rs./unit) =6.33 paise / unit	While calculating per unit cost, it works out to =Rs.112.26/ MW/Hr. =Rs.0.11/kWh (Rs./or unit) =11.23 paise / unit																	
Hence, there will be a increase of only 4.9 paise /unit for wind generators.																		

			<p>2. TANTRANSCO has considered an escalation factor of 5.72% as per the TNERC's amendment to the Terms and Conditions for the Determination of Tariff Regulation, 2005 notified on 13.03.2014.</p> <p>1. As per the APTEL order dated 23rd November 2012 on Appeal No. 91 of 2012, the following procedure has been adopted for arriving at the Allotted Transmission Capacity:</p> <p><i>“For the wind energy generators allotted capacity shall be the installed capacity of the respective generator. On the other hand the transmission capacity allotted to TANGEDCO would be on the basis of sum of net capacity (Installed Capacity less auxiliary consumption) of own generating stations connected to the transmission system, capacity contracted from IPPs, share in central sector stations, etc.,”</i></p> <p>Accordingly, TANTRANSCO has arrived the Allotted Transmission Capacity and the actual ATC as on 31.03.2022 has been considered for arriving the Transmission charges for the FY 2022-23.</p>
<b>Commission’s Views:</b>			
The Commission has taken note of the reply furnished by the TANTRANSCO and the matter has been dealt with appropriately in the relevant Chapter of this Tariff Order.			
1	M/s.Swelect Energy Systems Limited	<b>Adverse Remarks of the Licensee's Auditor:</b> All three petitions have been filed based on the Audited Annual Financial Statements. Several adverse remarks have been made by the Auditors.	TANTRANSCO prepared its Annual Statement of Accounts under IND AS and the Statutory Auditors have issued qualified report for the Annual Statement of Accounts FY 2020-21. TANTRANSCO has completed intercompany reconciliation as on 31.03.2021 and updated the Fixed Asset Register.
2	M/s.National Solar Energy Federation of India		
3	Indian Wind Power Association	The Commission cannot consider the Audit statements of TANTRANSCO which <b>“do not give a true and fair view in</b>	

4	Orient	<b>conformity with accounting principles”</b> as it is and a prudent check of the Accounts is required to be made	TANTRANSCO prepared its Annual Statement of Accounts under IND AS and the Statutory Auditors have issued qualified report for the Annual Statement of Accounts FY 2020-21.
<b>Commission’s Views:</b> The Commission has taken note of the reply furnished by the TANTRANSCO and the matter has been dealt with appropriately in the relevant Chapter of this Tariff Order.			
1	M/s.Swelect Energy Systems Limited	To disallow the claim for RoE inline with the principles as followed in all its previous orders which is correct.	The Hon’ble Commission in its Tariff Order No.2 of 2012, dt 30.3.2012 disallowed opening Return on Equity on the grounds that loan borrowing is more than the capital expenditure incurred. However it is submitted that the matter is still pending with Hon’ble Supreme Court and is subjudice. Therefore TANTRANSCO reserves it’s right to claim the RoE based on the order of the Supreme Court of India in future.
2	M/s.National Solar Energy Federation of India		
3	M/s. Tamil Nadu Power Producers Association		
4	M/s.OPG		
5	M/s.Indian Wind Power Association		
6	M/s.Orient Green Power		
<b>Commission’s Views:</b> The Commission has taken note of the reply furnished by the TANTRANSCO and the matter has been dealt with appropriately in the relevant Chapter of this Tariff Order.			
1	M/s.Swelect Energy Systems Limited	There has been an increase in all the costs of TANTRANSCO as per the petition filed now, compared to the ARR approved in the earlier tariff order.	1. TANTRANSCO has considered all the expenses for the true up period as per the Audited Annual Statement of Accounts.  2. For ensuing years, TANTRANSCO has considered the escalation factor as per the TNERC's Tariff Regulation.
2	M/s.National Solar Energy Federation of India		
3	M/s. Watsun Infrabuild	The O & M expenses claimed by TANTRANSCO is on higher side.	
4	M/s. Tamil Nadu Power Producers Association	One of the major O &M expenses claimed is terminal benefits. These expenses are actually not of revenue nature as the benefits to accrue in may years hence cannot be claimed in one year. Boards contribution to CPS is legacy expenses and should not be claimed as O&M expenses as part of ARR. A&G Expenses: The figure of 1.24 Crs. For	
5	OPG		

		registrar of companies /license fee is quite excessive.	
6	M/s.Indian Wind Power Association	The interest cost is projected to increase significantly with a view to increase the ARR and consequently, the transmission charges.	
7	M/s.Orient Green Power Company Ltd.		
8	M/s. DCW Limited	The TANTRANSCO has increased the employee welfare / salary than the TNERC approved levels and in the present competitive condition and global environment the increase beyond the approved levels are to be disallowed and TNERC mat reorder the working by TANTRANSCO..	TANTRANSCO has considered all the expenses for the true up period as per the Audited Annual Statement of Accounts.
<b>Commission's Views:</b>			
The Commission has taken note of the reply furnished by the TANTRANSCO and the matter has been dealt with appropriately in the relevant Chapter of this Tariff Order.			
1	Codissa	Requested to continue the Transmissio0n charges of Rs.3037.30/MW/Day with 50% concession for wind and solar	<p>1.TANTRANSCO has filed a Tariff Petition after a period of 5 years.</p> <p>2. Even then , taking into account the world wide Covid -19 and recession and to avoid tariff shock to the OA consumers, TANTRANSCO has proposed to recover the ARR for the FY 2022-23 which is less than the estimated ARR for the FY 2022-23.</p> <p>3. Further, it is to be mentioned that in order to maintain the existing network of TANTRANSCO and to erect additional transmission network to cater the additional generating capacity during the financial year 2022-23, the transmission tariff proposed by TANTRANSCO is much lesser than the actual requirement.</p> <p>4. While arriving the proposed transmission charges of Rs.5388.55 per MW per day, the existing concession rate of 50% of OA charges for the Non REC wind generators has been taken into account as per the existing TNERC's Tariff Order.</p>
2	M/s. Watsun Infrabuild Private Limited	Requested to retain existing concession available to Wind power and Solar Power.	
3	M/s. Tamil Nadu Power Producers Association	Concession to renewable power is good but at the cost of thermal generators.	
4	M/s.OPG		
5	Pioneer Jellice India Private Limited	Increase in Transmission Charges (From Rs.3037.30 to Rs.5388.55 per MW per day) and the concession rate of 50% of OA charges for the Non REC wind Mills increasing to 100%	
6	Micro & Small Enterprises Association of Cuddalore District	Requested to retain Rs.3037.3/MW/day with 50% concession for wind and solar.	

7.	M/s. CODISSA Defence Innovation and Atal Incubation Centre	Requested to continue the Transmission Charges of Rs. 3037.30/MW/day with 50% concession for Wind and Solar	<p>1.TANTRANSCO has filed a Tariff Petition after a period of 5 years.</p> <p>2. Even then , taking into account the world wide Covid -19 and recession and to avoid tariff shock to the OA consumers, TANTRANSCO has proposed to recover the ARR for the FY 2022-23 which is less than the estimated ARR for the FY 2022-23.</p> <p>3. Further, it is to be mentioned that in order to maintain the existing network of TANTRANSCO and to erect additional transmission network to cater the additional generating capacity during the financial year 2022-23, the transmission tariff proposed by TANTRANSCO is much lesser than the actual requirement.</p> <p>Concession on the Transmission Charges payable by the wind and solar is as per the TNERC's Tariff Order. "</p>			
8.	M/s. Sembcorp,	<p>Transmission Charges:</p> <p>TANTRANSCO in the Petition has proposed the Transmission Charges as per the table :</p> <table border="1" data-bbox="517 456 1200 592"> <thead> <tr> <th colspan="2">Transmission Charges in Rs./MW/Day</th> </tr> </thead> <tbody> <tr> <td>3037.30</td> <td>5388.5</td> </tr> </tbody> </table> <p>The proposed increase is very steep, and they have proposed 100% levy of transmission charges for LTOA consumers. Requested to continue with the concession provided as per the Tariff Order of 2018 for both solar and wind.</p>		Transmission Charges in Rs./MW/Day		3037.30
Transmission Charges in Rs./MW/Day						
3037.30	5388.5					
<p><b>Commission's Views:</b></p> <p>The Commission has taken note of the reply furnished by the TANTRANSCO and the matter has been dealt with appropriately in the relevant Chapter of this Tariff Order.</p>						
1	M/s. Tamil Nadu Power Producers Association	Capitalisation for True up period and ARR period:	<p>TANTRANSCO has considered the capitalisation for the true up period as per the Audited Annual Statement of Accounts and for the ARR period, TANTRANSCO has considered the capitalisation as per the CIP.</p>			
2	M/s.OPG					
<p><b>Commission's Views:</b></p> <p>The Commission has taken note of the reply furnished by the TANTRANSCO and the matter has been dealt with appropriately in the relevant Chapter of this Tariff Order.</p>						
M/s.DCW Limited		The TANTRANSCO has considered 14 % rate of return and in the present global competition and the scenario no industry gets 14%	Rate of Return of 14% has been adopted as per the TNERC's Tariff Regulation.			

	rate of return on the investment and TNERC may order reduction and calculate the workings	
	The large volume of loss of energy due to low efficiency of transmission and distribution and due to theft of energy, for this revenue shortfall HT consumers should not be burned with increase in Tariff. Instead steps should be taken to bring down the energy losses with improved infrastructure transmission and distribution, upgrading majority of 110kV lines with higher capacity.	Development of transmission network across the State are carried out by building adequate new 110 kV and 230 kV and 400 kV substations , up gradation of existing 33 kV, 110 kV and 230 kV Substations into 110 kV, 230 kV and 400 kV substations respectively, Further for transfer of bulk power across the State, TANTRANSCO is executing four 765/400 kV Substations, which is first of kind project in India by State Power Utility level execution.
<b>Commission's Views:</b>		
The Commission has taken note of the reply furnished by the TANTRANSCO and the matter has been dealt with appropriately in the relevant Chapter of this Tariff Order.		
<b>M/s.Pandian Chemicals Ltd</b>	To furnish the additional transmission network cost to be invested by TANTRANSCO during the FY 2022-23.	The capital expenditure proposed to be incurred during the FY 2022-23 to FY 2026-27 has been mentioned in the Table 64 of the Transmission Tariff Petition filed by TANTRANSCO.
<b>Commission's Views:</b>		
The Commission has taken note of the reply furnished by the TANTRANSCO and the matter has been dealt with appropriately in the relevant Chapter of this Tariff Order.		
<b>M/s. TASMA</b>	Tamilnadu Spinning Mills Association, herein after called as <b>TASMA</b> , is an Association of yarn spinning mills, having 812 mills in the State of Tamilnadu as members in its network and it is the single largest Association in terms of membership and also by way of its activities.	1. The prevailing tariff charged from customers are fixed in the year 2017 by Hon'ble TNERC and collected from the customers for the past 5 years. TANTANSCO's cumulative financial losses at the beginning of FY 2016-17 was Rs. 4720.44 Cr and as on 31.03.2021 was Rs. 6796.34 Cr. Hence, TANTRANSCO was forced to borrow from Financial Institutions and Banks to meet out its financial

	<p>This Association is representing the yarn spinning industry in the Country as a whole, both with the Government of India as well as with the Government of Tamilnadu.</p> <p>Most of the members of TASMA are HT industrial consumers falling under the Tariff Schedule as notified under HT I-A and few others are receiving supplies under LT / LT CT falling under the Tariff Schedule as notified under LT/LT CT – III B. Being consumers covered under HT I –A, the members of TASMA are obligated to go with the enhanced Transmission Charges accordingly.</p> <p>Earlier to the coming in to force of the Electricity Act 2003, such tariff fixation exercises were under the domain of State Governments and were handled by the concerned State Governments for implementation by the respective State Electricity Boards (SEBs). When the Electricity Act 2003 came in to effect from 10.06.2003 onwards, such works relating to administration of electricity and all other related works connected to the Electricity Administration, were shifted to the respective State Electricity Regulatory Commissions (SERCs) and accordingly, their functions and powers were enumerated under the relevant provisions in Electricity Act 2003.</p> <p>The Petitioner also states the various Tariff Petitions filed by TANTRANSCO in a tabulated form.</p> <p>Also, TASMA made its strong objections with the Chief Secretary and the Energy Secretary, has also reiterated strongly that the State Commission cannot function without a Member-Legal, quoting the propositions already declared by the Hon'ble Supreme Court of India, by its order dated 12.04.2018 in Civil Appeal No. 14697 of</p>	<p>commitments. This has resulted in increase of loan outstanding from Rs.10,848.38 Cr. to Rs. 25,612.85 Cr. Consequently, the interest on borrowed fund has also increased from Rs. 1003.79 Crs in FY 2016-17 to Rs. 1602.25 Crs in FY 2020-21.</p> <p>2. The Ministry of Power, Government of India has made a mandatory condition for Power Sector Reforms with Tariff revision which allows additional borrowing for the State. The Central Financial Institutions viz., M/s. REC Ltd., &amp; M/s. PFC Ltd., while sanctioning the loan have made a pre-committed condition of yearly Tariff revision. and ultimately the scheme will not take off. RBI has made a conditional prudential guideline to the Commercial Banks, for lending to State owned power entities, that Utilities should have to file tariff petition by 30<sup>th</sup> of November every year. Many legal forums like CERC/APTEL have severally remarked about non revision of tariff periodically and thereby accumulating outstanding dues to suppliers and contractors. Ranking of TANTRANSCO has declined due to non cost reflective tariff which in turn restricted the banks not to lend any further loan.</p> <p>3. TANTRANSCO is left with no other choice except revising the tariff after a gap of 5 years. TANTRANSCO has proposed a necessary/ appropriate hike in tariff only.</p> <p>4. Legal Position: The order of Hon'ble High Court staying the issue of Tariff Order in W.P.No.16677 of 2022 has been challenged before the Hon'ble Madurai Bench of Madras High Court in W.A(MD) No.973, 975 to 980 of 2022. The Hon'ble bench ordered on 01.09.2022 as follows:</p>
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	<p>2015 and also in its order in the Contempt Petition No.429 of 2020 dated 28.08.2020, 07.12.2020 &amp; 20.01.2021, for violating the orders of the Hon'ble Supreme Court of India issued in Civil Appeal No. 14697 of 2015. Therefore, the Hon'ble Commission cannot function in any manner, either adjudicatory or regulatory or by other means, without a Member-Legal appointed to it first. But however, both the Chief Secretary as well as the Energy Secretary who were responsible for the appointment of Members to the State Commission are keeping silence without anyway responding to the objection filed by TASMA.</p> <p>It should be noted that both the Tariff Regulations 2005 and the MYT Regulations 2009, have provided a time limit of 120 days for finalizing a Tariff Order. In all other earlier occasions, the Hon'ble Commission has undertaken the Tariff Revision Exercises by providing ample time to all stakeholders and by following the various processes involving finalizing a Tariff Order. The following Table would show, as how the matter was processed, when it culminated in to a Tariff Order in TP No. 2 of 2017 dated 11.08.2017.</p> <p>However, this time only, the Hon'ble Commission is rushing the matter with undue hurry from issuing the Cause List onwards and has not even provided any link for the stakeholders to facilitate them to participate in the hearing scheduled on 19.07.2022. All the efforts made by the stakeholders including TASMA and its Counsels were not yielded any result to get the link for participating in the hearing scheduled on 19.07.2022 and the hearing on 19.07.2022 was completely heard on an in-camera mode, completely violating the letter and spirit of its own Conduct of Business Regulations 2004. Without providing opportunity to the</p>	<p><i>“It is in these circumstances; we grant an order of interim stay of operation of paragraph No.11 of the learned single judge dated 23.08.2022”</i></p> <p>Hence the processing of tariff petition is as per law and Regulations.</p> <p>5. The filing of ARR and True-Up petition was delayed 225 days for the FY 2022-23 is mainly due to outbreak of COVID -19 Pandemic and TANTRANSCO’s financials are grossly affected.</p> <p>The details of Transmission Charges of the other states which are having similar ATC are given below:</p> <p>KPTCL: Rs.5647.77/MW/Day GETCO: Rs.8666.67/MW/Day APTRANSCO: Rs.5793.00/MW/Day</p> <p>While comparing the above, the Transmission charges proposed by TANTRANSCO is less.</p> <p>6. TANTRANSCO adopts the accounting standards of the companies Act 2013 and the accounting policies as conventionally followed as per Elec Annual Accounts Rules 1985.</p> <p>The accounting framework prescribed under Companies Act is adopted from FY 2017-18 onwards.</p> <p>TANTRANSCO has prepared its Annual Statement of Accounts for the FY 2020-21 under IND AS and the Statutory Auditors have issued qualified report for the FY 2020-21 and</p>
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	<p>stakeholders, conducting of hearings in an in-camera mode, is no way possible under the Conduct of Business Regulations 2004.</p> <p>Hence, it should be noted that the hearing held on 19.07.2022 is a total violation on two aspects namely, the hearing should not have been conducted in an in-camera mode, without providing any opportunity to the stakeholders to participate in it and also on the aspect of the Commission having no Member-Legal appointed first to it, as per the Legal Proposition declared by the Hon'ble Supreme Court of India by the above quoted orders.</p> <p>Therefore, the Cause List notified for the hearing on 19.07.2022 in Cause List No. 33/2022 dated 18.07.2022, is not sustainable for being proceeded with, under all the canons of law and as such, all the subsequent events such as the hearing held on 19.07.2022 and the Daily Orders passed by the Hon'ble Commission in all the Petitions namely TP No. 1 of 2022, TP No. 2 of 2022, TP No. 1 of 2020 and MP No. 36 of 2022 and the subsequent meeting of the SAC held on 11.08.2022 and all other Public Hearings held on 16.08.2022, 18.08.2022 and 22.08.2022, should go completely null and void.</p> <p>We wish to further state that the Daily Orders of the Hon'ble Commission dated 19.07.2022 in TP No. 1 of 2022, TP No. 2 of 2022, TP No. 1 of 2020 and MP No. 36 of 2022, are not sustainable to law and therefore, the manner by which comments have been invited by the Hon'ble Commission, by webhosting the petitions in the website of the Hon'ble Commission, as well as in the website of the TANGEDCO / TANTRANSCO / SLDC, without minding the legal position and impact involved in the matter and also by completely violating its own Conduct of Business Regulations 2004, are also not sustainable to law.</p>	<p>not adverse report, hence shows true and fair view of the accounts.</p> <p>TANTRANSCO has completed intercompany reconciliation as on 31.03.2021 and updated the Fixed Asset Register.</p> <p>7. The True-Up of the FY 2016-17 to 2019-20 are based on actual expenditure accounted and audited at 3 levels (internal /Statutory /AG) and submitted along with justifications for deviation from norms.</p> <p>TANTRANSCO has deducted the other income while arriving the net ARR during the financial year.</p> <p>Since SLDC is the part of TANTRANSCO, the SLDC adjusted figures based on auditor certificate has been furnished in the petition of TANTRANSCO from the FY 2017-18 onwards.</p> <p>8. TANTRANSCO is accounting the transactions as per the prescribed accounting principles/standards. Detailed management reply to the auditor comments has been given in the balance sheet itself. Hence the same may be referred.</p> <p>9. The operation and maintenance cost including employees cost are as per regulations except DA &amp; Terminal benefits which are claimed as per actuals only.</p> <p>TANTRANSCO has not sanctioned Dearness Allowance from 1.1.2020 to 31.12.2021 and encashment of Earned Leave has also been suspended till further orders since May 2020.</p>
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Therefore, we have not filed any comments, based on the Daily Orders of the Hon'ble Commission dated 19.07.2022. However, as per the orders of the Hon'ble Court dated 23.08.2022 in our WP (MD) No. 16677 of 2022, the Hon'ble Court has directed to file comments before the Hon'ble Commission on the Tariff Petition filed by the TANTRANSCO in TP No. 2 of 2022, we are filing these objections and comments, in compliance of the order of the Hon'ble Court, for the detailed analysis and consideration of both the TANTRANSCO as well as the Hon'ble Commission, both on the grounds of law as well as on the grounds of factual matrix.

TANTRANSCO availing Financial assistant from REC & PFC and TNPFC which are controlled by the central government and state government. The interest rates approved by the financial institutions are very low and as per the norms. Further TANTRANSCO has appointed Earnest and Young consultant for study and to reduce the financial burden of TANTRANSCO.

10. TANTRANSCO has furnished the depreciation as per the provisional Annual statement of accounts.

11. TANTRANSCO has considered the escalation factor for arriving the details for the ensuing years as per the TNERC's Tariff Regulation.

12. All the directives of the Hon'ble TNERC are being complied with and reply to Directives have been furnished in Chapter 10.

TANTRANSCO is conducting the Annual Cost Audit by qualified professionals.

13. Taking into account the world wide Covid -19 and recession and to avoid tariff shock to the OA consumers, TANTRANSCO has proposed to recover the ARR for the FY 2022-23 which is less than the estimated ARR for the FY 2022-23.

Further, it is to be mentioned that in order to maintain the existing network of TANTRANSCO and to erect additional transmission network to cater the additional generating capacity during the financial year 2022-23, the transmission tariff

		<p>proposed by TANTRANSCO is much lesser than the actual requirement.</p> <p>14. The Hon'ble TNERC has approved the ARR for the FY 2016-17 to FY 2018-19 in their T.O. dt 11.08.2017. TANTRANSCO has considered the impact of the world wide Covid -19 and recession in Indian economy and now submitted only the True up of the said period.</p> <p>Hence, TANTRANSCO has requested the Commission to allow Regulatory Asset for the revenue losses of previous years.</p> <p>15. An amount of Rs. 990.24 Crs towards the interest on receivables is not included in the interest component of the ARR prepared for the FY 2017-18.</p> <p>16. While arriving the proposed transmission charges of Rs.5388.55 per MW per day, the existing concession rate of 50% of OA charges for the Non REC wind generators has been taken into account as per the existing TNERC's Tariff Order.</p> <p>Taking into account the world wide Covid -19 and recession and to avoid tariff shock to the OA consumers, TANTRANSCO has proposed to recover the ARR for the FY 2022-23 which is less than the estimated ARR for the FY 2022-23.</p> <p>Further, it is to be mentioned that in order to maintain the existing network of TANTRANSCO and to erect additional transmission network to cater the additional generating capacity during the financial year 2022-23, the transmission tariff</p>
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		<p>proposed by TANTRANSCO is much lesser than the actual requirement.</p> <p>17. While arriving the proposed transmission charges of Rs.5388.55 per MW per day, the existing concession rate of 50% of OA charges for the Non REC wind generators has been taken into account as per the existing TNERC's Tariff Order.</p> <p>Hence, the Transmission proposed by TANTRANSCO is in line with the prevailing provisions in the TNERC's tariff orders.</p> <p>18. The average inflation for the past years are 7% per annum. However TANTRANSCO proposed to hike as much minimum extent.</p> <p>19. TANTRANSCO would like to submit that The Hon'ble Commission in its Tariff Order No.2 of 2012, dt 30.3.2012 disallowed opening Return on Equity on the grounds that loan borrowing is more than the capital expenditure incurred. However it is submitted that the matter is still pending with Hon'ble Supreme Court and is subjudice. Therefore TANTRANSCO reserves it's right to claim the RoE based on the order of the Supreme Court of India in future.</p> <p>TANTRANSCO has claimed RoE only on the additional equity infused in the year as per its Audited Accounts.</p> <p>It is submitted that the RoE earned can be reinvested every year to carry out capacity additions and is essential for sustainable operations.</p>
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		<p>Hence the contention of the objector that the Return on Equity shall not be allowed is not in line with the spirit of Tariff Regulations.</p> <p>20. Therefore this petition filed as per the existing regulations and provisions of Electricity Act 2003 only.</p>
	<p><b>Non-revision of tariff then and there would go against the very interest of consumers:</b></p> <p>The TANTRANSCO has not filed any True-Up Petitions and ARRs from 2016-17 onwards. The last fixation of Tariff was actually found happened only during the year 2014, by the Suo Moto Order dated 11.12.2014 in SMT Order No. 9 of 2014. However, there was no proposal to increase the tariff while the TANTRANSCO filed its petition on 31.01.2017. The earlier tariff of Rs. 6.35 / Unit as fixed during 2014 was allowed to continue with a marginal increase of demand charge only from Rs. 300/kVA to Rs.350/kVA to the TANGEDCO and however, for the TANTRANSCO, the transmission charges were modified to a strong extent and the scheduling and System operation charges were brought down heavily, from the earlier existed level of Rs. 2000/Day/MW.</p> <p>Hence, consumers at the face of the record may feel happy when there is no increase in the tariff. But there is a hidden trick and manipulation. Even though, when there is no increase in the tariff, the fixed charges are increased. The TANTRANSCO this time proposes to increase all its charges manifold. This is how the trick is played. Fixed charges are being collected from time immemorial and by this time, the capital expenditure invested in the creation of infrastructure would have come to zero levels. Only the cost of maintenance now has to be taken up, barring the new capital</p>	<p>The filing of ARR and True-Up petition was delayed 225 days for the FY 2022-23 is mainly due to outbreak of COVID -19 Pandemic and TANTRANSCO's financials are grossly affected.</p> <p>The details of Transmission Charges of the other states which are having similar ATC are given below:  KPTCL: Rs.5647.77/MW/Day  APTRANSCO: Rs.5793.00/MW/Day  GETCO: Rs.8666.67/MW/Day</p> <p>While comparing the above, the Transmission charges proposed by TANTRANSCO is less</p>

	<p>expenditures spent on creating new infrastructure. Hence, increasing the fixed charges manifold after having reimbursed a major portion of the capital expenditure looks little odd.</p> <p>The proposed Tariff Rates for the industrial consumers are killing the whole industry, which are power intensive industries. The Transmission Charges fixed in other States are comparatively lower. However, due to the impracticable level of proposed increase in Transmission Charges also, the industrial consumers are put hard for other open access power. Hence, considering the overall reduction of the cost of power as seen from various other sources through open access, the Hon'ble Commission should consider to maintain the tariff at the existing level for industrial consumers. At present in Tamilnadu, the other RE Generators are offering price to the extent of below Rs.6.00/Unit for industrial consumers under Group Captive scheme. If it is not attended to at least now, by reducing the Transmission Charges, then it would be a great un-justice made to the industrial consumers.</p>	
	<p><b>The Poorest Performance of the TANTRANSCO and its impact on the Consumers.</b></p> <p>Ministry of Power's (MoP) Annual Integrated Rating &amp; Ranking for Power Distribution Utilities (August 2022), has graded the TANTRANSCO as <b>“Low Operational and Financial Performance”</b>. Some of the important and critical parameters reported by the said MoP report and as well as the “Report on Performance of Power Utilities 2019-20” issued by the Power Finance Corporation (PFC) shows that the <b>TANTRANSCO is one of the worst performing power utilities in the Country. Hence, the inefficiency, poor performance etc., of the TANTRANSCO should not be passed onto the consumers.</b></p>	<p>TANTRANSCO adopts the accounting standards of the companies Act 2013 and the accounting policies as conventionally followed as per Elecyc Annual Accounts Rules 1985.</p> <p>The accounting framework prescribed under Companies Act is adopted from FY 2017-18 onwards.</p> <p>TANTRANSCO has prepared its Annual Statement of Accounts for the FY 2020-21 under IND AS and the Statutory Auditors have issued qualified report for the FY 2020-21 and not adverse report, hence shows true and fair view of the accounts.</p>

	<p><b>Auditors adverse Remarks on TANTRANSCO Financial Statements.</b></p> <p>We once again emphasise on the importance of <b>“prudent check” to be done by the Commission as required by the Act, National Electricity Policy etc.</b> This is because the TANGEDCO wants the True-Ups and the ARR have to be done based on their <b>actual parameters and “accounts statements”</b>. But their Auditors themselves have passed the <b>adverse remarks in their Audited Reports.</b></p> <p>..... <u>“the aforesaid standalone financial statements do not give a true and fair view in conformity with accounting principles generally accepted in India and also do not give the information required by the Companies Act, 2013 (“the Act”) in the manner so required and are not in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended”</u>.</p> <p>Therefore, the Commission cannot consider the Audit statements of the TANTRANSCO which <b>“do not give a true and fair view in conformity with accounting principles”</b>.</p>	<p>TANTRANSCO has completed intercompany reconciliation as on 31.03.2021 and updated the Fixed Asset Register.</p>
	<p>In their petition, the TANTRANSCO has requested the Commission to “true up” their ARR for the years 2018-19 to 2020-21 based on <b>“actual parameters and accounts of the TANTRANSCO”</b>. The question of True- Up comes only after the determination of ARR by the Commission. In the last Tariff Order dated 11.08.2017, the final True-Up was done only up to 2015-16 and the ARR was determined for the period from 2016-17 to 2018-19. Hence, we request the Commission to True-Up the ARR for the period from 2016-17 to 2018-19 and determine it for 2019-20 and</p>	<p>The True-Up of the FY 2016-17 to 2019-20 are based on actual expenditure accounted and audited at 3 levels (internal /Statutory /AG) and submitted along with justifications for deviation from norms.</p> <p>TANTRANSCO has deducted the other income while arriving the net ARR during the financial year.</p>



	<p>2020-21, after “<b>prudent check</b>” as this ARR forms the “<b>basis</b>” for the ARR for 2021-22 and as well as the future multiyear tariff for 2022-23 to 2026-27 as proposed in the Tariff Petition. TANTRANSCO has not deducted the other income, in the ARR statement and hence we wish to state that the other income be deducted from the total expenditure, before determining the ARR. We also observed some differences between the Audited Accounts available in the public domain and the claim made by the TANTRANSCO In its Petition, which may please be verified.</p>	<p>Since SLDC is the part of TANTRANSCO, the SLDC adjusted figures based on auditor certificate has been furnished in the petition of TANTRANSCO from the FY 2017-18 onwards.</p>
	<p>Various comments given by statutory auditors.</p>	<p>TANTRANSCO is accounting the transactions as per the prescribed accounting principles/standards.</p> <p>Detailed management reply to the auditor comments has been given in the balance sheet itself. Hence the same may be referred.</p>
	<p>The “Report on Performance of Power Utilities 2019-20” issued by the PFC clearly reveals that the TANTRANSCO’s Interest on borrowings and Employee Costs <b>are extremely high</b>. The per unit Interest charges and Employee Costs of different Transmission Utilities of comparable other States are tabulated.</p> <p>The interest cost of Tamil Nadu is 400% more than the comparable States and the Employee Cost is 200% more than the comparable States. As per Section 61 of the Act, in Determination Tariff, the Appropriate Commission shall be guided by the “<i>factors which would encourage competition, efficiency, economical use of the resources, good performance and optimum investments</i>”. The stakeholders shall not be burdened with the unreasonably higher costs of the Utility. Hence, the Hon’ble Commission may compare with the performance and parameters of the other Distribution</p>	<p>The operation and maintenance cost including employees cost are as per regulations except DA &amp; Terminal benefits which are claimed as per actuals only.</p> <p>TANTRANSCO has not sanctioned Dearness Allowance from 1.1.2020 to 31.12.2021 and encashment of Earned Leave has also been suspended till further orders since May 2020.</p> <p>TANTRANSCO availing Financial assistant from REC &amp; PFC and TNPFC which are controlled by the central government and state government. The interest rates approved by the financial institutions are very low and as per the norms. Further TANTRANSCO has appointed Earnest and Young consultant for study and to reduce the financial burden of TANTRANSCO.</p>

	<p>Licensees / Utilities and limit the costs to the extent of industry standards.</p> <p>Further, it is observed that the interest cost is projected to increase significantly in the Petition for 2022-23, leading to Higher Revenue Requirement. The interest claim made by the TANTRANSCO for the borrowings already made needs to be verified to check if the amount borrowed has been utilised only for capital expansion purposes. Further, the need for additional borrowings for the capital expansion program for 2022- 23 as approved by the Hon'ble Commission should be verified. We request the Hon'ble Commission to kindly verify the veracity of the claim before Determining the Tariff.</p> <p>In the last Tariff Order dated 11.08.2017, the Hon'ble Commission had approved the Employee Cost of Rs. 916.52 Cr for the year 2016-17, whereas for the financial year 2020-21 TANTRANSCO has reported the employee cost as Rs.1588.49 Cr which is nearly about 73% increase compared to 2016-17 approved figures. It is also observed that the employee cost of Rs.1588.49 Cr reported for 2020-21 is increased to Rs. 1927.28 Cr for 2022-23 which is an increase of 21%. Both the employee cost and projected increase for 2022-23 seem to be very high compared to the industrial norms as per the Table given above. This substantial increase has to be verified and moderated as required by the Hon'ble Commission while Determining the Tariff.</p>	
	<p>It is observed that TANTRANSCO depreciation of Rs. 1034.06 Cr in 2019-20 has increased to Rs. 1485.59 Cr in 2020-21, an increase of 44% in one year. We do not have the data to verify whether this claim of depreciation is justified and correct. We are request the Hon'ble Commission to kindly verify the depreciation before the Determination of Tariff.</p>	<p>TANTRANSCO has furnished the depreciation as per the provisional Annual statement of accounts.</p>
	<p>TANTRANSCO has escalated all the expenses for the Financial Year 2022-23 as compared with the expenses of the previous years. The rate of increase in expenses as a percentage is higher for 2022-23 than the actual rate of increase in the previous year and this gives</p>	<p>TANTRANSCO has considered the escalation factor for arriving the details for the ensuing years as per the TNERC's Tariff Regulation.</p>

	<p>a view that the expenses have been projected higher deliberately with a view to increase the ARR and consequently the Transmission Charges. We request the Hon'ble Commission to review all the expenses claimed by the TANTRANSCO and to make modifications wherever it is found to be higher before Determining the Tariff.</p>	
	<p>The licensees' non-compliance of the express directives on the Hon'ble Commission. Considering that there does not seem to be any effort on the part of the licensees to improve the situation, we suggest that the Hon'ble Commission may strictly monitor the compliance of various directives issued by it and the undertakings given by the licensees with independent agencies and auditors.</p> <p>The Hon'ble Commission is also requested to insist on Annual Cost Audit of the TANGEDCO/ TANTRANSCO, by qualified professionals</p>	<p>All the directives of the Hon'ble TNERC are being complied with and reply to Directives have been furnished in Chapter 10.</p> <p>TANTRANSCO is conducting the Annual Cost Audit by qualified professionals.</p>
	<p>Filing of ARR every year and claiming the revenue gap is the responsibility of the Distribution Licensee / Transmission Utility, as stipulated in the Act and Regulations made thereon. Clause 8.1 (7) of the National Tariff Policy specifies that “<b>any gap on account of delay in filing, should be on account of licensee</b>”. Hence, the revenue gap of previous years cannot be claimed by the TANTRANSCO in any manner in the current petition.</p> <p>The delay in filing the ARR is a <b>rare exception in case of natural calamity or force majeure conditions</b>. Therefore, the revenue gaps of previous years can not be converted into Regulatory Asset for such inordinate delay committed very casually by the TANTRANSCO.</p> <p>We request the Hon'ble Commission to allow only the revenue gap of 2022-23</p>	<p>The Hon'ble TNERC has approved the ARR for the FY 2016-17 to FY 2018-19 in their T.O. dt 11.08.2017. TANTRANSCO has considered the impact of the world wide Covid -19 and recession in Indian economy and now submitted only the True up of the said period.</p> <p>Hence, TANTRANSCO has requested the Commission to allow Regulatory Asset for the revenue losses of previous years.</p>
	<p>It is observed from the Annual Report of the TANGEDCO that during the year 2017-18, an amount of Rs. 990.24 Cr has been debited by TANGEDCO on TANTRANSCO, towards interest on receivables. We do not know the basis on which this amount has</p>	<p>An amount of Rs. 990.24 Crs towards the interest on receivables is not included in the interest component of the ARR prepared for the FY 2017-18.</p>

		<p>been debited and if the same is correct, then we request the Hon'ble Commission to carry out a thorough prudent check of both the Technical and Financial Parameters and also cap the expenses as submitted in our comments under the heading of "<b>Interest on borrowings and Employee Cost/O&amp;M charges</b>" above, before Determining the Tariff.</p>		
	Nature of Charges	Existing from 11.08.2017	Proposed	Remarks
	Transmission Charges for LTOA	Rs.3037.30/MW / Day For Wind and Solar hitherto the concessional rate of 50 % is applicable	Rs.5388.55/ MW/ Day For Wind and Solar TANTRANSCO proposes to collect 100% without any concession	Rs. 2351.25/ MW / Day Increase
	Transmission Charges for STOA	Rs.126.55/MW/ Hour	Rs.224.52/ MW/ Hour	Rs.97.97/ MW /Hour Increase
	Reactive Charges	Re.0.1350/kVArh	Re.0.16/kVArh	Re.0.250/ kVArh
<p>The proposed increase in Transmission Charges be reduced in a fair manner not exceeding by 10% this time.</p>				<p>While arriving the proposed transmission charges of Rs.5388.55 per MW per day, the existing concession rate of 50% of OA charges for the Non REC wind generators has been taken into account as per the existing TNERC's Tariff Order.</p> <p>Taking into account the world wide Covid -19 and recession and to avoid tariff shock to the OA consumers, TANTRANSCO has proposed to recover the ARR for the FY 2022-23 which is less than the estimated ARR for the FY 2022-23.</p> <p>Further, it is to be mentioned that in order to maintain the existing network of TANTRANSCO and to erect additional transmission network to cater the additional generating capacity during the financial year 2022-23, the transmission tariff proposed by TANTRANSCO is much lesser than the actual requirement.</p>
		<p>The TANTRANSCO has requested the Hon'ble Commission to withdraw 50% concession, provided to the RE power in the Wheeling Charges which is legally not sustainable in any manner.</p>		<p>While arriving the proposed transmission charges of Rs.5388.55 per MW per day, the existing concession rate of 50% of OA charges for the Non REC wind generators has been taken into account as per the existing TNERC's Tariff Order.</p> <p>Hence, the Transmission proposed by TANTRANSCO is in line with the prevailing provisions in the TNERC's tariff orders.</p>

	<p>A system of linking with CPI /WPI, with a matter related to Tariff and extending the Tariff with 6% escalation on a year-on-year basis for a period of 5 years, is totally unsustainable, as the purpose for which CPI / WPI are calculated, completely goes in favour of Labour Administration and they are not any way linked to Power Tariffs.</p>	<p>The average inflation for the past years are 7% per annum. However TANTRANSCO proposed to hike as much minimum extent.</p>
	<p>Requested the Hon'ble Commission to disallow the RoE claim as was ordered in the past.</p> <p>It can be observed from the above, that the RoE shall be claimed only when the equity amount has been employed for capital expansion, subject to a maximum of 30%of the actual cost. The Regulations also provide that if the actual equity employed is less than 30%, RoE shall be calculated only for the actual equity. The TANTRANSCO has not provided the details of equity infused for capital projects and hence we are not able to provide specific comments on their calculations</p>	<p>TANTRANSCO would like to submit that The Hon'ble Commission in its Tariff Order No.2 of 2012, dt 30.3.2012 disallowed opening Return on Equity on the grounds that loan borrowing is more than the capital expenditure incurred. However it is submitted that the matter is still pending with Hon'ble Supreme Court and is subjudice. Therefore TANTRANSCO reserves it's right to claim the RoE based on the order of the Supreme Court of India in future.</p> <p>TANTRANSCO has claimed RoE only on the additional equity infused in the year as per its Audited Accounts.</p> <p>It is submitted that the RoE earned can be reinvested every year to carry out capacity additions and is essential for sustainable operations.</p> <p>Hence the contention of the objector that the Return on Equity shall not be allowed is not in line with the spirit of Tariff Regulations.</p>
	<p>There are huge differences found between the Audited Accounts and the details of Income and Expenses found provided in the Tariff Revision Petition for the past periods, which need to be prudently verified and aligning of the figures as per the Audited Accounts with due adjustments for disallowances of expenses and claims that are not allowable, is very much required.</p>	<p>Therefore this petition filed as per the existing regulations and provisions of Electricity Act 2003 only.</p>

**Commission's Views:**

The Commission has taken note of the reply furnished by the TANTRANSCO and the matter has been dealt with appropriately in the relevant Chapter of this Tariff Order.

தமிழ்நாடு மின்தொடரமைப்பு கழகம் சமர்ப்பித்த மின் கட்டண மனு எண். T.P.No.2 of 2022 மீது மின்னுகர்வேர்கள் மற்றும் பொதுமக்களின் கருத்துக்கள் மற்றும் ஆட்சேபனைகளைக்கு தமிழ்நாடு மின்தொடரமைப்பு கழகத்தின் பதிலுரை மற்றும் ஆணையத்தின் கருத்துகள்.

Name	Comments	Proposed Reply
செ.,செல்வராஜ்	<p>TANTRANSCO அளித்துள்ள விண்ணப்பத்தில் அட்டவணை 39 ல் 2020-21 மற்றும் 2021-22 ஆகிய வருடங்களுக்கு ஏற்பட்டுள்ள செலவினங்கள் பட்டியலிடப்பட்டுள்ளன. அதில் பணியாளர்களின் விடுப்பு ஒப்படைப்பு ஊதியம் மற்றும் ஓய்வு பணிக் ாடை செலவுகள் இரு ஆண்டுகளிலுமாக சுமார் ரூபாய் 1200 கோடி செலவிடப்பட்டதாக உள்ளது. இது எவ்வாறு உண்மை ?</p>	<p>தமிழ்நாடு மின் தொடரமைப்புக் கழகம், மின் அனுப்புபுகை கட்டண மனுவை மாண்புமிகு ஆணையத்தில் தமிழ்நாடு மின்சார ஒழுங்குமுறை ஆணையத்தின் கட்டண ஒழுங்குமுறையின்படி தாக்கல் செய்துள்ளது.</p> <p>2020-21 நிதியாண்டு தொடர்பான விவரங்கள், IND AS இன் கீழ் தயாரிக்கப்பட்ட வருடாந்திர கணக்கு அறிக்கையின்படி வழங்கப்பட்டுள்ளன. அதைப் பொறுத்து 2021-22 நிதியாண்டுக்கு திட்டமிடப்பட்டுள்ளது.</p> <p>மேலும், 2020-21 நிதியாண்டு (மே 2020 முதல்) மற்றும் 2021-22 நிதியாண்டுகளில் பணி ஓய்வு பெறவில்லை என்றாலும், தானாக முன்வந்து ஓய்வு பெறுதல் மற்றும் ஊழியர்களின் சேவையின் போது கோவிட் - 19 காரணமாக மரணம் அடைந்த சம்பவங்கள் உள்ளன. இதற்காக தமிழ்நாடு மின் தொடரமைப்புக் கழகம் ஈட்டிய விடுப்புச் செலவுகளையும் இறுதி நன்மைகளையும் சேர்த்துள்ளது.</p>
	<p>கடன் வாரியான விவரம் மற்றும் எவ்வளவு கடன் இருக்கிறது என்பது வட்டி வீதத்துடன் விண்ணப்பத்தில் குறிப்பிடப் படவில்லை .</p>	<p>தமிழ்நாடு மின் தொடரமைப்புக் கழகம் அனைத்து விவரங்களையும் மின் அனுப்புபுகை கட்டண மனுவுடன் இணைக்கப்பட்டுள்ள நிகராண்டு வருவாய் தேவைக்கான படிவங்களில் கொடுக்கப்பட்டுள்ளது.</p>
	<p>முந்தைய கட்டண விகித உத்தரவில் விதித்திருந்த அறிவுறுத்தல்கள் முழுமையாக நிறைவேற்றப்பட வில்லை.</p>	<p>தமிழ்நாடு மின்சார ஒழுங்குமுறை ஆணையத்தின் உத்தரவுகள் தமிழ்நாடு மின் தொடரமைப்பு கழக நிறுவனத்தால் பின்பற்றப்படுகின்றன.</p>

	<p>மின்நிலைய கட்டுமான பணி நிர்ணயிக்கப்பட்ட கால அளவைக் கடந்து விட்ட நிலை யில், அதற்காக ஒப்பந்ததாரரிடமிருந்து வசூல் செ ய்யப்பட்ட அபராத தொகை குறித்து எந்த விவரமும் விண்ணப்பத்தில் இல்லை .</p>	<p>ஒப்பந்ததாரரிடமிருந்து வசூல் செ ய்யப்பட்ட அபராத தொகை தமிழ்நாடு மின் தொடரமைப்புக் கழக நிறுவனத்தால் தாக்கல் செய்யப்பட்டுள்ள நிகராண்டு வருவாய் தேவைக்கான படிவங்களில் சேர்க்கப்பட்டுள்ளது.</p>
	<p>Depreciation என்ற பெயரில் உள்ள தொகை செலவு கணக்காக்காட்டப்பட்டுள்ளது. Depreciation Reserve Fund என்பதை சுருக்கி இவ்வாறாக ஏமாற்றும் தன்மையில் கணக்குகள் தயாரிக்கப்பட்டுள்ளன. இத்தனை ஆண்டுகளாக வாரியத்தில் இருப்பில் உள்ள depreciation reserve fund எவ்வளவு தொகை என்பது விண்ணப்பத்தில் குறிப்பிடப்படவில்லை.</p>	<p>தமிழ்நாடு மின் தொடரமைப்புக் கழகம், மின் அனுப்புகை கட்டண மனுவை மாண்புமிகு ஆணையத்தில் தமிழ்நாடு மின்சார ஒழுங்குமுறை ஆணையத்தின் கட்டண ஒழுங்குமுறையின்படி தாக்கல் செய்துள்ளது.</p>
		<p>1. தமிழ்நாடு மின் தொடரமைப்புக்கழகம் 5 ஆண்டுகளுக்குப் பிறகு மின் அனுப்புகை கட்டண மனுவை தாக்கல் செய்துள்ளது. அப்படியிருந்தும், உலகளாவிய கோவிட் -19, பொருளாதார நெருக்கடி மற்றும் திறந்த அணுகல் நுகர்வோருக்கு கட்டண அதிர்ச்சியைத் தவிர்ப்பதற்காக தமிழ்நாடு மின் தொடரமைப்புக்கழகம், 2022-23 நிதியாண்டிற்கான மதிப்பிடப்பட்ட நிகராண்டு வருவாய் தேவையை விடக் குறைவான வருவாயை மீட்டெடுக்க முன்மொழிந்துள்ளது,</p> <p>2. மேலும், 2022-23 நிதியாண்டில் தற்போதுள்ள தமிழ்நாடு மின் தொடரமைப்புக் கழகத்தின் நெட்வொர்க்கைப் பராமரிக்கவும், கூடுதல்</p>

		<p>மின்னுற்பத்தித் திறனைப் பூர்த்திசெய்யும் வகையில் கூடுதல் மின் கட்டமைப்பை அமைப்பதற்கும் முன்மொழியப்பட்ட மின் அனுப்புகை கட்டணம் உண்மையில் தேவையானதை விடகுறைவானதாகும்.</p>
<p><b>ஆணையத்தின் கருத்து:</b></p> <p>தமிழ்நாடு மின்தொடரமைப்பு கழகம் சமர்ப்பித்த பதிலுரையை கருத்தில் கொண்டு ஆணையத்தின் மின்கட்டண ஆணையில் அதன் தொடர்புடைய அத்தியாத்தின் கணக்கில் கொள்ளப்பட்டது.</p>		
<p>எஸ்.நீலகண்ட பிள்ளை</p>	<p>01.08.2022 அன்று மின்னஞ்சல் மூலம் அனுப்பப்பட்ட T.O dt 11.08.22 இல் வழங்கப்பட்ட உத்தரவுகளுக்கு அளிக்கப்பட்ட பதில் மீதான கருத்துக்கள்.</p>	<p>I. 2020-21 நிதியாண்டு வரை செய்யப்பட்ட மூலதனச் செலவினங்கள் மற்றும் செய்யப்பட்ட மூலதனச் செலவுகளின் திட்டவாரியான விவரங்கள் மாண்புமிகு ஆணையத்திடம் அளிக்கப்பட்டுள்ளன.</p> <p>II. மூலதனச் செலவினங்களின் திட்ட வாரியான விவரங்கள் பராமரிக்கப்பட்டு வருகின்றன.</p> <p>2016-17 நிதியாண்டு முதல் 2020-21 நிதியாண்டு வரையிலான பரிமாற்ற திட்டங்களுக்காக பெறப்பட்ட உண்மையான மூல வாரியாக நிதி பற்றிய விவரங்கள் கட்டண மனுவில் இணைப்பு - I ஆக இணைக்கப்பட்டுள்ளது. இது தமிழ்நாடு மின் தொடரமைப்புக் கழகத்தின் இணையதளத்திலும் பதிவேற்றம் செய்யப்பட்டுள்ளது.</p>
	<p>01.08.2022 &amp; 24.08.2022 அன்று மின்னஞ்சல் மூலம் மூலதனச் செலவு மற்றும் சொத்து பற்றிய கருத்துக்கள்.</p>	<p>1. 765 கி.வோ / 400 கி.வோ / 230 கி.வோ / 110 கி.வோ விகித நிலைகளிலான வளிமக்காப்பு/திறந்த நிலை துணை மின் நிலையங்கள், அதியரமுத்த மின் பாதைகள்/ புதைவடங்கள், சேதமடைந்த மின் சாதனங்கள் மாற்றுதல், புயல் மற்றும் வெள்ள நிவாரண பணிகள், பராமரிப்பு ரீதியிலான பணிகள் ஆகிய பல்வேறு தன்மை கொண்ட மின் தொடரமைப்பு திட்டங்கள், நடைபெறுகின்றன. மேலும், செயலாக்க நிலையிலுள்ள பல்வேறு பணிகளுக்கு அந்தந்த ஆண்டுகளின் செய்யப்படும் மூலதன செலவுகள் அவ்வாண்டிலேயே சொத்து மூலதானமாக்கல் நடை பெறுவதில்லை, திட்டம் முடிவடைந்து அதன் பயனளிக்கும் கால நிலையிலேயே மூலதன மதிப்பாக்கம் பெறும்.</p>



		<p>2. தமிழ்நாடு மின் தொடரமைப்பு கழகம் மூன்றாண்டு இடைவெளியில், மூன்றாண்டுகளுக்கான மின்தொடர் திட்டங்கள், திட்ட மூலதன ஒதுக்கீடு, முடிவுற்ற மற்றும் செயலாக்கத்தில் உள்ள திட்டங்கள், திட்டங்களில் உள்ள காலதாமத்திற்கான காரணங்கள் ஆகிய அனைத்தும் அடங்கிய மூலதன முதலீட்டுத் திட்ட வரைவறிக்கையை தமிழ்நாடு மின்சார ஒழுங்குமுறை ஆணையத்திடம் சமர்ப்பித்து வருகிறது. மேலும், முக்கிய திட்டங்களின் செயலாக்க அறிக்கையும் வரைவறிக்கையில் விவரிக்கப்படுகிறது.</p>
		<p>மின் தொடரமைப்புத் திட்டங்களின் செயலாக்கம் தமிழ்நாடு மின் தொடரமைப்பு கழகத்தின் பல்வேறு நிலை உயரதிகாரிகளால் கண்காணிக்கப்பட்டு ஆய்வு செய்யப்படுகிறது. எனினும், சில திட்டங்களில் நிலம் வாங்குதல்/ கையகப்படுத்துதல், வழிவிடும் உரிமை சிக்கல்கள்/நீதிமன்ற வழக்குகள், இரயில்வே, தேசிய நெடுஞ்சாலைகள், வனப்பாதுகாப்பு அலுவலகம் மற்றும் பொதுத்துறை சார்ந்த சட்டபூர்வ அனுமதிகள், மற்றும் புயல், வெள்ளம், கொரானா பாதிப்புகளால் ஏற்படும் காலதாமதம் ஆகியவற்றிற்கு உரிய கால நீட்டிப்பு அனுமதிக்கப்படுகிறது. அதையும் தாண்டிய காலதாமதத்துடன் முடிவுறும் திட்டங்களுக்கு ஒப்பந்தப்படியான சேதார பாதிப்பு பிடித்தம் செய்யப்படுகிறது.</p>
<p><b>ஆணையத்தின் கருத்து:</b> தமிழ்நாடு மின்தொடரமைப்பு கழகம் சமர்ப்பித்த பதிலுரையை கருத்தில் கொண்டு ஆணையத்தின் மின்கட்டண ஆணையில் அதன் தொடர்புடைய அத்தியாத்தின் கணக்கில் கொள்ளப்பட்டது.</p>		
<p>தமிழ்நாடு விசைத்தறி சங்கங்களின் கூட்டமைப்பு,</p>	<p>1, பாரா 11/1/1ல் குறிப்பிட்டுள்ள 225 நாள் தாமதம் போவிட் 19 பரவல் காரணமான ஏற்பட்டது என்பதை மறுக்கிறோம் அந்த காலகட்டத்தில் உலகம் இயங்கத்தான் செய்தது எல்லா நடைமுறைகளும் நடைபெற்றன கோவிட் 19 பரவல் காரணமாக தாமதம் என்பதை ஏற்றுக் கொள்ள முடியாது</p> <p>2, பாரா 11/1/9 ல் குறிப்பிட்டுள்ளவாறு 1,9,22 தேதி முதல் 2022/23 நிதி ஆண்டுக்காக உயர்த்த</p>	<p>3. தமிழ்நாடு மின் தொடரமைப்புக்கழகம் 5 ஆண்டுகளுக்குப் பிறகு மின் அனுப்புமை கட்டண மனுவை தாக்கல் செய்துள்ளது. அப்படியிருந்தும், உலகளாவிய கோவிட் -19, பொருளாதார நெருக்கடி மற்றும் திறந்த அணுகல் நுகர்வோருக்கு கட்டண அதிர்ச்சியைத் தவிர்ப்பதற்காக தமிழ்நாடு மின் தொடரமைப்புக்கழகம், 2022-23 நிதியாண்டிற்கான மதிப்பிடப்பட்ட நிகராண்டு வருவாய்</p>

	<p>உத்தேசிக்கப்பட்டுள்ள மின் கட்டண உயர்வை முற்றிலுமாக மறுக்கிறோம்</p> <p>4, பாரா 11,1,10ல் குறிப்பிட்டுள்ளடி மின்அனுப்புகை கட்டணம் தொடர்பானவற்றையும் முழுமையாக மறுக்கிறோம்.</p>	<p>தேவையை விடக் குறைவான வருவாயை மீட்டெடுக்க முன்மொழிந்துள்ளது,</p> <p>4. மேலும், 2022-23 நிதியாண்டில் தற்போதுள்ள தமிழ்நாடு மின் தொடரமைப்புக் கழகத்தின் நெட்வொர்க்கைப் பராமரிக்கவும், கூடுதல் மின்னூற்பத்தித் திறனைப் பூர்த்திசெய்யும் வகையில் கூடுதல் மின் கட்டமைப்பை அமைப்பதற்கும் முன்மொழியப்பட்ட மின் அனுப்புகை கட்டணம் உண்மையில் தேவையானதை விடகுறைவானதாகும்.</p>
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**ஆணையத்தின் கருத்து:**

தமிழ்நாடு மின்தொடரமைப்பு கழகம் சமர்ப்பித்த பதிலுரையை கருத்தில் கொண்டு ஆணையத்தின் மின்கட்டண ஆணையில் அதன் தொடர்புடைய அத்தியாத்தின் கணக்கில் கொள்ளப்பட்டது.

### 3 Approval of Final True Up for the period from FY 2016-17 to FY 2019-20

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#### 3.1 Background

3.1.1 TANTRANSCO, in its Petition has sought approval for True Up for the period FY 2016-17 to FY 2019-20. In this Section, the Commission has analyzed all the elements of expenses & revenues after prudence check for the corresponding periods and has determined the ARR for TANTRANSCO for those years.

#### 3.2 Overall approach of the Commission

3.2.1 For FY 2016-17 to FY 2018-19, there are approved values, as per Tariff Order dated August 11, 2017. However, for FY 2019-20 there are no Commission approved values as such (except for capital expenditure and capitalization), as there has not been any tariff order for TANTRANSCO after the issuance of Tariff Order dated August 11, 2017. Approved values for capital expenditure and capitalization are available for FY 2019-20 to FY 2021-22 as part of Commission's order on MP No. 16 of 2019, dated June 15, 2021.

3.2.2 In the absence of Commission's approved values to compare against the actual filed for undertaking a conventional true up for FY 2019-20, the Commission has instead relied on the overall MYT mechanism as provided in its MYT Regulations, 2009 (including subsequent amendments). The regulations provide the following guidance relating to controllable and uncontrollable expenses:

**TNERC (Terms and conditions for determination of tariff ) Regulations, 2005**

***"14. Multi Year Tariff***

*(1)...*

*(2)...*

*(3)...*

*(4)...*

*(5) All the uncontrollable costs shall be allowed as pass through in tariff and the uncontrollable costs will include the following:*

*(a) Cost of fuel;*

*(b) Costs on account of inflation;*

*(c) Taxes and duties; and*

*(d) Variation in power purchase unit cost from base line level including on account of hydro-thermal mix in case of force majeure and adverse natural events like drought*

*(6) The Operation and Maintenance cost shall be controllable cost and be based on escalation indices or other mode determined during determination of tariff for the base year.”*

**TNERC ( Terms and Conditions for Determination of Tariff for Intra state Transmission / Distribution of Electricity under MYT Framework ) Regulations , 2009**

***“3 viii). Mechanism of pass through of approved gains or losses on account of uncontrollable factors.***

*As stipulated in Regulation 14 of Tariff Regulations, the following constitute uncontrollable costs.*

*a) Cost of fuel;*

*b) Costs on account of inflation;*

*c) Taxes and duties and*

*d) Variation in power purchase unit cost from base line level including variation on account of hydro- thermal mix in case of force majeure and adverse natural events like draught.”*

3.2.3 The parameter wise treatment adopted by the Commission, in line with the above philosophy, is explained in detail in the subsequent sections of this chapter.

### **3.3 Employee Expenses**

#### **TANTRANSCO’s Submission**

3.3.1 TANTRANSCO has stated that employee expenses comprise of salaries, dearness allowance, bonus, terminal benefits, etc. in the form of pension & gratuity, leave encashment and staff welfare expenses.

3.3.2 TANTRANSCO claims that employee expenses fall under the category of uncontrollable costs in line with the provisions of sub- clause 5 of Regulation 14 of the TNERC Tariff Regulations, 2005. Due to this, approval of actual expenses as per audited accounts are sought.

3.3.3 TANTRANSCO has submitted that the variation in employee expenses from previously approved values is majorly on account of terminal benefits.

**Table 3-1: Employee expenses submitted by TANTRANSCO for FY 2016-17 to FY 2019-20 (Rs. crore)**

Particulars	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
<b>Salary and DA</b>				
Salaries	273.11	421.15	783.63	786.31
DA	348.21	278.06	75.21	117.37
<b>Total</b>	<b>621.33</b>	<b>699.22</b>	<b>858.85</b>	<b>903.68</b>
<b>Terminal benefits and pension contribution</b>				
Terminal Benefits	355.66	347.66	481.67	531.61
Board's Contribution to CPS	14.20	17.15	24.74	27.90
<b>Total</b>	<b>369.85</b>	<b>364.82</b>	<b>506.41</b>	<b>559.51</b>
<b>Other expenses</b>				
Over-time	14.54	14.14	15.89	19.26
Other Allowance	19.86	32.21	54.97	55.41
Bonus	14.86	16.57	16.39	17.01
Reimbursement of Medical Expenses	0.34	0.43	0.38	0.19
Leave Travel Concession	0.04	0.03	0.04	0.03
Encashment of Earned Leave	42.55	50.46	80.82	88.37
Staff Welfare Expenses	0.43	0.76	0.48	0.63
Payment under worker's compensation and gratuity	0.00	-	0.03	0.06
<b>Total</b>	<b>92.63</b>	<b>114.61</b>	<b>169.02</b>	<b>180.96</b>
<b>Grand Total</b>	<b>1,083.81</b>	<b>1,178.65</b>	<b>1,534.27</b>	<b>1,644.15</b>
<i>Amount approved in tariff order dated August 11, 2017</i>	<b>916.52</b>	<b>992.21</b>	<b>1071.47</b>	-

### Commission's view

- 3.3.4 The Commission does not agree with the contention of TANTRANSCO that O&M costs, including employee costs are "costs on account of inflation", which is covered as an uncontrollable cost under sub- clause 5 of Regulation 14 of the TNERC Tariff Regulations, 2005. The TNERC Tariff Regulations, 2005 has already provided specific guidance on how O&M expenses are to be dealt with. The same will be applicable to employee expenses also.

### **TNERC (Terms and conditions for determination of tariff ) Regulations, 2005**

#### **25. Operation and Maintenance Expenses**

*(1) The operation and maintenance expenses shall be derived on the basis of actual operation and maintenance expenses for the past five years previous to current year based on the audited Annual Accounts excluding abnormal operation and maintenance expenses, if any, after prudence check by the Commission. The Commission may, if considered*

*necessary engage Consultant / Auditors in the process of prudence check for correctness.*

*(2) The average of such normative operation and maintenance expenses after prudence check shall be escalated at the rate of 5.72% per annum to arrive at operation and maintenance expenses for current year i.e. base year and ensuing year.*

*(3) The base operation and maintenance expenses so determined shall be escalated further at the rate of 5.72% per annum to arrive at permissible operation and maintenance expenses for the relevant years of tariff period.”*

- 3.3.5 The Commission has approved the Employee Expense as claimed by the petitioner for FY 2016-17. For FY 2017-18, FY 2018-19 and FY 2019-20, the Commission has approved only the Salary expenses including Dearness Allowance, Terminal Benefits and Pension Contribution on actual basis.
- 3.3.6 However, for computation of other Employee Expenses (excluding Salary Expense, Dearness Allowance, Terminal Benefits and Pension Contribution) for FY 2017-18, FY 2018-19 and FY 2019-20, the escalation factor of 5.72% has been considered on the base year considered of FY 2016-17.
- 3.3.7 Considering the above, the Commission finds it appropriate to approve the employee expenses for FY 2016-17 to FY 2019-20 as per below.

**Table 3-2: Employee Expenses for FY 2016-17 to FY 2019-20 as approved by the Commission (Rs. crore)**

<b>Particulars</b>	<b>FY 2016-17</b>	<b>FY 2017-18</b>	<b>FY 2018-19</b>	<b>FY 2019-20</b>
<b>Employee expenses claimed by TANTRANSCO</b>	<b>1,083.81</b>	<b>1,178.65</b>	<b>1,534.27</b>	<b>1,644.15</b>
<b>Employee expenses approved by the Commission</b>	<b>1,083.81</b>	<b>1,161.97</b>	<b>1,468.79</b>	<b>1,572.64</b>

### **3.4 Administrative and General (A&G) Expenses**

#### **TANTRANSCO’s submission**

- 3.4.1 TANTRANSCO submitted that A&G Expenses consists of Rents, Telephone and other communication expenses, professional charges, conveyance and travelling allowances and other debits.
- 3.4.2 TANTRANSCO has submitted that the A&G expenses claimed in its Petition is based on the actuals as per the certified accounts.

**Table 3-3: A&G Expenses for FY 2016-17 to FY 2019-20 as submitted by TANTRANSCO (Rs. crore)**

<b>Particulars</b>	<b>FY 2016-17</b>	<b>FY 2017-18</b>	<b>FY 2018-19</b>	<b>FY 2019-20</b>
Rent/Rates and Taxes	0.76	1.00	0.87	0.87
Insurance	0.10	0.10	0.15	0.13
Telephone/Postage/Telegram/Telex charges	1.15	1.41	1.08	1.01
Legal Charges	0.87	0.70	0.37	0.17
Audit Fees (expenses and reimbursements)	0.09	0.12	0.11	0.13
Consultancy Charges	-	0.49	2.38	0.80
Technical Fees	0.03	0.02	0.22	0.46
Other Professional Charges	0.32	0.59	0.02	0.35
Conveyance & Travel	13.72	13.77	16.48	17.74
Fees & Subscription	0.00	0.00	0.00	0.05
Printing & Stationery	0.48	0.45	0.42	0.51
Training Expenses	0.23	0.36	0.39	0.26
Advertisement Expenses	0.20	0.29	0.20	0.15
Electricity Charges	0.86	0.82	0.96	0.74
Water Charges	0.19	0.30	0.36	0.35
Watch and Ward Expenses.	11.00	12.02	14.40	12.88
Petty Office Maintenance Expenses.	0.34	0.61	0.57	0.63
Miscellaneous Expenses	2.75	1.76	2.08	3.01
Freight	0.51	2.55	0.65	0.66
Other Purchase related Expenses.	0.26	0.22	0.12	0.31
Honorarium (Food Allowance)	0.02	0.07	0.09	0.82
Registrar of Companies/Licence fee	1.24	1.19	1.41	1.88
<b>Grant total</b>	<b>35.12</b>	<b>38.85</b>	<b>43.33</b>	<b>43.92</b>
<i>Amount approved in tariff order dated August 11, 2017</i>	29.89	31.59	33.40	

### **Commission's view**

- 3.4.3 The Commission does not agree with the contention of TANTRANSCO that O&M cost components are “costs on account of inflation”, which is covered as an uncontrollable cost under sub- clause 5 of Regulation 14 of the TNERC Tariff Regulations, 2005. The TNERC Tariff Regulations, 2005 has already provided specific guidance on how O&M expenses are to be dealt with. The same will be applicable to A&G expenses also.
- 3.4.4 The Commission, in this Order, has approved the normative A&G Expenses, after truing up, as per Regulation 9 of the MYT Regulations. The Commission, in its fifth Tariff Order for TANTRANSCO in August 2017 had approved the normative A&G Expenses for FY 2016-17 to FY 2018-19. The same has been considered by the Commission for the purpose of truing up.
- 3.4.5 For computation of normative A&G Expenses for FY 2019-20, the escalation factor of 5.72% has been applied on normative A&G Expenses for FY 2018-19

- 3.4.6 Considering the above, the Commission finds it appropriate to approve the A&G expenses for FY 2016-17 to FY 2019-20 as below.

Table 3-4: A&G expenses for FY 2016-17 to FY 2019-20 as approved by the Commission (Rs. crore)

Particulars	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
A&G Expenses, claimed by TANTRANSCO	35.12	38.85	43.33	43.92
A&G Expenses, approved by the Commission	29.89	31.59	33.40	35.31

### 3.5 Repair and Maintenance (R&M) Expenses

#### TANTRANSCO's submission

- 3.5.1 TANTRANSCO submitted that R & M Expenses go towards the day-to-day upkeep of the transmission network of the Company and form an integral part of the Company's efforts towards reliable and quality power supply and also in the reduction of losses in the system.
- 3.5.2 TANTRANSCO has submitted that the R&M Expenses have been claimed as per the accounting statements of FY 2017-18 to FY 2019-20.

Table 3-5: R&M Expenses for FY 2016-17 to FY 2019-20 as submitted by TANTRANSCO (Rs. crore)

Particulars	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
Plant & Machinery	10.33	6.40	22.09	18.92
Building	0.33	0.66	0.61	0.64
Civil Works	0.35	0.71	0.54	1.40
Hydraulic work	0.00	0.00	0.00	0.00
Lines & Cable network	3.19	3.12	2.76	4.86
Vehicles	0.59	0.51	0.47	0.55
Furniture & Fixtures	0.01	0.00	0.08	0.01
Office equipments	0.25	0.34	0.33	0.35
<b>Grand Total</b>	<b>15.05</b>	<b>11.75</b>	<b>26.88</b>	<b>26.73</b>
<i>Amount approved in tariff order dated August 11, 2017</i>	<b>12.43</b>	<b>13.15</b>	<b>13.90</b>	-

#### Commission's view

- 3.5.3 The Commission does not agree with the contention of TANTRANSCO that O&M cost components are "costs on account of inflation", which is covered as an uncontrollable cost under sub-clause 5 of Regulation 14 of the TNERC Tariff Regulations, 2005. The TNERC Tariff Regulations, 2005 has already provided specific guidance on how O&M expenses are to be dealt with. The same will be applicable to R&M expenses also.



- 3.5.4 The Commission, in this Order, has approved the normative R&M Expenses, after truing up, as per Regulation 9 of the MYT Regulations. The Commission, in its fifth Tariff Order for TANTRANSCO in August 2017 had approved the normative R&M Expenses for FY 2016-17 to FY 2018-19. The same has been considered by the Commission for the purpose of truing up.
- 3.5.5 For computation of normative R&M Expenses for FY 2019-20, the escalation factor of 5.72% has been applied on normative R&M Expenses for FY 2018-19
- 3.5.6 Considering the above, the Commission finds it appropriate to approve the R&M expenses for FY 2016-17 to FY 2019-20 as below.

Table 3-6: R&amp;M expenses for FY 2016-17 to FY 2019-20 as approved by the Commission (Rs. crore)

Particulars	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
R&M Expenses, claimed by TANTRANSCO	15.05	11.75	26.88	26.73
R&M Expenses, approved by the Commission	12.43	13.15	13.90	14.70

### 3.6 Net O&M expenses

#### TANTRANSCO's submission

- 3.6.1 TANTRANSCO's submission of total O&M expenses, and the net amount after capitalization is summarized below.

Table 3-7: O&amp;M Expenses for FY 2016-17 to FY 2019-20 as submitted by TANTRANSCO (Rs. crore)

Particulars	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
Employee Expenses	1,083.81	1,178.65	1,534.27	1,644.15
A&G Expenses	35.12	38.85	43.33	43.92
R&M Expenses	15.05	11.75	26.88	26.73
<b>Total O&amp;M Expenses</b>	<b>1,133.98</b>	<b>1,229.24</b>	<b>1,604.48</b>	<b>1,714.80</b>
(Less) O&M Expense capitalization	130.97	130.47	147.04	158.72
<b>Net O&amp;M Expenses</b>	<b>1,003.00</b>	<b>1,098.78</b>	<b>1,457.45</b>	<b>1,556.09</b>

#### Commission's view

- 3.6.2 The Commission's analysis and approval on Employee, A&G and R&M expenses has already been detailed out in sections 3.3 to 3.5. Further, the Commission has also reviewed and verified the O&M expenses capitalization claimed by TANTRANSCO. Considering these, the Commission has approved the following O&M expenses.

Table 3-8: O&amp;M Expenses for FY 2016-17 to FY 2019-20 approved by Commission (Rs. crore)

Particulars	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
Employee Expenses	1,083.81	1,161.97	1,468.79	1,572.64
A&G Expenses	29.89	31.59	33.40	35.31
R&M Expenses	12.43	13.15	13.90	14.70
<b>Total O&amp;M Expenses</b>	<b>1,126.13</b>	<b>1,206.71</b>	<b>1,516.09</b>	<b>1,622.65</b>
(Less) O&M Expense capitalization	130.97	130.47	147.04	158.72
<b>Net O&amp;M Expenses</b>	<b>995.16</b>	<b>1,076.24</b>	<b>1,369.05</b>	<b>1,463.93</b>

### 3.7 Capital Expenditure and Capitalization

#### TANTRANSCO's Submission

3.7.1 TANTRANSCO has claimed the following capitalization and capital expenditure, claiming expenses towards construction of transmission lines and sub-stations, to achieve the following:

- Improvement in Tail end voltage levels
- Avoidance of System Over Loading
- To provide load relief and to meet out the load growth in particular area
- To evacuate power from various sources and
- Reduction in line loss

**Table 3-9: Capital expenditure and capitalization for FY 2016-17 to FY 2019-20 as submitted by TANTRANSCO (Rs. crore)**

Particulars	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
Capital expenditure	3816.76	2823.03	3949.35	4114.41
Capitalization	3351.33	3160.61	1116.36	1336.23

3.7.2 TANTRANSCO has also provided information on the CAPEX undertaken by it on new substations and lines during the relevant years.

**Table 3-10: New SS and lines commissioned by TANTRANSCO from FY 2016-17 to FY 2019-20**

Sl.No.	FY 2016-17				
	Substations			Lines	
	Rating of SS	Nos.	MVA	Voltage Level	Ckt KMs.
1	400 kV	4	4290	400 kV Cable	362.036
2	230 kV	7	1180	230 kV OH Line	318.457
3	110 kV	36	609	110 kV OH line	801.144
4	66 kV	--	0	110 kV cable	5.80
	<b>Total</b>	<b>47</b>	<b>6079</b>		<b>1487.437</b>

Sl.No.	FY 2017-18				
	Substations			Lines	
	Rating of SS	Nos.	MVA	Voltage Level	Ckt KMs.
1	400 kV	4	4435	400 kV Line	971.406
2	230 kV	6	860	230 kV OH Line	523.282
3	110 kV	27	543	230 kV Cable	45.678
				110 kV OH line	649.696
				110 kV cable	18.889
	<b>Total</b>	<b>37</b>	<b>5838</b>		<b>2208.951</b>

Sl.No.	FY 2018-19				
	Substations			Lines	
	Rating of SS	Nos.	MVA	Voltage Level	Ckt KMs.
1	400 kV	1	600	400 kV Line	9.822
2	230 kV	4	980	230 kV OH Line	406.073
3	110 kV	31	519	230 kV Cable	15.970
				110 kV OH line	744.948
				110 kV cable	14.002
	<b>Total</b>	<b>36</b>	<b>2099</b>		<b>1190.815</b>

Sl.No.	FY 2019-20				
	Substations			Lines	
	Rating of SS	Nos.	MVA	Voltage Level	Ckt KMs.
1	400 kV	1	1030	400 kV Line	66.83
2	230 kV	3	325	230 kV OH Line	231.42
3	110 kV	46	697	230 kV Cable	16.942
				110 kV OH line	689.097
				110 kV cable	21.284
	<b>Total</b>	<b>50</b>	<b>2052</b>		<b>1025.573</b>

**Table 3-11: Capacity augmentation undertaken by TANTRANSCO from FY 2016-17 to FY 2019-20**

Rating of the SS	FY 2016-17		FY 2017-18		FY 2018-19		FY 2019-20	
	Nos.	MVA	Nos.	MVA	Nos.	MVA	Nos.	MVA
400 kV	--	--	3	715	--	--	---	---
230 kV	8	780	7	650	12	960	10	850
110 kV	67	906	72	892	57	750	35	557
66 kV	--	--	--	--	1	10	1	3
<b>Total</b>	<b>75</b>	<b>1686</b>	<b>82</b>	<b>2257</b>	<b>70</b>	<b>1720</b>	<b>46</b>	<b>1410</b>

**Commission's view**

- 3.7.3 As the capital expenditure and capitalization are as per the audited accounts, the Commission has relied on the same, and approves the same. The Commission notes the requirement of TANTRANSCO to undertake this CAPEX. The Commission has considered the net addition to gross fixed assets during a particular year equivalent to capitalization for that year.

**Table 3-12: Capital expenditure and capitalization for FY 2016-17 to FY 2019-20 approved by the Commission (Rs. crore)**

Particulars	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
Capital expenditure	3816.76	2823.03	3949.35	4114.41
Capitalization	3351.33	3160.61	1116.36	1336.23

**3.8 Gross Fixed Assets (GFA) and Depreciation****TANTRANSCO's Submission**

- 3.8.1 TANTRANSCO has submitted that the opening and closing balance of GFA have been considered as provided in the accounting statements of TANTRANSCO. TANTRANSCO has further submitted the depreciation has been claimed in line with the provisions of TNERC (Terms and Conditions for Determination of Tariff) Regulations 2005.
- 3.8.2 TANTRANSCO has further clarified that the claimed depreciation is excluding the impact of revaluation in line with the approach adopted by the Commission in Tariff Order in T. P. No. 2 of 2017.
- 3.8.3 TANTRANSCO has submitted that it has arrived at the figures in the petition based on the asset-wise depreciation rates approved by the Commission, applied on the opening GFA of respective years.

**Table 3-13: Depreciation for FY 2016-17 to FY 2019-20 as submitted by TANTRANSCO (Rs. crore)**

Particulars	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
Opening Gross Block	16,932.90	20,284.23	23,435.22	24,543.31
Net Addition of GFA	3,351.33	3,150.99	1,108.08	1,330.80
Closing Gross Block	20,284.23	23,435.22	24,543.31	25,874.11
<b>Depreciation during the year</b>	<b>590.79</b>	<b>747.80</b>	<b>893.02</b>	<b>1,034.80</b>
<i>Amount approved in tariff order dated August 11, 2017</i>	873.08	947.74	1,111.92	

### Commission's View

- 3.8.4 For computation of depreciation, the Commission has considered the asset class-wise rate of depreciation specified in the Tariff Regulations, applied on the Opening GFA instead of average GFA.
- 3.8.5 The depreciation approved by the Commission for FY 2016-17 to FY 2019-20 is shown in the table below:

**Table 3-14: Depreciation for FY 2016-17 to FY 2019-20 approved by the Commission (Rs. crore)**

Particulars	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
Opening Gross Block	16,932.90	20,214.77	23,288.90	24,248.44
Net Addition of GFA	3,281.86	3,074.13	959.54	1,336.23
Closing Gross Block	20,214.77	23,288.90	24,248.44	25,584.67
<b>Depreciation during the year</b>	<b>867.84</b>	<b>1,026.82</b>	<b>1,186.30</b>	<b>1,241.75</b>

## 3.9 Interest and Finance Charges

### TANTRANSCO's Submission

- 3.9.1 Interest and Finance Charges have been submitted based on the heads., viz., Interest on Loan and Other Finance Charges as per the accounting statements of FY 2017-18 to FY 2019-20.
- 3.9.2 TANTRANSCO has submitted that though interest on GPF is included in its audited accounts they are not claiming any interest on GPF in the true up petition.
- 3.9.3 TANTRANSCO has requested to approve interest expenses for FY 2016-17 as per actuals.
- 3.9.4 TANTRANSCO has stated that it has computed weighted average rate of interest as 9.78%, 9.35% and 9.76% based on the actual loan portfolio of FY 2017-18, FY 2018-19 and FY 2019-20 to calculate interest on loan for the respective years.
- 3.9.5 The interest calculation for FY 2016-17 to FY 2019-20 as submitted by TANTRANSCO is given in the Table below:

**Table 3-15: Interest and finance charges for FY 2016-17 to FY 2019-20 as submitted by TANTRANSCO (Rs. crore)**

Particulars	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
Opening Loan balance for the year	10,848.38	13,608.20	15,988.67	19,170.76

Particulars	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
Loan addition during the year	3,850.78	3,628.05	4,626.95	5,063.99
Repayment during the year	(1,051.02)	1,247.58	1,444.86	1,930.91
Closing Loan balance for the year	13,648.14	15,988.67	19,170.76	22,303.85
Average Loan balance	12,248.26	14,798.44	17,579.72	20,737.31
<b>Average rate of Interest</b>	10.01%	9.22%	8.90%	9.36%
<b>Interest on Loan</b>	<b>1,226.41</b>	<b>1,364.33</b>	<b>1,564.24</b>	<b>1,940.48</b>
<i>Interest &amp; Finance Charges Capitalization</i>	280.20	348.59	461.43	489.03
<b>Other Finance charges</b>	<b>25.81</b>	<b>110.90</b>	<b>36.20</b>	<b>285.13</b>
<b>Net Interest &amp; Finance Charges</b>	<b>946.21</b>	<b>1,126.64</b>	<b>1,139.01</b>	<b>1,736.58</b>
<i>Amount approved in tariff order dated August 11, 2017</i>	630.23	614.07	644.60	

#### Commission's View

- 3.9.6 The Commission has considered closing balance of loans, approved in previous true-up exercise for FY 2015-16 as the opening balance for FY 2016-17.
- 3.9.7 For the following years, the Commission has considered the addition of loan towards the funding of capital expenditure, considering 70% loan and 30% equity for new investments. The repayment of existing loan is considered as per Audited Accounts. The actual weighted average rate of interest has been considered based on the Audited Accounts. Interest during construction (IDC) has been approved as submitted by TANTRANSCO.
- 3.9.8 Other Finance Charges have been allowed at actuals based on Audited Accounts.
- 3.9.9 After considering the above, the Commission has approved the interest and finance charges.

**Table 3-16: Interest and finance charges for FY 2016-17 to FY 2019-20 approved by the Commission (Rs. crore)**

Particulars	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
Opening Loan balance for the year	10,345.36	12,759.38	14,200.79	13,974.04
Loan addition during the year	3,281.86	2,468.23	959.54	768.67
Repayment during the year	(867.84)	(1,026.82)	(1,186.30)	(1,241.75)
Closing Loan balance for the year	12,759.38	14,200.79	13,974.04	13,500.96
Average Loan balance	11,552.37	13,480.09	14,087.42	13,737.50
<b>Average rate of Interest</b>	<b>10.01%</b>	<b>9.22%</b>	<b>8.90%</b>	<b>9.36%</b>
<b>Interest on Loan</b>	<b>1,156.73</b>	<b>1,242.79</b>	<b>1,253.50</b>	<b>1,285.48</b>
<i>Less: Interest &amp; Finance Charges Capitalized</i>	(280.20)	(348.59)	(461.43)	(489.03)

Particulars	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
<i>Other Finance Charges</i>	25.81	110.90	36.20	285.13
<b>Net Interest and Finance Charges</b>	<b>902.34</b>	<b>1,005.10</b>	<b>828.27</b>	<b>1,081.58</b>

### 3.10 Interest on Working Capital (IoWC)

#### TANTRANSCO's Submission

3.10.1 TANTRANSCO submits that, the Interest on Working Capital has been computed based on the normative parameters specified in Regulation 26 of TNERC (Terms and Conditions for Determination of Tariff) Regulations, 2005.

3.10.2 TANTRANSCO has submitted that the working capital has been computed in line with clause 26 (2) (d) TNERC Tariff Regulation, 2005 as follows

*“(i) Operation and Maintenance Expenses for one month;*

*(ii) Maintenance spares @ 1% of the historical cost of the transmission asset escalated at 6% per annum from date of the commencement of operation;*

*(iii) Receivables equivalent to two months transmission charges calculated on target availability level”*

3.10.3 TANTRANSCO has submitted that the interest rate for computing IoWC has been considered in line with the TNERC (Terms and Conditions for Determination of Tariff) Regulations, 2005 i.e., Prime Lending Rate of State Bank of India as on April 1st of the respective year. Accordingly, rate of 14.05%, 13.85%, 13.45% and 13.80% has been adopted for the computation of IoWC for FY 2016-17, FY 2017-18, FY 2018-19 and FY 2019-20 respectively.

**Table 3-17: IoWC for FY 2016-17 to FY 2019-20 as submitted by TANTRANSCO (Rs. crore)**

Particulars	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
O & M expenses	83.58	91.56	121.45	129.67
Maintenance Spares	213.03	245.93	258.89	273.07
Receivables	381.39	434.36	506.05	521.25
<b>Total Working Capital</b>	<b>678.01</b>	<b>771.85</b>	<b>886.40</b>	<b>923.99</b>
Rate of Interest on Working Capital	14.05%	13.85%	13.45%	13.80%
<b>Interest on Working Capital</b>	<b>95.26</b>	<b>106.90</b>	<b>119.22</b>	<b>127.51</b>
<i>Amount approved in tariff order dated August 11, 2017</i>	<b>87.27</b>	<b>102.8</b>	<b>115.64</b>	

#### Commission's View

3.10.4 Regulation 26 (2) (d) & 27 of the Tariff Regulations specifies as under:

**“26. Working Capital****(d) For Transmission System***(i) Operation and Maintenance expenses for one month**(ii) Maintenance spares @ 1% of the historical cost of the transmission asset escalated at 6% per annum from the date of commencement of operation;**(iii) Receivables equivalent to two months transmission charges calculated on target availability level.***27. Interest on Working Capital***The short term rate of interest on working capital shall be on normative basis and shall be equivalent to the primary lending rate of State Bank of India as on 1st April of the relevant year.”*

3.10.5 The Commission has computed the normative IoWC in accordance with the Tariff Regulations. However, maintenance spares have been considered at 1% of the opening GFA for the respective year. The Commission has considered rate of interest equivalent to State Bank of India Prime Lending Rate as on April of each year.

**Table 3-18: IoWC for FY 2016-17 to FY 2019-20 approved by the Commission (Rs. crore)**

<b>Particulars</b>	<b>FY 2016-17</b>	<b>FY 2017-18</b>	<b>FY 2018-19</b>	<b>FY 2019-20</b>
O & M expenses	93.84	100.56	126.34	135.22
Maintenance Spares	179.49	214.28	246.86	257.03
Receivables	381.39	506.05	506.05	521.25
Total Working Capital	654.72	820.89	879.25	913.51
Rate of Interest on Working Capital	14.05%	13.85%	13.45%	13.80%
<b>Interest on Working Capital</b>	<b>91.99</b>	<b>113.69</b>	<b>118.26</b>	<b>126.06</b>

**3.11 Return on Equity (RoE)****TANTRANSCO’s Submission**

3.11.1 TANTRANSCO has submitted that it has considered the opening equity for FY 2016-17 onwards as per accounting statements of TANTRANSCO for the corresponding years, and RoE has been calculated on the basis of average equity for the corresponding year which is in line with the Regulation 22(1) of TNERC (Terms and Conditions Determination of Tariff) Regulations, 2005.

3.11.2 TANTRANSCO has submitted that the Normative Rate of Return on Equity has been taken at 14% as per the Regulation 22(1) of TNERC (Terms and Conditions Determination of Tariff) Regulations, 2005.

**Table 3-19: RoE for FY 2016-17 to FY 2019-20 as submitted by TANTRANSCO (Rs. crore)**



Particulars	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
Opening Equity	2,017.39	2,000.27	2,606.17	2,606.17
Additions during the year	-	605.90	-	567.56
Closing Equity	2,017.39	2,606.17	2,606.17	3,173.73
Average Equity	2,017.39	2,303.22	2,606.17	2,889.95
<b>Return on Equity @ 14%</b>	282.43	322.45	364.86	404.59
<i>Amount approved in tariff order dated August 11, 2017</i>	311.44	369.9	445.18	

### Commission's View

- 3.11.3 The Commission has considered opening equity as per closing equity approved by it for true-up of FY 2016-17 in its previous tariff order dated August 2017.
- 3.11.4 The equity addition for subsequent years has been considered equivalent to actual equity inflow for funding of capital expenditure limited to the amount of 30% of capital expenditure, after excluding the grants/consumer contribution.
- 3.11.5 The Commission has allowed 14% RoE on average equity contribution so determined for the year, in accordance with the Tariff Regulations.

Table 3-20: RoE for FY 2016-17 to FY 2019-20 approved by the Commission (Rs. crore)

Particulars	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
Opening Equity	2,017.39	2,017.39	2,623.29	2,623.29
Additions during the year	-	605.90	-	567.56
Closing Equity	2,017.39	2,623.29	2,623.29	3,190.85
Average Equity	2,017.39	2,320.34	2,623.29	2,907.07
<b>Return on Equity @ 14%</b>	<b>282.43</b>	<b>324.85</b>	<b>367.26</b>	<b>406.99</b>

## 3.12 Other Income

### TANTRANSCO's Submission

- 3.12.1 The Regulation 40 of TNERC (Terms and Conditions for Determination of Tariff) Regulations, 2005 defines Other Income as income other than sale of electricity. TANTRANSCO has submitted that the various component of Other Income for TANTRANSCO includes Interest on Staff Loan and Advances, income from staff welfare activities, miscellaneous receipt, etc.
- 3.12.2 TANTRANSCO has submitted that the Other Income are provided as per the accounting statements for the FY 2016-17 to FY 2019-20.

Table 3-21: Other Income FY 2016-17 to FY 2019-20 as submitted by TANTRANSCO (Rs. crore)

Particulars	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
<b>Other income</b>	289.73	75.99	138.04	199.67
<i>Amount approved in tariff order dated August 11, 2017</i>	309.66	139.88	179.96	

### Commission's View

3.12.3 The Commission has accepted the Other Income for FY 2016-17 to FY 2019-20 as per the Audited Accounts, as shown in the Table below:

**Table 3-22: Other Income FY 2016-17 to FY 2019-20 approved by the Commission (Rs. crore)**

Particulars	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
Interest on staff loans and advances	1.87	1.77	1.29	1.43
Income from Investments	0.06	-	-	-
Interest on Loans & Advances to Licensees	-	-	-	-
Delayed Payment Surcharges collected from consumers	-	0.00	0.00	-
Interest on Advances to Suppliers/Contractors	0.00	0.00	0.00	-
Interest from Banks (Other than Fixed Deposit)	0.00	0.27	0.06	-
Income from trading	1.25	0.89	0.92	0.88
Rebate on Power Purchase Bills	0.02	-	-	
Income from Staff Welfare activities	0.02	0.01	0.05	-
Miscellaneous Receipts	286.51	73.04	135.72	197.36
<b>Other income</b>	<b>289.73</b>	<b>75.99</b>	<b>138.04</b>	<b>199.67</b>

### 3.13 Other debits, Extra-ordinary items and Prior Period Expenses

#### TANTRANSCO's Submission

3.13.1 TANTRANSCO has submitted that the Other debits, Extra-ordinary items and Prior Period Expenses are provided as per the accounting statements for the FY 2017-18 to FY 2019-20.

**Table 3-23: Other debits, Extra-ordinary items and Prior Period Expenses for FY 2016-17 to FY 2019-20 as submitted by TANTRANSCO (Rs. crore)**

Particulars	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
Other debit	0.02	-0.04	-4.40	-0.08
Extraordinary Items	0.70	0.81	5.10	-
Prior period income	14.12	-56.83	-22.18	-6.13
<b>Total</b>	<b>14.84</b>	<b>-56.07</b>	<b>-21.48</b>	<b>-6.20</b>

Particulars	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
<i>Amount approved in tariff order dated August 11, 2017</i>	0	0	0	-

### Commission's View

3.13.2 The Commission has analyzed the Other debits, Extra-ordinary items and Prior Period Expenses, and have found the same to be in order.

**Table 3-24: Other debits, Extra-ordinary items and Prior Period Expenses for FY 2016-17 to FY 2019-20 approved by the Commission (Rs. crore)**

Particulars	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
Other debit	0.02	-0.04	-4.40	-0.08
Extraordinary Items	0.70	0.81	5.10	-
Prior period income	14.12	-56.83	-22.18	-6.13
<b>Total</b>	<b>14.84</b>	<b>-56.07</b>	<b>-21.48</b>	<b>-6.20</b>

## 3.14 Incentive

### TANTRANSCO's Submission

3.14.1 TANTRANSCO submitted that as per the Tariff Regulations, a Transmission Licensee is entitled for an incentive at 1% of equity for each percentage point of increase in annual availability beyond the target availability of 98%. The incentive computation submitted by TANTRANSCO based on actual availability is shown in the following Table:

**Table 3-25: Incentive for FY 2016-17 to FY 2019-20 as submitted by TANTRANSCO (Rs. crore)**

Particulars	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
Equity	2,017.39	2,303.22	2,606.17	2,889.95
Annual Availability Achieved	99.16%	98.68%	99.17%	98.89%
Target Availability	98%	98%	98%	98%
<b>Total</b>	<b>23.35</b>	<b>15.72</b>	<b>30.36</b>	<b>25.77</b>
<i>Amount approved in tariff order dated August 11, 2017</i>	0	0	0	-

### Commission's View

3.14.2 The Commission has computed the incentive in accordance with the Tariff Regulations, which entitles the Transmission Licensee for an incentive at 1% of equity for each percentage point of increase in annual availability beyond the target availability of 98%.

3.14.3 The Commission has considered the transmission availability as per the actuals submitted by TANTRANSCO, however, for calculation of incentive, Commission has considered the revised average equity as approved by the Commission in this Order. The incentive approved by the Commission is shown in the following Table:

**Table 3-26: Incentive for FY 2016-17 to FY 2019-20 as approved by the Commission (Rs. crore)**

Particulars	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
Average Equity	2,017.39	2,320.34	2,623.29	2,907.07
Annual Availability Achieved	99.16%	98.68%	99.17%	98.89%
Target Availability	98%	98%	98%	98%
<b>Total</b>	<b>23.35</b>	<b>15.84</b>	<b>30.56</b>	<b>25.93</b>

### 3.15 Revenue

#### TANTRANSCO's Submission

3.15.1 TANTRANSCO has submitted that the revenue realized during the FY 2016-17, FY 2017-18, FY 2018-19 and FY 2019-20 are submitted as per accounting statements.

Table 3-27: Revenue received for FY 2016-17 to FY 2019-20 as submitted by TANTRANSCO (Rs. crore)

Particulars	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
<b>Total Revenue</b>	<b>2,288.35</b>	<b>2,606.14</b>	<b>3,036.31</b>	<b>3,127.52</b>
<i>Amount approved in tariff order dated August 11, 2017</i>	2,449.78	2,822.03	3,138.04	-

#### Commission's View

3.15.2 The Commission has reviewed the details of revenue collection, and have approved the following.

Table 3-28: Revenue received for FY 2016-17 to FY 2019-20 approved by the Commission (Rs. crore)

Particulars	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
<b>Total Revenue</b>	<b>2,288.35</b>	<b>2,606.14</b>	<b>3,036.31</b>	<b>3,127.52</b>

### 3.16 Aggregate Revenue Requirement

3.16.1 Based on the above component-wise submission made by TANTRANSCO and approval by the Commission, the ARR and gap for FY 2016-17 to FY 2019-20 is summarized in the following Table:

Table 3-29: Approved ARR for TANTRANSCO for FY 2016-17 to FY 2019-20 (Rs. crore)

Particulars	Petition				Approved by the Commission			
	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
Employee Cost	1,083.81	1,178.65	1,534.27	1,644.15	1,083.81	1,161.97	1,468.79	1,572.64
A&G Expenses	35.12	38.85	43.33	43.92	29.89	31.59	33.40	35.31
R&M Expenses	15.05	11.75	26.88	26.73	12.43	13.15	13.90	14.70
<i>Less: O&amp;M Capitalisation</i>	(130.97)	(130.47)	(147.04)	(158.72)	(130.97)	(130.47)	(147.04)	(158.72)

Particulars	Petition				Approved by the Commission			
	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
Depreciation	590.36	747.23	892.53	1,034.06	867.84	1,026.82	1,186.30	1,241.75
Interest & Finance Charges	946.21	1,126.64	1,139.01	1,736.58	902.34	1,005.10	828.27	1,081.58
Interest on Working Capital	95.26	106.90	119.22	127.51	91.99	113.69	118.26	126.06
Other Debits	0.02	(0.04)	(4.40)	(0.08)	0.02	(0.04)	(4.40)	(0.08)
Extra-ordinary item	0.70	0.81	5.10	-	0.70	0.81	5.10	-
<i>Prior Period (Income)/Expense</i>	14.12	(56.83)	(22.18)	(6.13)	14.12	(56.83)	(22.18)	(6.13)
Incentive	23.35	15.72	30.36	25.77	23.35	15.84	30.56	25.93
<b>Total Expenditure</b>	<b>2,673.03</b>	<b>3,039.20</b>	<b>3,617.09</b>	<b>4,473.81</b>	<b>2,895.52</b>	<b>3,181.62</b>	<b>3,510.96</b>	<b>3,933.05</b>
Return on Equity	282.43	322.45	364.86	404.59	282.43	324.85	367.26	406.99
<i>Less: Other Income</i>	(289.73)	(75.99)	(138.04)	(199.67)	(289.73)	(75.99)	(138.04)	(199.67)
<b>Net Aggregate Revenue Requirement</b>	<b>2,665.73</b>	<b>3,285.67</b>	<b>3,843.91</b>	<b>4,678.73</b>	<b>2,888.22</b>	<b>3,430.48</b>	<b>3,740.18</b>	<b>4,140.37</b>
<b>Revenue from Transmission Charges</b>	<b>2,288.35</b>	<b>2,606.14</b>	<b>3,036.31</b>	<b>3,127.52</b>	<b>2,288.35</b>	<b>2,606.14</b>	<b>3,036.31</b>	<b>3,127.52</b>
<b>Gap/(Surplus)</b>	<b>377.38</b>	<b>679.52</b>	<b>807.61</b>	<b>1,551.21</b>	<b>599.88</b>	<b>824.34</b>	<b>703.87</b>	<b>1,012.85</b>

## 4 Approval of Provisional True-up for FY 2020-21 and Annual Performance Review for the FY 2021-22

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### 4.1 Background

4.1.1 TANTRANSCO, in its Petition has sought approval for Provisional True Up for the FY 2020-21 and APR for FY 2021-22. In this Section, the Commission has analyzed all the elements of expenses for the corresponding periods and has determined the ARR for TANTRANSCO for those years.

### 4.2 Overall approach of the Commission

4.2.1 For FY 2017-18 and FY 2018-19, there are approved values, as per Tariff Order dated August 11, 2017. However, for FY 2019-20 to FY 2021-22, there are no Commission approved values as such (except for capital expenditure and capitalization), as there has not been any tariff order for TANTRANSCO after the issuance of Tariff Order dated August 11, 2017. Approved values for capital expenditure and capitalization are available for FY 2019-20 to FY 2021-22 as part of Commission's order on MP No. 16 of 2019, dated June 15, 2021.

4.2.2 In the absence of Commission approved values to compare against the actual filed values for undertaking a conventional true up and APR exercise for FY 2020-21 and FY 2021-22, the Commission has instead relied on the overall MYT mechanism as provided in its MYT Regulations, 2009 (including subsequent amendments). The regulations provide the following guidance relating to controllable and uncontrollable expenses:

**TNERC (Terms and conditions for determination of tariff) Regulations, 2005**

***"14. Multi Year Tariff***

*(1)...*

*(2)...*

*(3)...*

*(4)...*

*(5) All the uncontrollable costs shall be allowed as pass through in tariff and the uncontrollable costs will include the following:*

*(a) Cost of fuel;*

*(b) Costs on account of inflation;*

(c) *Taxes and duties; and*

(d) *Variation in power purchase unit cost from base line level including on account of hydro-thermal mix in case of force majeure and adverse natural events like drought*

(6) *The Operation and Maintenance cost shall be controllable cost and be based on escalation indices or other mode determined during determination of tariff for the base year.”*

**TNERC (Terms and Conditions for Determination of Tariff for Intra state Transmission / Distribution of Electricity under MYT Framework) Regulations , 2009**

**“3 viii). Mechanism of pass through of approved gains or losses on account of uncontrollable factors.**

*As stipulated in Regulation 14 of Tariff Regulations, the following constitute uncontrollable costs.*

a) *Cost of fuel;*

b) *Costs on account of inflation;*

c) *Taxes and duties and*

d) *Variation in power purchase unit cost from base line level including variation on account of hydro- thermal mix in case of force majeure and adverse natural events like draught.”*

4.2.3 The parameter wise treatment adopted by the Commission, in line with the above philosophy, is explained in detail in the subsequent sections of this chapter.

### **4.3 Employee Expenses**

4.3.1 TANTRANSCO claims that employee expenses fall under the category of uncontrollable costs in line with the provisions of sub- clause 5 of Regulation 14 of the TNERC Tariff Regulations, 2005. Due to this, approval of actual expenses as per audited accounts are sought.

**Table 4-1: Employee expenses submitted by TANTRANSCO for FY 2020-21 to FY 2021-22 (Rs. crore)**

<b>Particulars</b>	<b>FY 2020-21</b>	<b>FY 2021-22</b>
<b>Salary and DA</b>		
Salaries	759.52	782.31
DA	132.94	160.37
<b>Total</b>	<b>892.46</b>	<b>942.68</b>
<b>Terminal benefits and pension contribution</b>		
Terminal Benefits	446.25	490.87

Particulars	FY 2020-21	FY 2021-22
Board's Contribution to CPS	29.70	31.40
<b>Total</b>	<b>475.95</b>	<b>522.27</b>
<b>Other expenses</b>		
Over-time	17.44	18.44
Other Allowance	54.02	57.11
Bonus	8.40	8.88
Reimbursement of Medical Expenses	0.14	0.15
Leave Travel Concession	-	-
Encashment of Earned Leave	139.16	147.12
Staff Welfare Expenses	0.85	0.89
Payment under worker's compensation and gratuity	0.06	0.06
<b>Total</b>	<b>220.08</b>	<b>232.67</b>
<b>Grand Total</b>	<b>1,588.49</b>	<b>1,697.62</b>

#### Commission's view

- 4.3.2 The Commission has reviewed the employee cost projections provided by TANTRANSCO.
- 4.3.3 The Commission does not agree with the contention of TANTRANSCO that O&M costs, including employee costs are “costs on account of inflation”, which is covered as an uncontrollable cost under sub- clause 5 of Regulation 14 of the TNERC Tariff Regulations, 2005. The TNERC Tariff Regulations, 2005 has already provided specific guidance on how O&M expenses are to be dealt with. The same will be applicable to employee expenses also.

#### **TNERC (Terms and conditions for determination of tariff ) Regulations, 2005**

##### **25. Operation and Maintenance Expenses**

*(1) The operation and maintenance expenses shall be derived on the basis of actual operation and maintenance expenses for the past five years previous to current year based on the audited Annual Accounts excluding abnormal operation and maintenance expenses, if any, after prudence check by the Commission. The Commission may, if considered necessary engage Consultant / Auditors in the process of prudence check for correctness.*

*(2) The average of such normative operation and maintenance expenses after prudence check shall be escalated at the rate of 5.72% per annum to arrive at operation and maintenance expenses for current year i.e. base year and ensuing year.*



*(3) The base operation and maintenance expenses so determined shall be escalated further at the rate of 5.72% per annum to arrive at permissible operation and maintenance expenses for the relevant years of tariff period.”*

- 4.3.4 For computation of Salary Expenses and other expenses, the escalation factor of 5.72% has been applied on previous year. The Commission has considered Dearness Allowance based on actual DA index applied on the normative Basic Salary for the respective years, in line with the approach adopted in the earlier Tariff Orders.
- 4.3.5 For computation of Terminal Benefits and Pension Contribution, the escalation factor of 5.72% has been applied on previous year or petitioner’s claim whichever is lower.
- 4.3.6 Considering the above, the Commission finds it appropriate to approve the employee expenses for FY 2020-21 to FY 2021-22 as below.

**Table 4-2: Employee Expenses for FY 2020-21 to FY 2021-22 as approved by the Commission (Rs. crore)**

Particulars	FY 2020-21	FY 2021-22
Employee expenses claimed by TANTRANSCO	1,588.49	1,697.62
Employee expenses approved by the Commission	1,553.88	1,684.51

#### 4.4 Administrative and General (A&G) Expenses

##### TANTRANSCO’s submission

- 4.4.1 TANTRANSCO has submitted that the A&G expenses claimed in its Petition is based on the actuals as per the provisional accounts for FY 21 and forecast for FY 22.

**Table 4-3: A&G Expenses for FY 2020-21 to FY 2021-22 as submitted by TANTRANSCO (Rs. crore)**

Particulars	FY 2020-21	FY 2021-22
Rent/Rates and Taxes	0.81	0.94
Insurance	0.15	0.14
Telephone/Postage/Telegram/Telex charges	1.04	1.20
Legal Charges	0.32	0.41
Audit Fees (expenses and reimbursements)	0.12	0.13
Consultancy Charges	0.00	0.97
Technical Fees	0.10	0.21
Other Professional Charges	0.58	0.41
Conveyance & Travel	16.78	17.12
Fees & Subscription	0.01	0.02
Printing & Stationery	0.51	0.50
Training Expenses	0.03	0.27
Advertisement Expenses	0.12	0.20

Particulars	FY 2020-21	FY 2021-22
Electricity Charges	1.31	1.01
Water Charges	0.27	0.34
Watch and Ward Expenses.	15.78	14.56
Petty Office Maintenance Expenses.	0.72	0.67
Miscellaneous Expenses	83.35	23.84
Freight	0.58	1.17
Other Purchase related Expenses.	0.41	0.28
Honorarium (Food Allowance)	0.06	0.28
Registrar of Companies/Licence fee	1.53	1.59
<b>Grant total</b>	<b>124.57</b>	<b>66.25</b>

### Commission's view

- 4.4.2 The Commission has reviewed the A&G cost projections provided by TANTRANSCO.
- 4.4.3 The Commission does not agree with the contention of TANTRANSCO that O&M costs, including employee costs are “costs on account of inflation”, which is covered as an uncontrollable cost under sub- clause 5 of Regulation 14 of the TNERC Tariff Regulations, 2005. The TNERC Tariff Regulations, 2005 has already provided specific guidance on how O&M expenses are to be dealt with. The same will be applicable to A&G expenses also.
- 4.4.4 On the previous year's approved A&G expenses, annual escalation of 5.72% was applied as per the Tariff Regulations, to arrive at the expenses for FY 2020-21 and FY 2021-22.

Table 4-4: A&G expenses for FY 2020-21 to FY 2021-22 as approved by the Commission (Rs. crore)

Particulars	FY 2020-21	FY 2021-22
<b>A&amp;G Expenses, claimed by TANTRANSCO</b>	124.57	66.25
<b>A&amp;G Expenses, approved by the Commission</b>	37.33	39.47

## 4.5 Repair and Maintenance (R&M) Expenses

### TANTRANSCO's submission

- 4.5.1 TANTRANSCO has submitted that the R&M expenses claimed in its Petition is based on the actuals as per the provisional accounts for FY 21 and forecast for FY 22.

Table 4-5: R&M Expenses for FY 2020-21 to FY 2021-22 as submitted by TANTRANSCO (Rs. crore)

Particulars	FY 2020-21	FY 2021-22
Plant & Machinery	23.10	18.64
Building	0.33	0.59
Civil works	1.41	1.07
Hydraulic work	0.01	0.00

Particulars	FY 2020-21	FY 2021-22
Lines & Cable network	5.11	4.19
Vehicles	0.50	0.54
Furniture & Fixtures	0.52	0.16
Office equipments	0.00	0.27
<b>Grand Total</b>	<b>30.98</b>	<b>25.46</b>

#### Commission's view

- 4.5.2 The Commission has reviewed the R&M cost projections provided by TANTRANSCO.
- 4.5.3 The Commission does not agree with the contention of TANTRANSCO that O&M costs, including employee costs are “costs on account of inflation”, which is covered as an uncontrollable cost under sub- clause 5 of Regulation 14 of the TNERC Tariff Regulations, 2005. The TNERC Tariff Regulations, 2005 has already provided specific guidance on how O&M expenses are to be dealt with. The same will be applicable to R&M expenses also.
- 4.5.4 On the previous year's approved R&M expenses, annual escalation of 5.72% was applied as per the Tariff Regulations, to arrive at the expenses for FY 2020-21 and FY 2021-22.

Table 4-6: R&M expenses for FY 2020-21 to FY 2021-22 as approved by the Commission (Rs. crore)

Particulars	FY 2020-21	FY 2021-22
<b>R&amp;M Expenses, claimed by TANTRANSCO</b>	30.98	25.46
<b>R&amp;M Expenses, approved by the Commission</b>	<b>15.54</b>	<b>16.42</b>

## 4.6 Net O&M expenses

#### TANTRANSCO's submission

- 4.6.1 TANTRANSCO's submission of total O&M expenses, and the net amount after capitalization is summarized below.

Table 4-7: O&M Expenses for FY 2020-21 to FY 2021-22 as submitted by TANTRANSCO (Rs. crore)

Particulars	FY 2020-21	FY 2021-22
Employee Expenses	1,588.49	1,697.62
A&G Expenses	124.57	66.25
R&M Expenses	30.98	25.46
<b>Total O&amp;M Expenses</b>	<b>1,744.03</b>	<b>1,789.34</b>
(Less) O&M Expense capitalization	133.97	140.37
<b>Net O&amp;M Expenses</b>	<b>1,610.07</b>	<b>1,648.96</b>

### Commission's view

- 4.6.2 The Commission's analysis and approval on Employee, A&G and R&M expenses has already been detailed out in sections 4.3 to 4.5. Further, the Commission has also reviewed and verified the O&M expenses capitalization claimed by TANTRANSCO. Considering these, the Commission has approved the following O&M expenses.

**Table 4-8: O&M Expenses for FY 2020-21 to FY 2021-22 approved by Commission (Rs. crore)**

Particulars	FY 2020-21	FY 2021-22
Employee Expenses	1,553.88	1,684.51
A&G Expenses	37.33	39.47
R&M Expenses	15.54	16.42
<b>Total O&amp;M Expenses</b>	<b>1,606.75</b>	<b>1,740.40</b>
(Less) O&M Expense capitalization	133.97	140.37
<b>Net O&amp;M Expenses</b>	<b>1,472.78</b>	<b>1,600.02</b>

## 4.7 Capital Expenditure and Capitalization

### TANTRANSCO's Submission

- 4.7.1 TANTRANSCO has proposed significant amount of Capital Expenditure and Capitalization as below.

**Table 4-9: Capital expenditure and Capitalization for FY 2020-21 and FY 2021-22 as submitted by TANTRANSCO (Rs. crore)**

Particulars	FY 2020-21	FY 2021-22
Capital Expenditure	3817.87	2642.36
Net Capitalisation	1547.58	3000

- 4.7.2 TANTRANSCO has also provided information on the CAPEX undertaken by it on new substations and lines during the relevant years.

**Table 4-10: New SS and lines commissioned by TANTRANSCO from FY 2020-21 to FY 2021-22**

Sl.No.	FY 2020-21				
	Substations			Lines	
	Rating of SS	Nos.	MVA	Voltage Level	Ckt Kms.
1	230 kV	4	600	400 kV Line	103.976
2	110 kV	41	679	230 kV OH Line	548.872
3				230 kV Cable	-
				110 kV OH line	621.73
				110 kV cable	15.837
	<b>Total</b>	<b>45</b>	<b>1279</b>		<b>1290.415</b>

Sl.No.	FY 2021-22				
	Substations			Lines	
	Rating of SS	Nos.	MVA	Voltage Level	Ckt Kms.
1	230 kV	4	720	400 kV Line	379.020
2	110 kV	17	289	230 kV OH Line	146.972
3				230 kV Cable	-
				110 kV OH line	213.483
				110 kV cable	2.736
	<b>Total</b>	<b>21</b>	<b>1009</b>		<b>742.211</b>

Table 4-11: Capacity augmentation undertaken by TANTRANSCO from FY 2020-21 to FY 2021-22

Rating of the SS	FY 2020-21		FY 2021-22	
	Nos.	MVA	Nos.	MVA
400 kV	-	-	1	200
230 kV	4	310	6	600
110 kV	57	789	102	1227
66 kV	-	-	-	-
<b>Total</b>	<b>61</b>	<b>1099</b>	<b>109</b>	<b>2027</b>

### Commission's view

- 4.7.3 With the available information, capitalization of Rs. 3000 crore for FY 2021-22 does not seem to be realistic, considering the previous years' capitalization.
- 4.7.4 For FY 2020-21, values have been taken as per the approved capital investment plan of TANTRANSCO. For FY 2021-22, average value for the previous three years have been undertaken. However, if actual capitalization is higher, TANTRANSCO can claim the same at the time of final true-up for FY 2020-21 and 2021-22.

Table 4-12: Capital expenditure and Capitalization for FY 2020-21 and FY 2021-22 approved by Commission (Rs. crore)

Particulars	FY 2020-21	FY 2021-22
Capital Expenditure	3817.87	2642.36
Net Capitalisation	1547.58	3000

## 4.8 Gross Fixed Assets (GFA) and Depreciation

### TANTRANSCO's Submission

- 4.8.1 TANTRANSCO has submitted that the closing balance of GFA in FY 2019-20 has been considered as opening balance of FY 2020-21. Likewise the closing balance of preceding year has been considered as opening balance of ensuing year.
- 4.8.2 TANTRANSCO has further submitted the depreciation has been claimed in line with the provisions of TNERC (Terms and Conditions for Determination of Tariff) Regulations 2005.

**Table 4-13: Depreciation for FY 2020-21 to FY 2021-22 as submitted by TANTRANSCO (Rs. crore)**

Particulars	FY 2020-21	FY 2021-22
Opening Gross Block	25,874.11	27,415.47
Net Addition of GFA	1,541.35	3,000.00
Closing Gross Block	27,415.47	30,415.47
<b>Depreciation during the year</b>	<b>1,486.12</b>	<b>1,468.41</b>

### Commission's View

- 4.8.3 For computation of depreciation, the Commission has considered the average rate of depreciation specified in the Tariff Regulations, applied on the Opening GFA instead of average GFA. Further, capitalization approved by the Commission has been considered.
- 4.8.4 The depreciation approved by the Commission for FY 2020-21 to FY 2021-22 is shown in the table below:

**Table 4-14: Depreciation for FY 2020-21 to FY 2021-22 approved by the Commission (Rs. crore)**

Particulars	FY 2020-21	FY 2021-22
Opening Gross Block	25,584.67	27,123.60
Net Addition of GFA	1,538.93	2,844.18
Closing Gross Block	27,123.60	29,967.78
<b>Depreciation during the year</b>	<b>1,309.41</b>	<b>1,432.13</b>

## 4.9 Interest and Finance Charges

### TANTRANSCO's Submission

- 4.9.1 TANTRANSCO has requested to approve interested expenses as per actuals.
- 4.9.2 The interest calculation for FY 2020-21 to FY 2021-22 as submitted by TANTRANSCO is given in the Table below:

**Table 4-15: Interest and finance charges for FY 2020-21 to FY 2021-22 as submitted by TANTRANSCO (Rs. crore)**

Particulars	FY 2020-21	Y 2021-22
Opening Loan balance for the year	22,324.25	24,970.62
Loan addition during the year	3,879.36	3,608.60

Particulars	FY 2020-21	Y 2021-22
Repayment during the year	1,232.98	2,126.44
Closing Loan balance for the year	24,970.62	26,452.78
Average Loan balance	23,647.44	25,711.70
<b>Average rate of Interest</b>	<b>9.05%</b>	<b>8.57%</b>
<b>Interest on Loan</b>	<b>2,139.01</b>	<b>2,202.57</b>
<b>Less: Interest capitalized</b>	<b>792.91</b>	<b>814.80</b>
<b>Other finance charges</b>	<b>44.45</b>	<b>41.17</b>
<b>Net finance charges</b>	<b>1,390.55</b>	<b>1,428.94</b>

### Commission's View

- 4.9.3 The Commission has gone through the filings of TANTRANSCO on interest and finance charges.
- 4.9.4 After considering the 70% loan structure on approved capitalization, the Commission has approved the interest and finance charges. For interest capitalization, 10% of approved capitalization figures have been taken.

**Table 4-16: Interest and finance charges for FY 2020-21 to FY 2021-22 approved by the Commission (Rs. crore)**

Particulars	FY 2020-21	FY 2021-22
Opening Loan balance for the year	13,500.96	13,730.48
Loan addition during the year	1,538.93	2,399.18
Repayment during the year	1,309.41	1,432.13
Closing Loan balance for the year	13,730.48	14,697.53
Average Loan balance	13,615.72	14,214.00
<b>Average rate of Interest</b>	<b>9.05%</b>	<b>8.57%</b>
<b>Interest on Loan</b>	<b>1,231.60</b>	<b>1,217.63</b>
<b>Less: Interest capitalized</b>	<b>269.76</b>	<b>358.71</b>
<b>Other finance charges</b>	<b>44.45</b>	<b>41.17</b>
<b>Net finance charges</b>	<b>1,006.29</b>	<b>900.09</b>

## 4.10 Interest on Working Capital (IoWC)

### TANTRANSCO's Submission

- 4.10.1 TANTRANSCO submits that, the Interest on Working Capital has been computed based on the normative parameters specified in Regulation 26 of TNERC (Terms and Conditions for Determination of Tariff) Regulations, 2005.
- 4.10.2 TANTRANSCO has submitted that the working capital has been computed in line with clause 26 (2) (d) TNERC Tariff Regulation, 2005 as follows

*“(i) Operation and Maintenance Expenses for one month;*

*(ii) Maintenance spares @ 1% of the historical cost of the transmission asset escalated at 6% per annum from date of the commencement of operation;*

*(iii) Receivables equivalent to two months transmission charges calculated target availability level”*

4.10.3 TANTRANSCO has submitted that the interest rate for computing IoWC has been considered in line with the TNERC (Terms and Conditions for Determination of Tariff) Regulations, 2005 i.e., Prime Lending Rate of State Bank of India as on April 1st of the respective year.

**Table 4-17: IoWC for FY 2020-21 to FY 2021-22 as submitted by TANTRANSCO (Rs. crore)**

<b>Particulars</b>	<b>FY 2020-21</b>	<b>FY 2021-22</b>
O & M expenses	134.17	137.41
Maintenance Spares	292.64	322.97
Receivables	514.67	531.68
<b>Total Working Capital</b>	<b>941.48</b>	<b>992.06</b>
Rate of Interest on Working Capital	12.90%	12.15%
<b>Interest on Working Capital</b>	<b>121.45</b>	<b>120.54</b>

### **Commission’s View**

4.10.4 Regulations 26 and 27 of the Tariff Regulations, 2005 specify as under:

#### ***“26. Working Capital***

##### ***(2) (d) For Transmission System***

*Operation and Maintenance expenses for one month*

*Maintenance spares @ 1% of the historical cost of the transmission asset escalated at 6% per annum from the date of commencement of operation;*

*Receivables equivalent to two months transmission charges calculated on target availability level.*

##### ***27. Interest on Working Capital***

*The short term rate of interest on working capital shall be on normative basis and shall be equivalent to the primary lending rate of State Bank of India as on 1st April of the relevant year.”*

4.10.5 The Commission has computed the normative IoWC in accordance with the Tariff Regulations. However, maintenance spares have been considered at 1% of the opening



GFA for the respective year. The Commission has considered rate of interest equivalent to State Bank of India Prime Lending Rate as on April of each year.

**Table 4-18: IoWC for FY 2020-21 to FY 2021-22 approved by the Commission (Rs. crore)**

Particulars	FY 2020-21	FY 2021-22
O & M expenses	133.90	145.03
Maintenance Spares	271.20	287.51
Receivables	514.67	531.68
Total Working Capital	919.76	964.22
Rate of Interest on Working Capital	12.90%	12.15%
<b>Interest on Working Capital</b>	<b>118.65</b>	<b>117.15</b>

#### 4.11 Return on Equity (RoE)

##### TANTRANSCO's Submission

- 4.11.1 TANTRANSCO has claimed ROE as per equity mentioned in their accounts for FY 2020-21 and as per forecasts for FY 2021-22.
- 4.11.2 The Normative Rate of Return on Equity has been taken at 14% as per Clause 22(1) TNERC Regulations, 2005. The reasonable Return on equity of TANTRANSCO for the ensuing years is arrived at using the Rate of Return on Equity (14%) on the average equity during the year

**Table 4-19: RoE for FY 2020-21 to FY 2021-22 as submitted by TANTRANSCO (Rs. crore)**

Particulars	FY 2020-21	FY 2021-22
Opening Equity	3,173.73	3,173.73
Additions during the year	-	445.00
Closing Equity	3,173.73	3,618.73
Average Equity	3,173.73	3,396.23
<b>Return on Equity @ 14%</b>	<b>444.32</b>	<b>475.47</b>

##### Commission's View

- 4.11.3 The Commission has computed the RoE at 14% on average equity during the year. 30% equity on capitalization has been considered.

**Table 4-20: RoE for FY 2020-21 to FY 2021-22 approved by the Commission (Rs. crore)**

Particulars	FY 2020-21	FY 2021-22
Opening Equity	3,190.85	3,190.85
Additions during the year	-	445.00
Closing Equity	3,190.85	3,635.85
Average Equity	3,190.85	3,413.35

<b>Return on Equity @ 14%</b>	<b>446.72</b>	<b>477.87</b>
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## 4.12 Other Income

### TANTRANSCO's Submission

- 4.12.1 The Regulation 40 of TNERC (Terms and Conditions for Determination of Tariff) Regulations, 2005 defines Other Income as income other than sale of electricity. TANTRANSCO has submitted that the various component of Other Income for TANTRANSCO includes Interest on Staff Loan and Advances, income from staff welfare activities, miscellaneous receipt, etc.
- 4.12.2 TANTRANSCO has submitted that the Other Income are provided as per the accounting statements for the FY 2020-21 to FY 2021-22.

Table 4-21: Other Income FY 2020-21 to FY 2021-22 as submitted by TANTRANSCO (Rs. crore)

Particulars	FY 2020-21	FY 2021-22
<b>Other income</b>	<b>266.06</b>	<b>271.41</b>

### Commission's View

- 4.12.3 The Commission has accepted the Other Income for FY 2019-20 to FY 2020-21 as per the Audited Accounts, as shown in the Table below:

Table 4-22: Other Income FY 2020-21 to FY 2021-22 approved by the Commission (Rs. crore)

Particulars	FY 2020-21	FY 2021-22
Interest on staff loans and advances	1.65	1.75
Income from Investments	-	-
Interest on Loans & Advances to Licensees	-	-
Delayed Payment Surcharges collected from consumers	-	-
Interest on Advances to Suppliers/Contractors	-	-
Interest from Banks (Other than Fixed Deposit)	0.00	0.00
Income from trading	1.82	1.82
Rebate on Power Purchase Bills	-	-
Income from Staff Welfare activities	-	-
Miscellaneous Receipts	262.59	267.84
<b>Other income</b>	<b>266.06</b>	<b>271.41</b>

### 4.13 Other debits, Extra-ordinary items and Prior Period Expenses

#### TANTRANSCO's Submission

4.13.1 TANTRANSCO has submitted that other debits, Extra –Ordinary Items & Prior Period Expenses presented for the FY 2020-21 are as per the provisional accounting statements.

**Table 4-23: Other debits, Extra-ordinary items and Prior Period Expenses for FY 2020-21 to FY 2021-22 as submitted by TANTRANSCO (Rs. crore)**

Particulars	FY 2020-21	FY 2021-22
Other debit	-	-
Extraordinary Items	-	-
Prior period income	52.34	
<b>Total</b>	<b>52.34</b>	<b>0</b>

#### Commission's View

3.10.2 The Commission has analyzed the other debits, Extra –Ordinary Items & Prior Period Expenses, and have approved the following.

**Table 4-24: Other debits, Extra-ordinary items and Prior Period Expenses for FY 2020-21 to FY 2021-22 approved by the Commission (Rs. crore)**

Particulars	FY 2020-21	FY 2021-22
Other debit	-	-
Extraordinary Items	-	-
Prior period income	52.34	
<b>Total</b>	<b>52.34</b>	<b>0</b>

### 4.14 Incentive

#### TANTRANSCO's Submission

4.14.1 TANTRANSCO submitted that as per the Tariff Regulations, a Transmission Licensee is entitled for an incentive at 1% of equity for each percentage point of increase in annual availability beyond the target availability of 98%. The incentive computation submitted by TANTRANSCO based on actual availability is shown in the following Table:

**Table 4-25: Incentive for FY 2020-21 to FY 2021-22 as submitted by TANTRANSCO (Rs. crore)**

Particulars	FY 2020-21	FY 2021-22
Equity	3173.73	3396.23
Annual Availability Achieved	98.54%	97.77%
Target Availability	98%	98%
<b>Total</b>	<b>17.02</b>	<b>0</b>

### Commission's View

- 4.14.2 The Commission has computed the incentive in accordance with the Tariff Regulations, which entitles the Transmission Licensee for an incentive at 1% of equity for each percentage point of increase in annual availability beyond the target availability of 98%.
- 4.14.3 The Commission has considered the transmission availability as per the actuals submitted by TANTRANSCO, however, for calculation of incentive, Commission has considered the revised average equity as approved by the Commission in this Order. The incentive approved by the Commission is shown in the following Table:

**Table 4-26: Incentive for FY 2020-21 to FY 2021-22 as approved by the Commission (Rs. crore)**

Particulars	FY 2020-21	FY 2021-22
Equity	3,190.85	3,413.35
Annual Availability Achieved	98.54%	97.77%
Target Availability	98%	98%
<b>Total</b>	<b>17.11</b>	<b>-</b>

## 4.15 Revenue

### TANTRANSCO's Submission

- 4.15.1 TANTRANSCO has arrived the revenue from transmission charges for the FY 2020-21 as per provisional annual statement of accounts and provisional figures for the FY 2021-22.

**Table 4-27: Revenue received for FY 2020-21 to FY 2021-22 as submitted by TANTRANSCO (Rs. crore)**

Particulars	FY 2020-21	FY 2021-22
<b>Total Revenue</b>	<b>3088.01</b>	<b>3190.07</b>

### Commission's View

- 4.15.2 The Commission has reviewed the detailed of revenue collection and have approved the following.

**Table 4-28: Revenue received for FY 2020-21 to FY 2021-22 approved by the Commission (Rs. crore)**

Particulars	FY 2020-21	FY 2021-22
<b>Total Revenue</b>	<b>3088.01</b>	<b>3190.07</b>

## 4.16 Aggregate Revenue Requirement

- 4.16.1 Based on the above component-wise submission made by TANTRANSCO and approval by the Commission, the ARR and gap for FY 2020-21 and FY 2021-22 is summarized in the following Table:

**Table 4-29: Approved ARR for TANTRANSCO for FY 2020-21 to FY 2021-22 (Rs. crore)**

Particulars	Petition		Approved by the Commission	
	FY 2020-21	FY 2021-22	FY 2020-21	FY 2021-22
Employee Cost	1,588.49	1,697.62	1,553.88	1,684.51
A&G Expenses	124.57	66.25	37.33	39.47
R&M Expenses	30.98	25.46	15.54	16.42
<i>Less: O&amp;M Capitalization</i>	(133.97)	(140.37)	(133.97)	(140.37)
Depreciation	1,485.59	1,467.86	1,309.41	1,432.13
Interest & Finance Charges	1,390.55	1,428.94	1,006.29	900.09
Interest on Working Capital	121.45	120.54	118.65	117.15
Other Debits	-	-	-	-
Extra-ordinary item	-	-	-	-
<i>Prior Period (Income)/Expense</i>	52.34	-	52.34	-
Incentive	17.02	-	17.11	-
<b>Total Expenditure</b>	<b>4,677.01</b>	<b>4,666.30</b>	<b>3,976.57</b>	<b>4,049.39</b>
Return on Equity	444.32	475.47	446.72	477.87
<i>Less: Other Income</i>	(266.06)	(271.41)	(266.06)	(271.41)
<b>Net Aggregate Revenue Requirement</b>	<b>4,855.27</b>	<b>4,870.36</b>	<b>4,157.23</b>	<b>4,255.85</b>
<b>Revenue from Transmission Charges</b>	<b>3,088.01</b>	<b>3,190.07</b>	<b>3,088.01</b>	<b>3,190.07</b>
<b>Gap/(Surplus)</b>	<b>1,767.26</b>	<b>1,680.29</b>	<b>1,069.22</b>	<b>1,065.78</b>

## 5 Approval of Aggregate Revenue Requirement for the period from FY 2022-23 to FY 2026-27

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### 5.1 Background

5.1.1 TANTRANSCO, in its Petition has sought approval for ARR for the period FY 2022-23 to FY 2026-27. In this Section, the Commission has analyzed all the elements of expenses for the corresponding periods and has determined the ARR for TANTRANSCO for those years.

### 5.2 Overall approach of the Commission

5.2.1 The Commission has relied on the overall MYT mechanism as provided in its MYT Regulations, 2009 (including subsequent amendments). The regulations provide the following guidance relating to controllable and uncontrollable expenses:

**TNERC (Terms and conditions for determination of tariff) Regulations, 2005**

***“14. Multi Year Tariff***

..

*(5) All the uncontrollable costs shall be allowed as pass through in tariff and the uncontrollable costs will include the following:*

*(a) Cost of fuel;*

*(b) Costs on account of inflation;*

*(c) Taxes and duties; and*

*(d) Variation in power purchase unit cost from base line level including on account of hydro-thermal mix in case of force majeure and adverse natural events like drought*

*(6) The Operation and Maintenance cost shall be controllable cost and be based on escalation indices or other mode determined during determination of tariff for the base year.”*

**TNERC (Terms and Conditions for Determination of Tariff for Intra state Transmission / Distribution of Electricity under MYT Framework) Regulations , 2009**

***“viii). Mechanism of pass through of approved gains or losses on account of uncontrollable factors.***

*As stipulated in Regulation 14 of Tariff Regulations, the following constitute uncontrollable costs.*

a) *Cost of fuel;*

b) *Costs on account of inflation;*

c) *Taxes and duties and*

d) *Variation in power purchase unit cost from base line level including variation on account of hydro- thermal mix in case of force majeure and adverse natural events like draught.”*

5.2.2 The parameter wise treatment adopted by the Commission, in line with the above philosophy, is explained in detail in the subsequent sections of this chapter.

### 5.3 Employee Expenses

5.3.1 TANTRANSCO has submitted that the salary expenses has been arrived at considering the 3% escalation over the previous years. DA has been calculated considering the percentage of 34%, 37% and 40% on salary based on the existing scenario.

5.3.2 For other items, escalation of 5.72% has been adopted over the previous years.

**Table 5-1: Employee expenses submitted by TANTRANSCO for FY 2022-23 to FY 2026-27 (Rs. crore)**

<b>Particulars</b>	<b>FY 2022-23</b>	<b>FY 2023-24</b>	<b>FY 2024-25</b>	<b>FY 2025-26</b>	<b>FY 2026-27</b>
<b>Salary and DA</b>					
Salaries	805.78	829.95	854.85	880.50	906.91
DA	261.88	294.63	329.12	365.41	403.58
<b>Total</b>	<b>1,067.66</b>	<b>1,124.59</b>	<b>1,183.97</b>	<b>1,245.90</b>	<b>1,310.49</b>
<b>Terminal benefits and pension contribution</b>					
Terminal Benefits	584.77	643.25	707.57	778.33	856.16
Board's Contribution to CPS	33.20	35.10	37.10	39.23	41.47
<b>Total</b>	<b>617.97</b>	<b>678.34</b>	<b>744.68</b>	<b>817.56</b>	<b>897.63</b>
<b>Other expenses</b>					
Over-time	18.44	18.44	18.44	19.50	20.61
Other Allowance (shift, convenience, ABT etc)	57.11	57.11	57.11	60.38	63.83
Bonus	9.39	9.93	10.50	11.10	11.73
Reimbursement of Medical Expenses	0.16	0.17	0.18	0.19	0.20
Leave Travel Concession	-	-	-	-	-
Encashment of Earned Leave	155.54	164.43	173.84	183.78	194.29
Staff Welfare Expenses	0.94	1.00	1.06	1.12	1.18

Particulars	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27
Payment under worker's compensation and gratuity	0.07	0.07	0.08	0.08	0.09
<b>Total</b>	<b>241.65</b>	<b>251.15</b>	<b>261.20</b>	<b>276.14</b>	<b>291.93</b>
<b>Grand Total</b>	<b>1,927.28</b>	<b>2,054.08</b>	<b>2,189.84</b>	<b>2,339.60</b>	<b>2,500.05</b>

### Commission's view

- 5.3.3 For computation of Salary Expenses and other expenses, the escalation factor of 5.72% has been applied on previous year. The Commission has considered Dearness Allowance based on actual DA index applied on the normative Basic Salary for the respective years, in line with the approach adopted in the earlier Tariff Orders.
- 5.3.4 For computation of Terminal Benefits and Pension Contribution, the escalation factor of 5.72% has been applied on previous year or petitioner's claim whichever is lower.
- 5.3.5 Considering the above, the Commission finds it appropriate to approve the employee expenses for FY 2020-21 to FY 2021-22 as below.

Table 5-2: Employee Expenses for FY 2022-23 to FY 2026-27 as approved by the Commission (Rs. crore)

Particulars	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27
<b>Salary and DA</b>	1,217.13	1,306.40	1,401.89	1,504.04	1,613.28
<b>Terminal benefits and pension contribution</b>	531.95	562.38	594.55	628.56	664.51
<b>Other expenses</b>	129.33	136.73	144.55	152.82	161.56
<b>Grand Total</b>	<b>1,878.42</b>	<b>2,005.51</b>	<b>2,140.99</b>	<b>2,285.41</b>	<b>2,439.35</b>

## 5.4 Administrative and General (A&G) Expenses

### TANTRANSCO's submission

- 5.4.1 TANTRANSCO submitted that they have computed A&G expenses of ensuing years of FY 2022-23 to FY 2026-27 by escalating the A&G expenses of FY 2021-22 by 5.72% on annual basis.

Table 5-3: A&G Expenses for FY 2022-23 to FY 2026-27 as submitted by TANTRANSCO (Rs. crore)

Particulars	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27
Rent/Rates and Taxes	0.99	1.05	1.11	1.17	1.24
Insurance	0.15	0.16	0.17	0.18	0.19
Telephone/Postage/Telegram/Tel ex charges	1.27	1.34	1.42	1.50	1.58
Legal Charges	0.44	0.46	0.49	0.51	0.54
Audit Fees (expenses and reimbursements)	0.13	0.14	0.15	0.16	0.17



Particulars	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27
Consultancy Charges	1.02	1.08	1.14	1.21	1.28
Technical Fees	0.22	0.23	0.25	0.26	0.28
Other Professional Charges	0.43	0.45	0.48	0.51	0.54
Conveyance & Travel	18.10	19.13	20.23	21.38	22.61
Fees & Subscription	0.02	0.02	0.02	0.02	0.02
Printing & Stationery	0.53	0.56	0.59	0.62	0.66
Training Expenses	0.29	0.31	0.32	0.34	0.36
Advertisement Expenses	0.21	0.23	0.24	0.25	0.27
Electricity Charges	1.07	1.13	1.20	1.26	1.34
Water Charges	0.36	0.38	0.40	0.42	0.45
Watch and Ward Expenses.	15.39	16.27	17.20	18.19	19.23
Petty Office Maintenance Expenses.	0.71	0.75	0.79	0.84	0.88
Miscellaneous Expenses	25.20	26.64	28.17	29.78	31.48
Freight	1.24	1.31	1.38	1.46	1.55
Other Purchase related Expenses.	0.30	0.31	0.33	0.35	0.37
Honorarium	0.29	0.31	0.33	0.34	0.36
Registrar of Companies/Licence fee	1.68	1.77	1.87	1.98	2.09
<b>Total Administration and General Expenses</b>	<b>70.04</b>	<b>74.05</b>	<b>78.28</b>	<b>82.76</b>	<b>87.49</b>

### Commission's view

5.4.2 In line with the TNERC Tariff Regulations, and in line with approach adopted in the case of Employee Expenses, base value has been arrived based on average of expenses for four years i.e from FY 2017-18 to FY 2020-21, escalated for an additional 5.72% to reach at FY22 levels.. On the base expenses, annual escalation of 5.72% was applied as per the Tariff Regulations, to arrive at the expenses for the future years.

Table 5-4: A&G expenses for FY 2022-23 to FY 2026-27 as approved by the Commission (Rs. crore)

Particulars	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27
<b>A&amp;G Expenses</b>	74.14	78.38	82.86	87.60	92.61

## 5.5 Repair and Maintenance (R&M) Expenses

### TANTRANSCO's submission

5.5.1 TANTRANSCO has submitted that it has considered the figures of accounting statement of FY 2021-22 as base year for arriving at the R&M expenses for the ensuing years on escalating the base year's R&M expenses by 5.72% Y-O-Y basis.

Table 5-5: R&M Expenses for FY 2022-23 to FY 2026-27 as submitted by TANTRANSCO (Rs. crore)

Particulars	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27
Plant & Machinery	19.70	20.83	22.02	23.28	24.61
Building	0.62	0.66	0.70	0.74	0.78
Civil works	1.14	1.20	1.27	1.34	1.42
Hydraulic work	0.00	0.00	0.00	0.00	0.00
Lines & Cable network	4.43	4.68	4.95	5.23	5.53
Vehicles	0.57	0.60	0.63	0.67	0.71
Furniture & Fixtures	0.17	0.18	0.19	0.20	0.22
Office equipments	0.29	0.30	0.32	0.34	0.36
<b>Grand Total</b>	<b>26.92</b>	<b>28.46</b>	<b>30.09</b>	<b>31.81</b>	<b>33.63</b>

### Commission's view

5.5.2 In line with the TNERC Tariff Regulations, and in line with approach adopted in the case of Employee Expenses, base value has been arrived based on average of expenses for four years i.e., from FY 2017-18 to FY 2020-21, escalated for an additional 5.72% to reach at FY22 levels. On the base expenses, annual escalation of 5.72% was applied as per the Tariff Regulations, to arrive at the expenses for the future years.

Table 5-6: R&M expenses for FY 2022-23 to FY 2026-27 as approved by the Commission (Rs. crore)

Particulars	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27
<b>R&amp;M Expenses</b>	28.83	30.48	32.22	34.06	36.01

## 5.6 Net O&M expenses

### TANTRANSCO's submission

5.6.1 TANTRANSCO's submission of total O&M expenses, and the net amount after capitalization is summarized below.

Table 5-7: O&M Expenses for FY 2022-23 to FY 2026-27 as submitted by TANTRANSCO (Rs. crore)

Particulars	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27
Employee Expenses	1,927.28	2,054.08	2,189.84	2,339.60	2,500.05
A&G Expenses	70.04	74.05	78.28	82.76	87.49
R&M Expenses	26.92	28.46	30.09	31.81	33.63
<b>Total O&amp;M Expenses</b>	<b>2,024.24</b>	<b>2,156.59</b>	<b>2,298.21</b>	<b>2,454.17</b>	<b>2,621.18</b>
(Less) O&M Expense capitalization	148.40	156.89	165.87	175.35	185.38
<b>Net O&amp;M Expenses</b>	<b>1,875.84</b>	<b>1,999.70</b>	<b>2,132.35</b>	<b>2,278.81</b>	<b>2,435.79</b>

### Commission's view

5.6.2 The Commission's analysis and approval on Employee, A&G and R&M expenses has already been detailed out in sections 5.3 to 5.5. Further, the Commission has also reviewed and verified the O&M expenses capitalization claimed by TANTRANSCO. Considering these, the Commission has approved the following O&M expenses.

Table 5-8: O&amp;M Expenses for FY 2022-23 to FY 2026-27 approved by Commission (Rs. crore)

Particulars	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27
Employee Expenses	1,878.42	2,005.51	2,140.99	2,285.41	2,439.35
A&G Expenses	74.14	78.38	82.86	87.60	92.61
R&M Expenses	28.83	30.48	32.22	34.06	36.01
<b>Total O&amp;M Expenses</b>	<b>1,981.38</b>	<b>2,114.36</b>	<b>2,256.07</b>	<b>2,407.08</b>	<b>2,567.97</b>
(Less) O&M Expense capitalization	148.40	156.89	165.87	175.35	185.38
<b>Net O&amp;M Expenses</b>	<b>1,832.98</b>	<b>1,957.47</b>	<b>2,090.21</b>	<b>2,231.72</b>	<b>2,382.59</b>

## 5.7 Capital Expenditure and Capitalization

### TANTRANSCO's Submission

5.7.1 TANTRANSCO has proposed significant amount of Capital Expenditure and Capitalization to cover the following projects:

#### **MAJOR TRANSMISSION SCHEMES FOR DEVELOPMENT OF STATE GRID**

*Among all State Transmission utilities in India, TANTRANSCO is the first utility to erect a 765 kV transmission network.*

#### **I. ESTABLISHMENT OF 765/400 kV SUBSTATIONS**

*TANTRANSCO has planned and is executing 765 /400 kV Substations and associated 765 kV Network in the state of Tamil Nadu at North Chennai (GIS), Ariyalur, Virudhunagar and Coimbatore.*

##### **. (i) North Chennai 765/400 kV GIS Pooling Station (3X1500 MVA)**

*This Substation is to evacuate power from the TANGEDCO's upcoming power project located in North Chennai and Ennore area. The power pooled from all the generating stations will be exported to southern districts of Tamil Nadu by providing connectivity to Ariyalur 765 kV SS. 765 kV Line This project is expected to be completed in FY 2022-23.*

##### **(ii) Ariyalur 765 kV SS (2X1500 MVA)**

*This Substation is proposed to transfer the power pooled at North Chennai 765 kV pooling station and power sourced from other States through Thiruvalem PGCIL 765 kV SS to load centres by providing connectivity to the sanctioned Coimbatore 765 kV SS. The 400 kV DC line from Kayathar–Ottiambakkam via Karaikudi-Pugalur-Kalivanthapattu for transfer of wind power from South to North of Tamil Nadu is proposed to be connected with Ariyalur 765 kV SS. The 765 kV Line work from Ariyalur to Thiruvalem*

*PGCIL SS and 400 kV LILO of Kalivanthapattu to Pugalur at Ariyalur 765 kV SS have been completed.*

**(iii) Virudhunagar 765/400/230 kV SS (2X1500 + 2X500 MVA):**

*This Substation is proposed to evacuate power from the TANGEDCO's upcoming thermal power projects located in Uppur (2X800 MVA) and Udangudi. In addition to the above, RE power generation in Kayathar, Kamuthi, Thappagundu and Thummakundu area, existing, upcoming and proposed, are planned to be pooled at Virudhunagar 765 kV SS at 400 kV level for transferring to load centre. The work is under progress and expected to be completed during 2024-25.*

**(iv) Coimbatore 765/400 kV SS (2X1500 MVA)**

*The power pooled at North Chennai pooling station is to be transferred to Coimbatore Region through Ariyalur 765 kV SS. The proposed Coimbatore 765 kV SS will provide connectivity with sanctioned Virudhunagar 765 kV SS, Edayarpalayam 400 kV SS. Upcoming and proposed Renewable Energy (RE) power generation in Rasipalayam area are proposed to be evacuated through Rasipalayam 400 kV SS. It is also proposed for system strengthening in Coimbatore area and the works are expected to be taken up for execution during 2023-24.*

**II. Establishment of 400 kV Sub stations**

*As on 31.03.2022, TANTRANSCO has 16 Nos., 400 kV Substations in the network and 11 Nos. 400 kV Substation schemes are available for execution in the State for transfer of bulk power to the load centres at various locations in the State and to cater to the needs of load growth, System strengthening and RE power evacuation in the State.*

*Out of 11 nos., 400 kV Substations, work are under progress for 9 nos. substations namely Thervaikandigai, Guindy (GIS), Korattur (GIS), Vellalaviduthi, Pulianthope (GIS), Edayarpalayam, Taramani (GIS), Ottapidaram and Parali. The work are to be taken up for 2 Nos. substations namely, Samugarengapuram and Koyambedu (GIS).*

**III. Establishment of 230 kV substations**

*As on 31.03.2022, TANTRANSCO has 113 Nos. of 230 kV Substations in the network and 25 Nos. of 230 kV Substation Schemes are available for execution in the upcoming years.*

- *To remove congestion in the network,*

- *to reduce system loss,*
- *to facilitate more operational flexibility and*
- *cater to the needs of load growth in the State.*

*Work are under progress for 11 nos., Substations namely Thiruvanmiyur GIS, Kalivelampatty, Karuppur, Erode (GIS), Selvapuram, Maraimalai Nagar, Vembakkam, Mambakkam, Nanguneri, Sathumadurai and Nallur. Works are under progress for the other 6 nos., Substations namely, Ganesh Nagar (GIS), Avadi, Panjetty, K.K.Nagar (GIS), Ennore (GIS), Pallavaram (GIS). Further, 3 Nos., Substations namely, Muppandal, Poolavadi and Keezhakuppam are also in the initial Stage.*

*In addition to the above, land identification for the 4 Nos. Substations namely, K.Pudur (GIS), Raja Gopalapuram (GIS), Thuckalay (GIS) and Saravanampatty (GIS) is under process.*

*Revised Administrative Approval is awaited for Narimanam 230 kV Substation.*

#### ***IV. Establishment of 110 kV Substations***

*As on 31.03.2022, TANTRANSCO has 931 Nos., 110 kV Substations in the network and 97 Nos. Substations schemes are available for execution in the upcoming years to improve the quality and reliability of Power to the consumers.*

*Further for establishment of 33 kV Substations, source SS requires introduction of transformer ratio of 110/33 kV in the existing substations or enhancing the capacity of power transformers of 110/33 kV or proposing new 110/33 kV substations. These types of network additions are also taken care of.*

*These substations are planned at load centers to reduce the overload in the nearby existing substations, to improve the voltage regulation, to meet the EHT demand, to extend 33 kV source to 33 kV substations proposed and to enhance the reliability and quality of supply to the consumers.*

#### ***V. LINES***

*TANTRANSCO is erecting Power Evacuation Lines for evacuation of power from the upcoming Power Projects, Link Lines and Improvement lines at various voltage levels of 110 kV, 230 kV, 400 kV & 765 kV all over Tamil Nadu, apart from the erection of associated Lines of the Substations.*

#### ***Power Evacuation Lines:***

*Major power evacuation Lines under execution are 765 kV Line from NCTPS Stage-III to North Chennai Pooling Station, 400 kV Power Evacuation Lines of Ennore SEZ & ETPS Expansion Projects, Power Evacuation line of Udangudi pooling Station via Kayathar etc.,*

***Link Lines:***

*Link Lines under execution are 230 kV UG Cable from Kilpauk water works to TNEB Headquarters, Link line between Ingur 230 kV SS to Palladam 230 kV SS, Link lines of Anaikadavu & Rasipalayam Substations etc.,*

***System Strengthening***

*TANTRANSCO is taking all efforts to reduce the transmission losses by constantly upgrading the existing system, strengthening the existing aged transmission lines with higher capacity / HTLS Conductor etc., Conductor sizes for various voltage levels are standardized with Panther for 110 kV lines, Zebra for 230 kV lines etc, old 110 kV and 230 kV lines with bundled conductors, DOG conductor etc., are being replaced in a phased manner.*

***Projects funded by External Assistance***

***Schemes Proposed for Green Energy Corridor – Phase –I (GEC-I) - Funded by KfW (German Development Bank), Germany.***

*The Transmission network are being implemented under Green Energy Corridor with the financial assistance of Rs.538.91 Crore as Grant under National Clean Energy Fund (NCEF), a soft Loan of 76 million Euro from KfW German funding and the balance as Equity by TANTRANSCO at a Project cost of Rs.2049.392 Cr. including GST. All Schemes under GEC-I have been completed except 4 Nos augmentation of transformers, viz., 3 Nos. at Cuddalore 230 kV SS and one at Thiruvannalmai 230 kV SS and 230 kV line from Arasur 230 kV SS to Ingur 230 kV SS.*

***Schemes Proposed for Green Energy Corridor – Phase –II***

*For availing MNRE Grant under Green Energy Corridor Phase – II, schemes comprising 1 No., 400 kV SS at Samugarengapuram, 3 Nos., 230 kV substations at Poolavady, Muppandal and Kongalnagaram and 400 kV DC line from Kamudhi to Thappagundu at a total cost of Rs.1,609 Crore has been sent to CEA and MNRE for approval. CEA approval received for an amount of Rs.1,355.14 Crore. Department of Expenditure had granted its in-principle approval for Central Financial Assistance (CFA) to the States @ 33% of project cost.*

*Cabinet Committee of Economic Affairs, approved the TANTRANSCO proposal for availing MNRE Grant under Green Energy Corridor Phase – II, with the schemes comprising of 1 no., 400 kV SS at Samugarengapuram and 3 nos., 230 kV substations at Poolavady, Muppandal and Kongalnagaram with an estimated project cost of Rs.719.76 Crores and Central Grant from MNRE for Rs. 237.52 Crores @ 33% of approved project cost.*

*However, the Project cost has been revised to Rs. 1100.32 Crores based on Cost Data 2021-22 rates as the cost sanctioned by MNRE is based on Cost Data 2017-18 rates.*

***Schemes under Chennai – Kanyakumari Industrial Corridor (CKIC)  
Funded by ADB***

***Substations and associated Line work:***

*It is proposed to establish Virudhunagar 765 kV SS and Ottapidaram 400 kV SS along with the associated lines, at a total cost of Rs 4332.57 Crore for evacuation of electricity from new generation capacity additions including renewable energy in southern districts and to strengthen the transmission connectivity between southern and northern ends of the proposed Chennai Kanyakumari Industrial Corridor (CKIC). Asian Development Bank (ADB) is funding for an amount of 451 Million USD for the project. This project is being supported by GoTN with a funding of Rs.1000 Crore. Work are in Progress for Virudhunagar 765 kV SS and Ottapidaram 400 kV SS along with the associated lines.*

***Funded by Japan International Cooperation Agency (JICA):***

*Funding assistance of Rs.3572.93 has been sanctioned under the Official Development Assistance (ODA) Loan of JICA for creation of Transmission Network. Initially, 5 Nos., of 400 kV Substations and 12 Nos., of 230 kV Substations along with associated transmission lines have been approved at a cost of Rs.2494.67 Cr. Out of which, all schemes have been completed except 2 nos. 400 kV GIS Substations one at Guindy back charged at 230 kV level and another one at Korattur for which work are in progress.*

*Subsequently, additional schemes comprising of 19 Nos. 110 kV Substations with associated Lines, 3 Nos. 230 kV Substations with associated UG Cable work, 8 Nos. improvement Line work UG Cable work at 230 kV and 110 kV level and 21 Nos., of Transformer Augmentation at an estimated Cost of Rs.1168.30 Crores have been approved by JICA.*

**Other Schemes :*****Additional / Enhancement of Power Transformers/Auto Transformers in existing substations***

*Additional and enhancement of the Power Transformers and Auto Transformers in the existing substations are also taken up to ensure optimum loading of the substations, provide adequate system support for load development in the area and to improve the quality of power supply. Every year 120 nos. of additional /enhancement of Transformers at Various voltage ratings are proposed to be taken up.*

*In addition to the Enhancement / Additional of Power Transformers, provision of Capacitor banks and Reactors are also proposed in the existing Substations.*

5.7.2 The Capital Expenditure and Capitalization proposed by TANTRANSCO are as below:

**Table 5-9: Capital expenditure and Capitalization for FY 2022-23 to FY 2026-27 as submitted by TANTRANSCO (Rs. crore)**

<b>Particulars</b>	<b>FY 2022-23</b>	<b>FY 2023-24</b>	<b>FY 2024-25</b>	<b>FY 2025-26</b>	<b>FY 2026-27</b>
Capital Expenditure	3395.30	3736.08	3781.182	3781.18	3781.18
Net Capitalisation	2090.43	5609.89	5767.25	3000	3000

**Commission's view**

5.7.3 Before proceeding to discuss the proposals in the CIP applications of TANTRANSCO, it is to be noted that for the first time, the utility has come up with the proposal of CIP approval spanning five(5) years. In this connection, it is seen that initially petition was filed vide M.P. No.33 of 2022 for approval of CIP for the control period for 3 years as per the Regulation in force. However, subsequently, in the present CIP Application, TANTRANSCO has sought approval for a control period of 5 years.

5.7.4 The question as to whether the Commission has the powers to go ahead with respect to the proposal of 5 year Control period in view of the provision in the MYT Regulation for a control period of 3 years can be answered with reference to Regulation 44 of the MYT Regulation which reads as follows:

***“Inherent power of the Commission :***

*Nothing in these Regulations shall bar the Commission from adopting in conformity with the provisions of the Act, a procedure, at variance with any of the provisions of these Regulations, if the Commission, in view of the special circumstances of a matter or class of matters and for the reasons to be recorded in writing, deems it necessary or expedient for dealing with such a matter or class of matters.”*



5.7.5 As may be seen from the above Regulation, nothing in the MYT Regulations bar the Commission from adopting in conformity with respect to the provision of the Electricity Act, 2003, a procedure which is at variance with respect to Regulation 3(i) of MYT Regulation which prescribes only three year control period and hence the Commission is satisfied as to its powers to agree to a longer control period. Having decided so, it is to be seen whether the control period of 5 years sought for is justifiable in terms of reasoning. There is no explicit provision in the Act barring the control period for 5 years for CIP approval nor there is any provision which stipulates that CIP approval is not permissible for a period beyond 3 years. Hence, the legality of the control period is sustainable. However, yet another aspect which requires consideration is the compliance of the other requirements for acceptance of the proposal. As may be seen from Regulation 3(i) of the MYT Regulation, the same is followed by Regulation 3(ii), 3(iii), 3(iv) & 3 (v) which deals with furnishing of ARR, Estimates Revenue from charges, Business Plan, capital investment plan. It is seen that there is compliance on the part of the licensee in regard to the said provisions and Commission is of the view that there is no bar in accepting the proposal for control period of 5 years. It is to be observed here that the Capital Investment Plan filed for a period of 3 years control period is under the active consideration of the Commission. In the mean time, the utility has moved the Commission with a CIP application for 5 years control period. Commission cannot delve deep into the decision of the licensee to seek a 5 year control period as other requirements have been met. It is within the exclusive domain of the licensee to manage its finances, and the micro-management of the finances can be better left to the licensee as otherwise it would amount to imposing constraints on micro management of the finances of the licensee. Also, there being powers to relax and the proposal for a five year period having the attribute of securing more consistency to the regulatory functions, the Commission would not like to go into the wisdom of selection of 5 year control period, though initially 3 years period was selected. However, has amended the MYT Regulations to prescribe a control period of 5 years. Accordingly, an amendment has been issued containing explanatory statement as follows:

5.7.6 The explanatory statement which is in line with the FOR Regulation is reproduced below:-

*“The TNERC (Terms and Conditions for Determination of Tariff for Transmission Distribution of Electricity under MYT framework) Regulations, 2009 is proposed to be amended to make it align with the existing model Tariff Regulations of Forum of Regulators and other State Electricity Regulatory Commissions and to enable the Commission to fix multi-year tariff on a formula on Consumer Price Index or Whole sale price index.*

*...”*

5.7.7 On the question of the requirement of prior approval of Capital Investment Plan, before filing of tariff petition under MYT, Commission observes that given the fact that there is a modified proposal for 5 year control period, the approval of Capital Investment Plan

can be done simultaneously along with the tariff exercise with a rider that in future the utilities shall strictly adhere Regulation 3(v) of MYT Regulation which require taking approval of Capital Investment Plan before placing request for tariff under MYT framework.

- 5.7.8 The Tamil Nadu Transmission Corporation Limited (TANTRANSCO) filed the Capital Investment Plan for the Period from FY 2022-23 to FY 2024-25 in M.P. No. 33 of 2022 in June 2022. Further in compliance with the MYT tariff period and the proposal seeking a multi year tariff, TANTRANSCO submitted the Capital Investment Plan for a further period of FY 2025-26 and FY 2026-27 also totaling a period of 5 years from FY 2022-23 to FY 2026-27 vide letter dt. 27.08.2022.
- 5.7.9 On receipt of proposals for the FY 2022-23 to FY 2026-27, and verification of data, meetings were conducted with the licensee for validation of data. The Commission after detailed scrutiny and analysis of the Capital Investment Plans filed by TANTRANSCO has approved the capital expenditure and capitalisation for a period of five years from FY 2022-23 to FY 2026-27 as shown in the abstract in Table 1 and 2 below. The details of the schemes and justifications provided by the licensee are shown in the booklet attached as Annexure with this order. The findings on the schemes for the Control Period from FY 2022-23 to FY 2026-27, directions and approval are rendered in the succeeding paragraphs.

**Table 5-10: Abstract of Capital Expenditure submitted by the Licensee and approved by the Commission for FY 2022-23 to FY 2026-27 (Rs. crore)**

Description	Capital Expenditure claimed by Licensee	Capital Expenditure approved by the Commission	FY 2022-23		FY 2023-24		FY 2024-25		FY 2025-26		FY 2026-27	
			Submitted by Licensee	Approved by the Commission	Submitted by Licensee	Approved by the Commission	Submitted by Licensee	Approved by the Commission	Submitted by Licensee	Approved by the Commission	Submitted by Licensee	Approved by the Commission
Transmission	15609.01	12680.56	2795.30	2352.01	3136.08	2645.58	3181.18	2330.09	3187.45	2452.73	3309.01	2900.15

**Table 5-11: Abstract of Capitalisation submitted by the Licensee and approved by the Commission for FY 2022-23 to FY 2026-27 (Rs. crore)**

Description	Capitalisation claimed by Licensee	Capitalisation approved by the Commission	FY 2022-23		FY 2023-24		FY 2024-25		FY 2025-26		FY 2026-27	
			Submitted by Licensee	Approved by the Commission	Submitted by Licensee	Approved by the Commission	Submitted by Licensee	Approved by the Commission	Submitted by Licensee	Approved by the Commission	Submitted by Licensee	Approved by the Commission
Transmission	22714.18	19669.65	2090.43	1896.11	5609.89	4966.01	5767.25	4715.95	4787.55	4704.40	4459.07	3387.18

### **Analysis and findings**

- 5.7.10 The schemes have been viewed based on provisions in Tariff Policy, provisions of the Commission's Tariff regulations 2005 and MYT regulations 2009, and based on necessity of investment, comparison with previous capital investment plans approved by the Commission, rate of progress of work, dates of approval/sanctions obtained and the available funding and scope of tying up for further resources.
- 5.7.11 The CIP filed by the petitioner is for different transmission ratios of sub stations, evacuation lines, link lines, improvement works by line strengthening, enhancement/addition of Power transformers and schemes based on packages of funding by various agencies viz. ADB,KfW,JICA. Many of the schemes are those that were approved in the previous control period where the work is in progress. The four nos. 765 kV sub stations at Ariyalur, North Chennai, Coimbatore and Virudhunagar were shown in the previous control period approved in M.P No.16 of 2019. Date of completion has been shifted by a year in all the schemes. The process of land acquisition is yet to be completed in the proposed SS at Coimbatore. The Licensee has to expedite the process of land acquisition to erect the Coimbatore SS as quickly as possible to put to effective use of the lines under erection. In the case of Virudhunagar SS, CEA approval is yet to be obtained for 230 kV connectivity to Srivilliputhur, Thummakundu and Kinnimangalam. Approval from competent authority may be obtained for the increase in expenditure and the works may be expedited in all the 765 kV sub stations.
- 5.7.12 The 400 kV sub station at Thervaikandigai though charged has not been commissioned. Erection works for the 400 kV lines are pending from the last control period. Commission directs the petitioner to take swift action to utilize the SS to full capacity. Similar is the status of Guindy 400 kV SS. Works for 400 kV OH and UG cables are yet to be completed. The Licensee may adhere to the timelines especially for the schemes under JICA, ADB funding. A total of 25 nos. of 230 kV sub stations have been proposed. Many of the projects are pending from the last control period. Approval has been accorded based on progress of work and funding obtained. Schemes to be funded by MNRE are pending from the last control period. Licensee shall take action to obtain required funding and complete the works. A total of 105 nos.110 kV sub stations have been proposed for each year. Commission has issued directions in the M.P No. 10 of 2016 and M.P No.16 of 2019 to be prudent while introducing 110 kV/22/11 kV ratios. Many of the evacuation schemes, improvements have spilled over from the last control period.
- 5.7.13 Where ratio of debt-equity is not provided, ratio of 70:30 in accordance to the provisions in the Commission's tariff regulations is considered. The equity debt portion considered in this approval is for the extent of CAPEX planned for the control period and approval sought.
- 5.7.14 Commissioning of the 765 kV sub stations at Ariyalur, Virudhunagar, Coimbatore are getting delayed due to one or more issues. It is the Licensee's responsibility to see that there is no wastage of funding resources and commission the sub stations early and recover the expenditure incurred. In reply to the directions issued in M.P No.16 of 2019

to provide the cost benefit analysis, the petitioner has stated that steps would be taken to furnish the analysis. A scheme should be evolved only after studying the cost benefit analysis and projections of demand to be catered to. Works at Pulianthope, Vellalaviduthi, Edayarpalaym, Parali are pending due to right of way issues, clearances from Forest Department and other issues.

- 5.7.15 Commission has indicated in all its previous orders of CIP, the lack of synchronization between the commissioning of the sub stations and the energisation of its associated transmission lines. The Commission views with concerns that this lack of synchronization continues in this period also. TANTRANSCO is yet to resolve right of way issues and litigations. Commission directs TANTRANSCO to take concerted action to settle issues stifling the progress of schemes so that timely returns on investments are realized. Equity share capital assistance may be requested from GoTN to continue with the progress of building a resilient congestion free transmission network for the long term.
- 5.7.16 The table below is the Capital expenditure and Capitalisation approved by the Commission. The details of capital expenditure and capitalization submitted in the petition and that approved by the Commission showing justification are shown in Booklet.

**Table 5-12: Capital Expenditure and Capitalisation approved by the Commission for FY 2019-20 to FY 2021-22 (Rs. crore)**

Sl. No.	Description	Capital Expenditure Rs. in Crores										Capitalisation Rs. in Crores										
		Submitted by TANTRANSCO					Approved by Commission					Submitted by TANTRANSCO					Approved by Commission					
		2022-23	2023-24	2024-25	2025-26	2026-27	2022-23	2023-24	2024-25	2025-26	2026-27	2022-23	2023-24	2024-25	2025-26	2026-27	2022-23	2023-24	2024-25	2025-26	2026-27	
<b>I</b>	<b>Sub station works</b>																					
	765 kV Sub stations	327.76	191.81	274.80	602.14	602.14	327.76	174.36	270.60	368.40	418.40	1438.44	3119.44	252.64	32.44	642.80	1438.44	3134.44	240.20	358.12	315.57	
	400 kV Sub stations	710.69	617.83	813.12	799.86	824.86	535.40	455.01	405.99	879.39	1153.75	0.00	515.59	1538.72	1509.34	951.81	0.00	151.34	749.12	1601.53	1073.28	
	230 kV Sub stations	201.40	283.48	372.24	715.08	815.08	165.83	211.83	225.77	473.71	580.21	74.13	179.92	275.31	738.53	909.30	70.14	177.94	248.40	410.04	454.51	
	110 kV Sub stations	50.00	100.00	100.00	200.00	200.00	35.00	70.00	100.00	100.00	100.00	15.00	75.00	100.00	140.00	160.00	15.00	65.00	75.00	90.00	110.00	
	<b>Sub total(excluding funding under JICA,KfW, ADB)</b>	<b>1289.86</b>	<b>1193.12</b>	<b>1560.15</b>	<b>2317.08</b>	<b>2442.08</b>	<b>1063.99</b>	<b>911.20</b>	<b>1002.35</b>	<b>1821.50</b>	<b>2252.36</b>	<b>1527.57</b>	<b>3889.95</b>	<b>2166.67</b>	<b>2420.32</b>	<b>2663.92</b>	<b>1523.58</b>	<b>3528.72</b>	<b>1312.72</b>	<b>2459.69</b>	<b>1953.36</b>	
<b>II</b>	<b>Transmission Line works</b>																					
	Power evacuation – 765 kV,400 kV,230 kV and 110 kV	62.84	92.54	198.29	99.15	99.15	15.40	13.95	40.00	40.00	50.00	17.91	272.49	264.90	0.00	231.34	17.91	87.01	79.42	0.00	0.00	
	Improvement and link lines	50.00	50.00	50.00	150.00	150.00	25.00	25.00	25.00	70.00	80.00	37.50	50.00	50.00	70.00	105.00	30.00	45.00	45.00	50.00	90.00	
	<b>Sub total</b>	<b>112.84</b>	<b>142.54</b>	<b>248.29</b>	<b>249.15</b>	<b>249.15</b>	<b>40.40</b>	<b>38.95</b>	<b>65.00</b>	<b>110.00</b>	<b>130.00</b>	<b>55.41</b>	<b>322.49</b>	<b>314.90</b>	<b>70.00</b>	<b>336.34</b>	<b>47.91</b>	<b>132.01</b>	<b>124.42</b>	<b>50.00</b>	<b>90.00</b>	
<b>II I</b>	<b>Others</b>																					

Sl. No.	Description	Capital Expenditure Rs. in Crores										Capitalisation Rs. in Crores									
		Submitted by TANTRANSCO					Approved by Commission					Submitted by TANTRANSCO					Approved by Commission				
		2022-23	2023-24	2024-25	2025-26	2026-27	2022-23	2023-24	2024-25	2025-26	2026-27	2022-23	2023-24	2024-25	2025-26	2026-27	2022-23	2023-24	2024-25	2025-26	2026-27
	<b>KfW funded schemes</b>	178.01	453.47	302.68	135.61	135.61	178.02	453.48	302.68	135.61	135.61	252.08	174.77	407.80	1076.81	654.95	252.08	174.77	407.80	1076.80	654.95
	<b>ADB funded schemes</b>	710.80	683.85	111.57	72.33	72.33	710.80	683.85	111.57	72.33	72.33	0.00	872.66	1783.41	381.11	72.33	0.00	872.66	1783.41	381.11	72.33
	<b>JICA funded schemes</b>	264.80	454.66	728.18	140.83	140.83	264.80	454.66	728.18	140.83	140.83	0.00	130.03	863.22	628.36	491.32	0.00	130.03	863.22	628.36	491.32
	<b>Other schemes</b>	239.00	208.44	230.31	272.45	269.02	94.00	103.44	120.31	172.46	169.02	255.37	220.00	231.24	240.21	72.55	72.55	127.82	93.74	108.44	125.22
	<b>Sub total</b>	1392.61	1800.42	1372.73	621.22	617.78	1247.62	1695.43	1262.74	521.23	517.79	507.45	1397.46	3285.67	2297.23	1458.82	324.63	1305.28	3148.17	2194.71	1343.82
	<b>Total</b>	<b>2795.30</b>	<b>3136.08</b>	<b>3181.18</b>	<b>3187.45</b>	<b>3309.01</b>	<b>2352.01</b>	<b>2645.58</b>	<b>2330.09</b>	<b>2452.73</b>	<b>2900.15</b>	<b>2090.43</b>	<b>5609.89</b>	<b>5767.25</b>	<b>4787.55</b>	<b>4459.07</b>	<b>1896.11</b>	<b>4966.01</b>	<b>4715.95</b>	<b>4704.40</b>	<b>3387.18</b>

5.7.17 Funding of capital expenditure approved by the Commission is tabulated below:

**Table 5-13: Funding of Capital Expenditure for FY 2022-23 to FY 2026-27 approved by the Commission (Rs. Crore)**

Particulars	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27
Grant	120.868	230.9312	158.0644	63.7613	63.7613
Equity	443.0455	532.1256	425.4094	299.5647	344.3067
Debt	1788.101	1882.519	1746.62	2089.401	2492.079
<b>Total Capitalisation</b>	<b>2352.015</b>	<b>2645.576</b>	<b>2330.094</b>	<b>2452.727</b>	<b>2900.147</b>

## 5.8 Gross Fixed Assets (GFA) and Depreciation

### TANTRANSCO's Submission

5.8.1 TANTRANSCO has submitted that the closing balance of GFA in FY 2021-22 has been considered as opening balance of FY 2022-23. Likewise the closing balance of preceding year has been considered as opening balance of ensuing year.

5.8.2 TANTRANSCO has further submitted the depreciation has been claimed in line with the provisions of TNERC (Terms and Conditions for Determination of Tariff) Regulations 2005.

**Table 5-14: Depreciation for FY 2022-23 to FY 2026-27 as submitted by TANTRANSCO (Rs. crore)**

Particulars	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27
Opening Gross Block	30,415.47	32,505.90	38,115.79	43,883.04	46,883.04
Net Addition of GFA	2,090.43	5,609.89	5,767.25	3,000.00	3,000.00
Closing Gross Block	32,505.90	38,115.79	43,883.04	46,883.04	49,883.04
<b>Depreciation during the year</b>	<b>1,599.04</b>	<b>1,796.63</b>	<b>2,088.57</b>	<b>2,313.54</b>	<b>2,467.50</b>

### Commission's View

5.8.3 For computation of depreciation, the Commission has considered the asset class-wise rate of depreciation specified in the Tariff Regulations, applied on the Opening GFA instead of average GFA. Further, for capitalization as approved by the Commission has only been considered.

5.8.4 The depreciation approved by the Commission for FY 2022-23 to FY 2026-27 is shown in the table below:

**Table 5-15: Depreciation for FY 2022-23 to FY 2026-27 approved by the Commission (Rs. crore)**

Particulars	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27
Opening Gross Block	29,967.78	31,743.02	36,478.10	41,035.99	45,676.63
Net Addition of GFA	1,775.24	4,735.08	4,557.89	4,640.64	3,323.42
Closing Gross Block	31,743.02	36,478.10	41,035.99	45,676.63	49,000.05

Particulars	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27
Depreciation during the year	1,582.30	1,676.03	1,926.04	2,166.70	2,411.73

## 5.9 Interest and Finance Charges

### TANTRANSCO's Submission

5.9.1 TANTRANSCO has submitted that Interest on Loan has been claimed on the normative basis in line with the Regulation 23 of TNERC (Terms and Conditions for Determination of Tariff) Regulations 2005. The determination of interest expenses has been carried out using the following approach:

- Closing loan of FY 2021-22 has been considered as opening loan of FY 2022-23
- Loan addition has been considered as 100% of the proposed capital expenditure
- Repayment has been considered as equal to the depreciation.
- Interest rate of 10.69% on average loan has been considered as arrived at for the FY 2019-20.

5.9.2 The interest calculation for FY 2022-23 to FY 2026-27 as submitted by TANTRANSCO is given in the Table below:

Table 5-16: Interest and finance charges for FY 2022-23 to FY 2026-27 as submitted by TANTRANSCO (Rs. crore)

Particulars	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27
Opening Loan balance for the year	26,452.78	27,665.87	29,110.16	30,303.10	31,392.62
Loan addition during the year	2,812.13	3,240.92	3,281.51	3,403.06	3,403.06
Repayment during the year	1,599.04	1,796.63	2,088.57	2,313.54	2,467.50
Closing Loan balance for the year	27,665.87	29,110.16	30,303.10	31,392.62	32,328.19
Average Loan balance	27,059.33	28,388.02	29,706.63	30,847.86	31,860.41
<b>Average rate of Interest</b>	9.18%	8.70%	8.61%	8.53%	8.51%
<b>Interest on Loan</b>	<b>2,485.07</b>	<b>2,470.38</b>	<b>2,556.57</b>	<b>2,630.51</b>	<b>2,712.20</b>
<b>Less: Interest capitalized</b>	808.51	803.93	831.63	855.41	881.67
<b>Other finance charges</b>	41.53	41.90	42.27	42.64	43.02
<b>Net finance charges</b>	<b>1,718.09</b>	<b>1,708.35</b>	<b>1,767.21</b>	<b>1,817.74</b>	<b>1,873.54</b>

### Commission's View

5.9.3 The Commission has gone through the filings of TANTRANSCO on interest and finance charges.



5.9.4 After considering the 70% loan structure on approved capitalization, the Commission has approved the interest and finance charges. For interest capitalization, 10% of approved capitalization figures have been taken.

5.9.5 The Commission has approved the interest and finance charges.

**Table 5-17: Interest and finance charges for FY 2022-23 to FY 2026-27 approved by the Commission (Rs. crore)**

Particulars	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27
Opening Loan balance for the year	14,697.53	14,447.43	16,974.35	19,180.78	21,355.15
Loan addition during the year	1,332.20	4,202.95	4,132.48	4,341.07	2,979.11
Repayment during the year	1,582.30	1,676.03	1,926.04	2,166.70	2,411.73
Closing Loan balance for the year	14,447.43	16,974.35	19,180.78	21,355.15	21,922.54
Average Loan balance	14,572.48	15,710.89	18,077.56	20,267.97	21,638.85
<b>Average rate of Interest</b>	<b>9.18%</b>	<b>8.70%</b>	<b>8.61%</b>	<b>8.53%</b>	<b>8.51%</b>
<b>Interest on Loan</b>	<b>1,338.30</b>	<b>1,367.19</b>	<b>1,555.77</b>	<b>1,728.32</b>	<b>1,842.06</b>
<b>Less: Interest capitalized</b>	<b>358.71</b>	<b>358.71</b>	<b>358.71</b>	<b>358.71</b>	<b>358.71</b>
<b>Other finance charges</b>	<b>41.53</b>	<b>41.90</b>	<b>42.27</b>	<b>42.64</b>	<b>43.02</b>
<b>Net finance charges</b>	<b>1,021.12</b>	<b>1,050.38</b>	<b>1,239.32</b>	<b>1,412.25</b>	<b>1,526.37</b>

## 5.10 Interest on Working Capital (IoWC)

### TANTRANSCO's Submission

5.10.1 TANTRANSCO submits that, the Interest on Working Capital has been computed based on the normative parameters specified in Regulation 26 of TNERC (Terms and Conditions for Determination of Tariff) Regulations, 2005.

5.10.2 TANTRANSCO has submitted that the working capital has been computed in line with clause 26 (d) TNERC Tariff Regulation, 2005 as follows

*“(i) Operation and Maintenance Expenses for one month;*

*(ii) Maintenance spares @ 1% of the historical cost of the transmission asset escalated at 6% per annum from date of the commencement of operation;*

*(iii) Receivables equivalent to two months transmission charges calculated target availability level”*

5.10.3 TANTRANSCO has submitted that the interest rate for computing IoWC has been considered in line with the TNERC (Terms and Conditions for Determination of Tariff) Regulations, 2005 i.e., Prime Lending Rate of State Bank of India as on April 1st of the respective year.

**Table 5-18: IoWC for FY 2022-23 to FY 2026-27 as submitted by TANTRANSCO (Rs. crore)**

Particulars	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27
O & M expenses	156.32	166.64	177.70	189.90	202.98
Maintenance Spares	345.68	403.03	464.07	497.53	529.33
Receivables	935.08	996.51	1,087.85	1,168.38	1,239.63
<b>Total Working Capital</b>	<b>1,437.07</b>	<b>1,566.18</b>	<b>1,729.61</b>	<b>1,855.81</b>	<b>1,971.94</b>
Rate of Interest on Working Capital	12.15%	12.15%	12.15%	12.15%	12.15%
<b>Interest on Working Capital</b>	<b>174.60</b>	<b>190.29</b>	<b>210.15</b>	<b>225.48</b>	<b>239.59</b>

### Commission's View

5.10.4 Regulation 26 of the Tariff Regulations specifies as under:

***“26. Working Capital***

***(d) For Transmission System***

*Operation and Maintenance expenses for one month*

*Maintenance spares @ 1% of the historical cost of the transmission asset escalated at 6% per annum from the date of commencement of operation;*

*Receivables equivalent to two months transmission charges calculated on target availability level.*

***27. Interest on Working Capital***

*The short term rate of interest on working capital shall be on normative basis and shall be equivalent to the primary lending rate of State Bank of India as on 1st April of the relevant year.”*

5.10.5 The Commission has computed the normative IoWC in accordance with the Tariff Regulations. However, maintenance spares have been considered at 1% of the opening GFA for the respective year. The Commission has considered rate of interest equivalent to State Bank of India Prime Lending Rate as on April of each year.

**Table 5-19: IoWC for FY 2022-23 to FY 2026-27 approved by the Commission (Rs. crore)**

Particulars	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27
O & M expenses	165.12	176.20	188.01	200.59	214.00
Maintenance Spares	317.66	336.48	386.67	434.98	484.17
Receivables	935.08	996.51	1,087.85	1,168.38	1,239.63
Total Working Capital	1,417.85	1,509.18	1,662.52	1,803.95	1,937.80
Rate of Interest on Working Capital	12.30%	12.75%	12.75%	12.75%	12.75%

Particulars	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27
Interest on Working Capital	174.40	192.42	211.97	230.00	247.07

## 5.11 Return on Equity (RoE)

### TANTRANSCO's Submission

5.11.1 TANTRANSCO has submitted that the opening value of equity has been considered same as closing value of FY 2022-23. The Normative Rate of Return on Equity has been taken at 14% as per Clause 22(1) TNERC Regulations, 2005. The reasonable Return on equity of TANTRANSCO for the ensuing years is arrived at using the Rate of Return on Equity (14%) on the average equity during the year

Table 5-20: RoE for FY 2022-23 to FY 2026-27 as submitted by TANTRANSCO (Rs. crore)

Particulars	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27
Opening Equity	3,618.73	3,931.18	4,291.29	4,655.90	5,034.02
Additions during the year	312.46	360.10	364.61	378.12	378.12
Closing Equity	3,931.18	4,291.29	4,655.90	5,034.02	5,412.13
Average Equity	3,774.95	4,111.24	4,473.59	4,844.96	5,223.08
<b>Return on Equity @ 14%</b>	<b>528.49</b>	<b>575.57</b>	<b>626.30</b>	<b>678.29</b>	<b>731.23</b>

### Commission's View

5.11.2 The Commission has computed the RoE at 14% on average equity during the year. No equity infusion has been considered, as the envisaged capitalization has already been considered to have been funded through loans.

Table 5-21: RoE for FY 2022-23 to FY 2026-27 approved by the Commission (Rs. crore)

Particulars	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27
Opening Equity	3,635.85	4,078.90	4,611.02	5,036.43	5,336.00
Additions during the year	443.05	532.13	425.41	299.56	344.31
Closing Equity	4,078.90	4,611.02	5,036.43	5,336.00	5,680.30
Average Equity	3,857.37	4,344.96	4,823.73	5,186.21	5,508.15
<b>Return on Equity @ 14%</b>	<b>540.03</b>	<b>608.29</b>	<b>675.32</b>	<b>726.07</b>	<b>771.14</b>

## 5.12 Other Income

### TANTRANSCO's Submission

5.12.1 TANTRANSCO has proposed the other income as below.

Table 5-22: Other Income FY 2022-23 to FY 2026-27 as submitted by TANTRANSCO (Rs. crore)

Particulars	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27
Other income	285.01	290.85	296.81	302.91	309.13

### Commission's View

3.10.2 The Commission has analyzed the Other Income and have approved the following.

Table 5-23: Prior Period Income, Extraordinary items & Other Income FY 2022-23 to FY 2026-27 approved by the Commission (Rs. crore)

Particulars	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27
Other income	285.01	290.85	296.81	302.91	309.13

## 5.13 Aggregate Revenue Requirement

5.13.1 Based on the above component-wise submission made by TANTRANSCO and approval by the Commission, the ARR for FY 2022-23 to FY 2026-27 is summarized in the following Table:

Table 5-24: ARR for TANTRANSCO for FY 2022-23 to FY 2026-27 submitted by TANTRANSCO (Rs. crore)

Particulars	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27
Employee Cost	1,927.28	2,054.08	2,189.84	2,339.60	2,500.05
A&G Expenses	70.04	74.05	78.28	82.76	87.49
R&M Expenses	26.92	28.46	30.09	31.81	33.63
<i>Less: O&amp;M Capitalisation</i>	(148.40)	(156.89)	(165.87)	(175.35)	(185.38)
Depreciation	1,598.44	1,796.00	2,087.91	2,312.84	2,466.76
Interest & Finance Charges	1,718.09	1,708.35	1,767.21	1,817.74	1,873.54
Interest on Working Capital	174.60	190.29	210.15	225.48	239.59
Other Debits	-	-	-	-	-
Extra-ordinary item	-	-	-	-	-
<i>Prior Period (Income)/Expense</i>	-	-	-	-	-
Incentive	-	-	-	-	-
<b>Total Expenditure</b>	<b>5,366.97</b>	<b>5,694.34</b>	<b>6,197.62</b>	<b>6,634.87</b>	<b>7,015.68</b>
Return on Equity	528.49	575.57	626.30	678.29	731.23
<i>Less: Other Income</i>	(285.01)	(290.85)	(296.81)	(302.91)	(309.13)
<b>Net Aggregate Revenue Requirement</b>	<b>5,610.46</b>	<b>5,979.06</b>	<b>6,527.10</b>	<b>7,010.26</b>	<b>7,437.78</b>

Table 5-25: ARR for TANTRANSCO for FY 2022-23 to FY 2026-27 approved by the Commission (Rs. crore)

Particulars	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27
Employee Cost	1,878.42	2,005.51	2,140.99	2,285.41	2,439.35
A&G Expenses	74.14	78.38	82.86	87.60	92.61

Particulars	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27
R&M Expenses	28.83	30.48	32.22	34.06	36.01
<i>Less: O&amp;M Capitalisation</i>	(148.40)	(156.89)	(165.87)	(175.35)	(185.38)
Depreciation	1,582.30	1,676.03	1,926.04	2,166.70	2,411.73
Interest & Finance Charges	1,021.12	1,050.38	1,239.32	1,412.25	1,526.37
Interest on Working Capital	174.40	192.42	211.97	230.00	247.07
Other Debits	-	-	-	-	-
Extra-ordinary item	-	-	-	-	-
<i>Prior Period (Income)/Expense</i>	-	-	-	-	-
Incentive	-	-	-	-	-
<b>Total Expenditure</b>	<b>4,610.80</b>	<b>4,876.30</b>	<b>5,467.55</b>	<b>6,040.68</b>	<b>6,567.76</b>
Return on Equity	540.03	608.29	675.32	726.07	771.14
<i>Less: Other Income</i>	(285.01)	(290.85)	(296.81)	(302.91)	(309.13)
<b>Net Aggregate Revenue Requirement</b>	<b>4,865.82</b>	<b>5,193.75</b>	<b>5,846.05</b>	<b>6,463.84</b>	<b>7,029.77</b>

5.13.2 Further, the carrying cost of past year's deficit/(surplus) is as given below.

Table 5-26: Cumulative revenue deficit/(surplus) approved by the Commission till FY 2021-22 (Rs. Crores)

Particulars	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22
Opening balance	-	630.71	1,561.11	2,459.54	3,774.02	5,281.43
Addition of Revenue Gap during the year	599.88	824.34	703.87	1,012.85	1,069.22	1,065.78
Closing balance	599.88	1,455.05	2,264.98	3,472.39	4,843.24	6,347.21
Average balance	299.94	1,042.88	1,913.05	2,965.96	4,308.63	5,814.32
Weighted average rate of interest (%)	10.28 %	10.17%	10.17%	10.17%	10.17%	10.17%
Carrying/(Holding) Cost	30.83	106.06	194.56	301.64	438.19	591.32
<b>Closing balance with Carrying/(Holding) Cost</b>	<b>630.71</b>	<b>1,561.11</b>	<b>2,459.54</b>	<b>3,774.02</b>	<b>5,281.43</b>	<b>6,938.53</b>

5.13.3 There is a total revenue deficit of Rs. 6,938.53 crore for the past period for TANTRANSCO as determined by the Commission in the above table.

5.13.4 There is also a huge revenue deficit in case of a TANGEDCO as well for the past period. In discussion with the Government of Tamil Nadu (GoTN) on recovery of these huge revenue deficits, the Commission has decided to make a provision for these deficits as a regulatory asset. Hence, the Commission has decided not to allow this revenue deficit of

Rs 6,938.53 crore in the future years for calculating the Transmission Charges from FY 2022-23 to FY 2026-27.

- 5.13.5 While adopting the methodology for calculating Transmission charges for future years, as discussed in the next chapter, the commission has arrived at the revenue surplus scenario. Hence, the Commission has decided that these revenue surplus over the future years from FY 2022-23 to FY 2026-27 would be discounting at the 10.17% to FY 2021-22 and arrive at the revised revenue deficit for FY 2021-22, as discussed in the next chapter.

## 6 Determination of Transmission Charges for the period from FY 2022-23 to FY 2026-27

### 6.1 Determination of Transmission Charges

6.1.1 Regulation 59(1) of the Tariff Regulations specifies the methodology for calculation of Transmission Charges as reproduced below:

*“.....The annual transmission charges computed as per this regulation shall be total aggregate revenue requirement of the STU / Transmission licensee. The following shall be deducted from the total revenue requirement.*

*a. Transmission charges collected from the short term intra state open access consumers, captive power plant and generating stations using Non-Conventional Energy Sources.*

*b. Income from other business to the extent of portion to be passed on to the beneficiaries.*

*c. Reactive Energy Charges and Transmission charges received from CTU for use of facilities of the licensee / STU.*

*Till such time a common transmission tariff is evolved to maintain consistency in transmission pricing framework in interstate and in the state transmission system the monthly transmission charges payable by the Distribution licensees and other long term intra state open access consumers shall be based on the capacity allocated to each beneficiaries as detailed below:*

$$\left\{ \frac{TC}{12} - \frac{(a + b + c) \times CL}{SCL} \right\}$$

*Where TC = Annual Transmission Charges*

*a = Total transmission charges by the short-term open access consumers*

*b = Income from other business to the extent of portion to be passed on to the beneficiaries.*

*c = Reactive Energy Charges and Transmission charges received from CTU for use of facilities of the licensee / STU*

*CL = Allotted capacity to the long-term transmission customers*

*SCL= Sum of allotted Transmission capacity to all the long-term open access customers of the intra state transmission system.”*

- 6.1.2 The Commission in the present Order has determined the Transmission charges applicable to Long-Term Open Access consumers in accordance with the above said Regulation, as elaborated below.

### **Allotted Transmission Capacity**

- 6.1.3 As against the submission of TANTRANSCO, the Commission has approved the allotted transmission capacity as requested by them in the petition. The allotted capacity considered by the Commission from FY 2022-23 to FY 2026-27 is shown in the following Tables:

**Table 6-1: Allotted Transmission Capacity submitted by TANTRANSCO and approved by the Commission for FY 2022-23 (MW)**

<b>Allotted Transmission Capacity</b>	<b>ATC for TANGEDCO (MW)</b>	<b>ATC for other LTOA (MW)</b>	<b>Total ATC (MW)</b>
Wind (Non-REC) MW	1583	6056	7639
Biomass (Non-REC) MW	130	73	203
Co-generation (Non-REC) MW	524	97	621
Solar (Non-REC) MW	3474	1218	4692
TNEB Own	6735	--	6735
IPP	1039	--	1039
CGS	6239	--	6239
CPP	--	745.32	745.32
Biomass (REC)	6.9	50.925	57.825
Wind (REC)	438.6	437.475	876.075
Co-generation (REC) MW	19	81.5	100.5
Solar (REC)	22.34	229.81	252.15
Long Term Power Purchase	3072	--	3072
<b>Total MW</b>	<b>23282</b>	<b>8989</b>	<b>32272</b>

**Table 6-2: Allotted Transmission Capacity submitted by TANTRANSCO and approved by the Commission for FY 2023-24 (MW)**

<b>Allotted Transmission Capacity</b>	<b>ATC for TANGEDCO (MW)</b>	<b>ATC for other LTOA (MW)</b>	<b>Total ATC (MW)</b>
Wind (Non-REC) MW	1625	6214	7839
Biomass (Non-REC) MW	130	73	203
Co-generation (Non-REC) MW	524	97	621
Solar (Non-REC) MW	3724	1218	4942
TNEB Own	7361	--	7361
IPP	1039	--	1039
CGS	6345	--	6345
CPP (Wheeling)	--	745	745
Biomass (REC)	6.9	50.925	57.825



Wind (REC)	438.6	437.475	876.075
Co-generation (REC) MW	19	81.5	100.50
Solar (REC)	22.34	229.81	252.15
Long Term Power Purchase	3072	--	3072
<b>Total MW</b>	<b>24308</b>	<b>9146</b>	<b>33454</b>

Table 6-3: Allotted Transmission Capacity submitted by TANTRANSCO and approved by the Commission for FY 2024-25 (MW)

Allotted Transmission Capacity	ATC for TANGEDCO (MW)	ATC for other LTOA (MW)	Total ATC (MW)
Wind (Non-REC) MW	1647	6292	7938
Biomass (Non-REC) MW	130	73	203
Co-generation (Non-REC) MW	524	97	621
Solar (Non-REC) MW	4724	1218	5942
TNEB Own	9919	--	9919
IPP	1039	--	1039
CGS	6700	--	6700
CPP (Wheeling)	--	745	745
Biomass (REC)	6.9	50.925	57.825
Wind (REC)	438.6	437.475	876.075
Co-generation (REC) MW	19	81.5	100.50
Solar (REC)	22.34	229.81	252.15
Long Term Power Purchase	3072	--	3072
<b>Total MW</b>	<b>28241</b>	<b>9225</b>	<b>37466</b>

Table 6-4: Allotted Transmission Capacity submitted by TANTRANSCO and approved by the Commission for FY 2025-26 (MW)

Allotted Transmission Capacity	ATC for TANGEDCO (MW)	ATC for other LTOA (MW)	Total ATC (MW)
Wind (Non-REC) MW	1668	6370	8038
Biomass (Non-REC) MW	130	73	203
Co-generation (Non-REC) MW	524	97	621
Solar (Non-REC) MW	6224	1218	7442
TNEB Own	9919	--	9919
IPP	1039	--	1039
CGS	7055	--	7055
CPP (Wheeling)	--	745	745
Biomass (REC)	6.9	50.925	57.825
Wind (REC)	438.6	437.475	876.075
Co-generation (REC) MW	19	81.5	100.5
Solar (REC)	22.34	229.81	252.15
Long Term Power Purchase	3072	--	3072
<b>Total MW</b>	<b>30117</b>	<b>9304</b>	<b>39421</b>

**Table 6-5: Allotted Transmission Capacity submitted by TANTRANSCO and approved by the Commission for FY 2026-27 (MW)**

Allotted Transmission Capacity	ATC for TANGEDCO (MW)	ATC for other LTOA (MW)	Total ATC (MW)
Wind (Non-REC) MW	1686	6453	8139
Biomass (Non-REC) MW	130	73	203
Co-generation (Non-REC) MW	524	97	621
Solar (Non-REC) MW	6524	1418	7942
TNEB Own	9919	--	9919
IPP	1039	--	1039
CGS	7055	--	7055
CPP (Wheeling)	--	745	745
Biomass (REC)	6.9	50.925	57.825
Wind (REC)	438.6	437.475	876.075
Co-generation (REC) MW	19	81.5	100.5
Solar (REC)	22.34	229.81	252.15
Long Term Power Purchase	3072	--	3072
<b>Total MW</b>	<b>30435</b>	<b>9586</b>	<b>40021</b>

### LTOA Transmission Charges

- 6.1.4 The Commission has determined the LTOA Transmission Charges based on allocated capacity in accordance with the Tariff Regulations.
- 6.1.5 The Commission through various Orders issued on October 07, 2020, October 16, 2020 and November 05, 2020 on procurement of power from Renewable Energy (RE) sources has provided concessional Transmission Charges, with the view to promote RE sources in accordance with Section 86(1)(e) of the Electricity Act, 2003. The relevant extracts of the above Orders are reproduced below:

#### **Order No. 8 of 2020 dated October 07, 2020 issued for Wind Power**

*“5.2.4. Wind energy is in a position to compete with conventional power sources and thus can be treated in the manner related to conventional power. In view of the above reasons, Commission fixed the transmission, wheeling and scheduling and system operation charges in the order No.6 of 2018 at 50% of that applicable for conventional power as notified by the commission from time to time. Commission proposed the transmission, wheeling and scheduling and system operation charges at 100% of that applicable for conventional power in the consultative paper. Most of the stakeholders have requested to retain the existing level of 50% of charges. Commission decides to retain levy of transmission, wheeling and scheduling and system operation charges at 50% of that applicable for conventional power notified by the Commission from time to time for the WEGs commissioned under the normal category. In respect of the WEGs availing Renewable Energy Certificates (REC), 100% of the*

*respective charges as specified in the relevant orders of the Commission are applicable.” (emphasis added)*

**Order No. 10 of 2020 dated October 16, 2020 issued for Bagasse based Co-generation Plant**

*“14.2.2 In the Consultative paper Commission proposed 100% of the Transmission, Wheeling and Scheduling & system operation charges as applicable for conventional power for Bagasse based co-generation plants. Though it was proposed to levy on par with conventional power plants, in view of unprecedented situation that arose due to the outbreak of the Covid 19 pandemic where several restriction were in place on the movement of public and opening of offices etc., and the gradual slowdown in economic activity, Commission decides not to disturb the current position in this Order. **Therefore, it is decided to retain the levy of Transmission, Wheeling and Scheduling & system operation charges at 70% of the rate applicable for conventional power notified by the Commission from time to time, for Bagasse plant***

*14.2.5. For generators who are availing Renewable Energy Certificate (REC), Transmission Charges, Wheeling Charges, Scheduling and System Operation Charges are applicable at 100% of the normal rate applicable for conventional power plants.” (emphasis added)*

**Order No. 11 of 2020 dated November 05, 2020 issued for Bio mass based Power Plants**

*“8.2.1 ...Considering the unprecedented situation that arose due to the outbreak of the Covid-19 pandemic where several restriction were in place on the movement of public and opening of offices etc., and the gradual slowdown in economic activity, **Commission decides to retain the levy of Transmission, Wheeling and Scheduling & system operation charges at 60% of that applicable for conventional power notified by the Commission from time to time.***

*In respect of the plants availing Renewable Energy Certificates (REC), 100% of the respective charges as specified in the relevant orders shall apply.” (emphasis added)*

**Order No. 9 of 2020 dated October 16, 2020 issued for Solar Power**

*“5.1.3. ...In view of the widespread situation caused by covid 19 pandemic with many restrictions in place for movement of public and lockdown announced by the central/State Governments, Commission decides*

*to retain the rates of open access charges as per the order no.5 of 2019. The levy of charges shall be at 50% of that applicable for conventional power in each of the charges.*

*5.1.4. In respect of the plants availing REC , 100% of the respective charges as specified in the relevant orders shall apply.” (emphasis added)*

6.1.6 The percentage of transmission charges ordered by the Commission in the above orders for the power generated by solar, wind, Biomass and Bagasse based co-generation plants are summarized as below:

**Table 6-6: Concession in Transmission Charges**

<b>Non-Conventional Source</b>	<b>Concession on Transmission Charges</b>
Solar	50%
Wind Energy	50%
Biomass Energy	60%
Bagasse based Co-Generation	70%

6.1.7 Considering the above percentage of transmission charges, the Transmission charges for the FY 2022-23 is arrived at as below:

**Table 6-7: LTOA Transmission Charges approved by the Commission for FY 2022-23 (Rs. Crores)**

<b>Sr. No.</b>	<b>Particulars</b>	<b>UoM</b>	<b>Formula</b>	<b>FY 2022-23</b>
1	<b>Net Revenue Requirement</b>	<b>Rs. Crore</b>	<b>A</b>	<b>4,865.82</b>
	<b>Allotted Capacity</b>			
2	Wind (Non-REC)	MW	B	7,639
3	Biomass (Non-REC)	MW	C	203
4	Co-generation (Non-REC)	MW	D	621
5	Solar (Non-REC)	MW	E	4,692
6	Other Sources	MW	F	19,117
7	<b>Grand Total</b>	<b>MW</b>	<b>G=A+B+C+D+E+F</b>	<b>32,272</b>
8	Number of Days	No.	H	365
9	<b>Transmission Charges</b>	<b>Rs. /MW/Day</b>	<b><math>I=(A \times 10^7)/((50\% \times B+60\% \times C+70\% \times D+50\% \times E+F) \times H)</math></b>	<b>5,159.26</b>

6.1.8 TANTRANSCO has proposed the Transmission Charges for years FY 2023-24 and beyond to be fixed as per prevailing tariff  $\times (1+(\text{CPI of May of respective financial year}-\text{CPI of May of previous financial year}) / \text{CPI of May of previous financial year})$  or 6% whichever is lower) with effect from 1<sup>st</sup> July of respective financial year .

6.1.9 However, considering the fact that the CPI of May for future financial years would keep on changing, therefore, the Commission has considered the percentage of 4 % increase

vis-à-vis previous years for calculating the Transmission Charges from years FY 2023-24 to FY 2026-27.

6.1.10 Accordingly, the Commission has determined the LTOA Transmission Charges from FY 2023-24 to FY 2026-27 as shown below in the following Table:

**Table 6-8: LTOA Transmission Charges approved by the Commission from FY 2023-24 to FY 2026-27 (Rs. Crores)**

Particulars	Formula	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27
LTOA Transmission Charges	I=4% increase Y.O.Y	5,365.63	5,580.26	5,803.47	6,035.61

6.1.11 The Commission has estimated the LTOA charges considering the CoD and allotted capacity as submitted by TANTRANSCO.

6.1.12 TANTRANSCO shall bill the LTOA consumers including TANGEDCO considering the approved Transmission Charges from FY 2022-23 to FY 2026-27. In line with the previous directives, TANTRANSCO is also directed to file quarterly reports of month-wise revenue collected from LTOA consumers.

### Short-Term Transmission Charges

6.1.13 Based on the net Revenue Requirement to be recovered in FY 2022-23 to FY 2026-27, the Commission has determined the Short-Term Open Access Charges from FY 2022-23 to FY 2026-27, considering 100% of the approved Transmission Charges applicable to LTOA, as shown in the following Table:

**Table 6-9: STOA Transmission Charges approved by the Commission from FY 2022-23 to FY 2026-27**

Sr. No.	Particulars	UoM	Formula	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27
1	LTOA Transmission Charges	Rs. /MW/ Day	A	5,159.26	5,365.63	5,580.26	5,803.47	6,035.61
2	STOA Transmission Charges	Rs. /MW/ Hr	$B=(Ax100\%)/24$	214.97	223.57	232.51	241.81	251.48

6.1.14 The above-determined STOA Transmission Charges are payable by intra-State Short-Term Open Access consumers and inter-State Open Access consumers using the intra-State Transmission network.

### Reactive Energy Charges

6.1.15 As per Regulation 62(c) of the Tariff Regulations, the Reactive Energy Charge is a variable charge reflecting voltage related drawal of Reactive Power, and Reactive Power drawal by beneficiaries is to be priced as follows:

- a) The beneficiary pays for reactive power drawal when voltage at the metering point is below 97%.
- b) The beneficiary gets paid for reactive power (return) supply when voltage is below 97%.
- c) The beneficiary gets paid for reactive power drawal when voltage is above 103%.
- d) The beneficiary pays for reactive power (return) supply when voltage is above 103%.
- e) The charges for Reactive Energy shall be as decided by the Commission.

6.1.16 Regulation 6.6 (2) of the Indian Electricity Grid Code, 2010 notified on April 28, 2010, provides the charges applicable for reactive energy exchange as under:

***“6.6 Reactive Power and Voltage Control***

*(2) The charge for VARh shall be at the rate of 10 paise/kVARh w.e.f. 1.4.2010, and this will be applicable between the Regional Entity, except Generating Stations, and the regional pool account for Var interchanges. This rate shall be escalated at 0.5paise/kVARh per year thereafter, unless otherwise revised by the Commission.” (emphasis added)*

6.1.17 Hence, in accordance with IEGC, the Commission rules that Reactive Energy charge for the applicable duration (injection or absorption) will be levied/compensated at the rate of 16.00 paise/kVARh for FY 2022-23 escalated at 0.5 paise/kVARh annually in subsequent years, unless otherwise revised by the Commission.

**Revenue Gap/(Surplus) for future years from FY 2023-24 to FY 2026-27**

6.1.18 Based on the approved LTOA Transmission charges from FY 2023-24 to FY 2026-27, Revenue is calculated based on the allotted capacity and No. of days. Accordingly, Revenue Gap/(Surplus) is calculated for the future years as shown in the table below.

**Table 6-10: Revenue Gap/(Surplus) from FY 2022-23 to FY 2026-27 approved by the Commission (Rs. Crores)**

Sr. No.	Particulars	UoM	Formula	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27
1	Net Revenue Requirement	Rs. Crore	A	4,865.82	5,193.75	5,846.05	6,463.84	7,029.77
	Allotted Capacity							
2	Wind (Non-REC)	MW	B	7,639	7,839	7,938	8,038	8,139
3	Biomass (Non-REC)	MW	C	203	203	203	203	203
4	Co-generation (Non-REC)	MW	D	621	621	621	621	621
5	Solar (Non-REC)	MW	E	4,692	4,942	5,942	7,442	7,942
6	Other Sources	MW	F	19,117	19,849	22,762	23,117	23,116
7	<b>Grand Total</b>	<b>MW</b>	<b><math>G=A+B+C+D+E+F</math></b>	<b>32,272</b>	<b>33,454</b>	<b>37,466</b>	<b>39,421</b>	<b>40,021</b>
8	Number of Days	No.	H	365	366	365	365	365

Sr. No.	Particulars	UoM	Formula	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27
9	LTOA Transmission Charges	Rs. /MW/ Day	I=4% increase Y.O.Y	5,159.26	5,365.63	5,580.26	5,803.47	6,035.61
10	Revenue from Transmission Charges	Rs. Crore	$J=I*((50\%xB + 60\%xC + 70\%xD + 50\%xE + F) \times H) / 10^7$	4,865.82	5,262.26	6,163.03	6,654.21	6,986.36
11	Revenue Gap/(Surplus)	Rs. Crore	K=A-J	-	-68.51	-316.98	-190.37	43.41

- 6.1.19 The Commission has considered the percentage of 4 % increase vis-à-vis previous years for calculating the Transmission Charges from years FY 2023-24 to FY 2026-27. However, the CPI of May on actuals basis may vary from 4 %. For example, by considering 3 % increase vis-à-vis previous years, a Revenue Gap of Rs. 71.54 Crores will be arrived for the future years. Hence, any variation with respect to actual recovery from FY 2022-23 to FY 2026-27 will be subsequently trued up in the next Tariff Order.
- 6.1.20 Based on the approved Transmission Charges from years FY 2023-24 to FY 2026-27, the Commission has calculated the Revenue from these Transmission Charges and accordingly, has arrived at the revenue surplus scenario of Rs. 532.45 crores.

#### Adjusted Revenue Gap/(Surplus) for future years and Revised Revenue Deficit for FY 2021-22

- 6.1.21 While adopting the methodology for calculating Transmission charges for future years, the commission has arrived at the revenue surplus scenario as shown above. Hence, the Commission has decided that these revenue surplus over the future years from FY 2022-23 to FY 2026-27 would be discounting at the 10.17% to FY 2021-22 and arrive at the revised revenue deficit for FY 2021-22 at Rs. 5,673.77 crores. Accordingly, Revenue Gap/(Surplus) for future years is adjusted to zero as shown in the table below.

**Table 6-11: Adjusted Revenue Gap/(Surplus) from FY 2022-23 to FY 2026-27 and Revised Revenue Deficit for FY 2021-22 approved by the Commission (Rs. Crores)**

Sr. No.	Particulars	UoM	Formula	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27
1	Actual Revenue Gap/(Surplus)	Rs. Crore	A	-	(68.51)	(316.98)	(190.37)	43.41
2	Discounting Revenue Gap/(Surplus) to FY 2021-22 @ 10.17%	Rs. Crore	$B=A / (1+10.17\%)^y$ years	-	(56.44)	(237.05)	(129.23)	26.74
3	Adjusted Revenue Gap/(Surplus)	Rs. Crore	C	-	-	-	-	-
4	Revised Revenue Deficit for FY 2021-22 (Rs. Cr)	Rs. Crore	$D = (6,938.53 - \text{sum of all B})$	6,542.55				

- 6.1.22 In discussion with the Government of Tamil Nadu (GoTN) on recovery of these huge revenue deficits, the Commission has decided to make a provision for these deficits as a regulatory asset. Accordingly, the Commission has taken a decision to keep the total revenue deficit of Rs. 6,542.55 crore as a regulatory asset at the end of FY 2021-22 to minimize any abrupt changes in the tariff in the future years. The Commission would recalculate this deficit at the time of submission of final true-up petition for FY 2022-23.

## 6.2 Summary of Directives

### **Compliance of Earlier Directives:**

- 6.2.1 To submit the year- wise actual capital expenditure incurred along with detailed justification for delay, if any, at the time of approval of actual capital expenditure and capitalisation, for transmission schemes commencing during the control period from April 1, 2016.

#### **TANTRANSCO 's Response:**

Actual capital expenditure and Capitalization are being submitted to the Hon'ble Commission.

#### **Commission's views:**

TANTRANSCO has submitted the Capex and Capitalisation details for the Financial year 2022-23 to Financial year 2026-27 and taken into account.

- 6.2.2 To maintain the record for the scheme-wise actual capital expenditure incurred and actual scheme-wise capitalization done separately for the schemes commencing after April, 2016 which shall be submitted to the Commission at the time of next Tariff Petition.

#### **TANTRANSCO 's Response:**

All the TANTRANSCO's circles were instructed to maintain the scheme wise register for the Transmission Schemes.

#### **Commission's views:**

The scheme wise details now furnished along with the petition is taken into account.

- 6.2.3 TANTRANSCO to submit the actual source-wise funding for each transmission scheme approved in this order along with the next Tariff Petition.

#### **TANTRANSCO 's Response:**

The actual source wise funding for the Transmission schemes for the FY 2016-17 to FY 2020-21 in respect of TANTRANSCO is submitted in Annexure-1 of the petition.

#### **Commission's views:**



The details of Funding sources submitted along with this petition is taken note of by the Commission and Trued up accordingly.

**New Directives:**

- 6.2.4 The Commission directs TANTRANSCO to submit on a quarterly basis, the details of monthly revenue earned from Transmission Charges along with number of transactions, revenue computation, allotted capacity, etc.
- 6.2.5 TANTRANSCO shall maintain the record for the fund-wise and scheme-wise actual capital expenditure incurred and actual capitalisation done separately for the schemes commencing after April, 2022 which shall be submitted to the Commission at the time of next Tariff Petition. The actual capitalization shall be accounted and adjusted at the time of true up when realistic values will be available. The Commission will approve the actual Capital expenditure and actual capitalisation based on such information, subject to prudence check.
- 6.2.6 The petitioner shall furnish the half yearly status of schemes approved in this CIP as on 1st of January and 1st of July of every year. Many of the schemes submitted in the plan are spilled over from the previous control period. TANTRANSCO is directed to form a Committee to review the progress of proposed schemes every quarter and ensure execution of projects within the scheduled timelines. Wherever clearances are required from Government authorities, the Licensee has to take coordinated efforts to obtain clearances and accelerate the erection works.
- 6.2.7 The Petitioner shall submit the reduction in transmission loss on account of commissioning of schemes for the previous control periods and for the schemes approved in this CIP. furnishing the methodology adopted to quantify the losses.
- 6.2.8 Schemes where expenditure is less than or upto Rs.2 crores may be executed by the Transmission Licensee, TANTRANSCO without prior approval of the Commission. However, the details of the schemes with actual expenditure shall be submitted to the Commission at the time of filing of tariff petition. All the details of schemes, assets and expenditure shall be entered in the asset register.
- 6.2.9 The licensee shall acquire Commission's approval when the total capital expenditure exceeds 5% of the capital expenditure approved in this order.
- 6.2.10 The petitioner is directed to fix priority of works depending on return on investment, impact/benefits to customers and implement the schemes.
- 6.2.11 The Commission directs TANTRANSCO to submit the year-wise actual capital expenditure incurred along with detailed justification for delay, if any, at the time of approval of actual capital expenditure and capitalisation, for transmission schemes commencing during the control period from April 1, 2016.
- 6.2.12 Maintain the record for the fund-wise and scheme-wise actual capital expenditure incurred and actual scheme-wise capitalisation done separately for the schemes

commencing after April, 2016, which shall be submitted to the Commission at the time of next Tariff Petition.

- 6.2.13 Submit the actual source-wise funding for each transmission scheme approved in this order along with the next Tariff Petition.

Sd/-  
(K. Venkatesan)  
Member

Sd/-  
(M. Chandrasekar)  
Chairman

**(By Order of the Commission)**



(Dr. C. Veeramani)  
Secretary

## ANNEXURES

### Annexure I- List of participants at the 37<sup>th</sup> State Advisory Committee Meeting held on 11<sup>th</sup> August 2022

S. No.	Name and Designation
1	Thiru. M. Chandrasekar, Chairman, Tamil Nadu Electricity Regulatory Commission, Chennai – Ex-officio Member, SAC
2	Thiru. K. Venkatesan, Member, Tamil Nadu Electricity Regulatory Commission, Chennai – Ex-officio Member, SAC
3	Thiru. J. Radhakrishnan, I.A.S., Principal Secretary to Government, Co-operation, Food and Consumer Protection Department, Chennai - Ex-officio Member, SAC
4	Thiru. Ramesh Chand Meena, I.A.S., Additional Chief Secretary to Government, Energy Department, Chennai - Ex-officio Member, SAC
5	Thiru. Rajesh Lakhoni, I.A.S., Chairman cum Managing Director, Tamil Nadu Electricity Board Limited and Tamil Nadu Generation and Distribution Corporation Limited – Member, SAC
6	Thiru. K. Mariappan, President, Tamil Nadu Small and Tiny Industries Association (TANSTIA) - Member, SAC
7	Thiru. S.N.Eiren Hower, Chairman, Confederation of Indian Industry (Tamil Nadu) - Member, SAC
8	Thiru. Sanjeev Nandan, Chief Electrical Engineer, Southern Railways Represented by A.K. Panjiyar - Member, SAC
9	Dr. A.S. Kandasamy, Namakkal - Member, SAC
10	Managing Director, Tamil Nadu Energy Development Agency, Chennai Represented by Thiru. O. Karamallayan, Deputy General Manager - Member, SAC
11	Thiru. M.R. Krishnan, Deputy Director, Consumer Association of India, Chennai - Member, SAC
12	Thiru. K.E. Ragunathan, Convenor, Consortium of Indian Associations, Chennai - Member, SAC
13	Thiru. P. Ashok Kumar, Managing Director, M/s. KCP Solar, Salem - Member, SAC
14	Thiru. K. Vishnu Mohan Rao, Senior Researcher, Citizen Consumer and Civic Action Group, Chennai - Member, SAC
15	Dr.C.Veeramani, Secretary, Convener, Tamil Nadu Electricity Regulatory Commission, 4 <sup>th</sup> floor, SIDCO Corporate Office Building, Thiru.Vi.Ka. Industrial Estate, Guindy, Chennai-32 – Convener, SAC.

## Annexure II- List of Stakeholders who have submitted written Suggestions and Objections

Sl. No.	NAME & ADDRESS
1.	Thiru.V.Thirugnanam, President, CODISSIA, Post Box No.3827, Huzur Road, Coimbatore – 641018.
2.	Thiru.Senthil, Agni Steel P Ltd, No.39/1, Builders Association Building, 1 <sup>st</sup> Floor, Perundurai Road, Erode – 638011.
3.	M/s.Micro & Small Enterprises Association of Cuddalore District, No.S-14, Sidco Industrial Estate, Seemandalam, Cuddalore – 607001.
4.	M/s.The Southern India Mills Association, “Shanmukha Manram”, No.41, Race Course, Coimbatore – 641018.
5.	Thiru.S.Neelakanta Pillai, No.F4, Perfect Vajra, No.144, Lakshmi Nagar, 6 <sup>th</sup> Street, Madipakkam, Chennai – 600091.
6.	M/s.The Southern India Mills Association, “Shanmukha Manram”, No.41, Race Course, Coimbatore – 641018.
7.	M/s.Orient Green Power Company Limited, Bascon Futura SV, 4 <sup>th</sup> Floor, 10/1, Venkatanarayana Road, T.Nagar, Chennai – 600 017.
8.	M/s.Indian Wind Power Association, Door No.E,6 <sup>th</sup> Floor, Tower -1, Shakthi Towers, No.766, Anna Salai, Chennai – 600 002.
9.	M/s.Tamilnadu Steel Re-rollers Council, NO.39/1, Builders Association, Building, 1 <sup>st</sup> Floor, Perundurai Road, Erode – 638011.
10.	M/s.Agni, Steels Private Limited, No.39/1, Perundurai Road, Builders Association Building 1 <sup>st</sup> Floor, Erode – 638011.
11.	M/s.Southern Energy Development Corporation Limited, Parry House, No.43, Moore Street, Chennai – 600 001.
12.	M/s.Watsun Infrabuild Private Limited, Office No.4, First Floor, City Centre, Opposite Mandavi Octroi, Commerce College Road, Bhuj Kachchh – 370001.

**Annexure III- The list of participants at each Public Hearing.****LIST OF THE STAKEHOLDERS WHO DEPOSED BEFORE THE COMMISSION****Public Hearing at : Coimbatore****Venue : SNR College Auditorium, Avinasi Road, Coimbatore****Date : 16-08-2022**

<b>Sl. No.</b>	<b>Name of Speakers at Coimbatore Public Hearing</b>
1	Thiru.V.Thirugnanam, President, CODISSIA, Huzur Road, Coimbatore - 641018.
2	Thiru.R.Ramamurthy Director, CODISSIA Defence Innovation, Huzur Road, Coimbatore – 18
3	Thiru.Bala Subramaniam President, Indian Chambers, Avinashi Road, Coimbatore - 18.
4	Thiru.C.SivaKumar President, COTMA, Ganapathy, Coimbatore - 06.
5	Thiru.N.S.N.Dhanabal President, Kangayam Coconut Oil Manufacturers Association, Kangayam - 638701.
6	Thiru.R.Velusamy Secretary, Tamil Nadu Federation of Powerloom Association, Erode.
7	Thiru.A.Kathirmathiyon, Coimbatore Consumer Cause, Coimbatore.
8	Thiru.Manoharan, Chief Engineer(Retired), TANGEDCO.
9	Thiru.A.D.Thirumoorthy, Energy Consultant, Coimbatore.
10	Thiru.M.Jeyapal, Recycle Textile Federation, Sowripalayam, Coimbatore - 28.
11	Thiru.N.Pradeep, The South India Spinners Association, Coimbatore - 14.
12	Thiru.K.N.K.S.Selvakumar President, Powerloom Weavers Job Order Association, Kannampalayam, No.38, Thiyagi Palani Gounder Street, Kannampalayam, Coimbatore - 641402.
13	Thiru.P.Bala Subramaniam, Tirupur Kovai District Powerloom Association, Tirupur.
14	Thiru.D.Balasundaram, Senior Past President, Tamil Nadu Electricity Consumers Association, Coimbatore.
15	Thiru.J.James, President, Tamil Nadu Association of Cottage and Micro Enterprises, Edayarpalayam post, Coimbatore - 25.
16	Thiru.R.Soundra Kumar, President, Coimbatore Wet Grinders & Accessories manufacturers Association, Coimbatore - 641037
17	Thiru.D.Abhishek, Secretary, CREDAI, Teynampet, Chennai.
18	Thiru.Suba Selvaraj, State Vice President, Industrial Cell, Bharathiya Janatha Party, Coimbatore.
19	Thiru.M.Balasubramaniam, Secretary, Tirupur Kovai District Powerlooms Association Palladam.
20	Thiru.M.V.Kalyanasundaram, District Committee Member, India Communist Party, Jeeva Home, Coimbatore.
21	Thiru.L.K.Suresh, Chairman, Erode Powerlooms Owners Association, Erode.

22	Thiru.V.T.Karunanidhi, Chairman, Pallivalaiyam Powerlooms Owners Association, Namakkal.
23	Thiru.S.Thangamuthu, Chairman, Powerlooms Owners Association, Karur.
24	Dr.M.Arasu, Council Member, IIAF, Coimbatore.
25	Dr.Kasthuri Rangaiyan, Chairman, Indian Wind Power Association (IWPA) Coimbatore.
26	Thiru.D.Vignesh, President, SIEMA, Race Course, Coimbatore.
27	Thiru.S.Venkatesh, Manager (Sales), OPG Power Generation Private Limited, Chennai.
28	Thiru.P.Praveen, Senior Manager, OPG Energy, Chennai.
29	Thiru.V.P.Palanisamy, Rotary Screen Printers Association, Tirupur.
30	Thiru.S.P.Rangarajan President, Micro & Small Scale Industrial Entrepreneur Association, Coimbatore.
31	Thiru.I.Veerassamy, Special Grade Foreman, Electricity Engineers ikiya Association, Coimbatore.
32	Thiru.P.Karthikeyan, Chairman, Perundurai Autoloom owners Association, Perundurai - Erode - 52.
33	Thiru.Govindarajan, Member, South India Shutlers Wearing Association, Coimbatore.
34	Thiru.G.Venkatachalam, SISWA, Coimbatore.
35	Thiru.S.Surulivel, Vice President, Tamil Nadu Small & Tiny industries Association, Chennai.
36	Thiru.N.Logu, Secretary, Coimbatore Consumer Voice, Avinasi Road, Coimbatore.
37	Dr.K.Selvaraj, Secretary General, The Southern India Mills Association, Coimbatore.
38	Thiru.R.Senthil kumar, Joint Secretary, Tirupur Exporters Association, Tirupur - 641607.
39	Thiru.I.Noor Mohammed Secretary, Coimbatore Plastics Re-processing & Trader Association, Coimbatore - 641008.
40	Thiru.P.Palanisamy, Chairman, kovai Tirupur District Powerlooms owners Association, Sommanur , Coimbatore
41	Thiru.A.Vendhar.M.Dhandapani, District President, G.Gunasekaran, District Vice President, Tamil Nadu Farmers Association, S.N.R.Road, Coimbatore.
42	Thiru.B.Ragubathi, Chairman, Social Service Centre, P.K.Palayam, Coimbatore - 20.
43	Thiru.K.M.Ravi Chandran Managing Director, Selvanayagi Powerlooms, Sidour, Coimbatore.
44	Thiru.R.Balaji, Vice President, ELGI Equipments Limited, Coimbatore.
45	Thiru.A.Sureshkumar, President, The Coimbatore South Small & Micro Industries Association, Coimbatore.
46	Thiru.N.Sundararajan, Nethaji Road, Pappanayakampalayam, Coimbatore.
47	Thiru.P.Senthil Kumar, Managing Director, Hariram Cotton Mill, kaniyur, Coimbatore.

48	Thiru.Jagadesan, Deepa Disleries Works, Coimbatore
49	Thiru.S.Kanaga Sabapathi,Secretary, Powerlooms Owners Association, Vadugampalayam, Coimbatore.
50	Thiru.C.Kulandaivelu, SIHS Colony, Singanallur Coimbatore.
51	Thiru.Kalyanasundaram, Tamil Nadu Pumps & Spares Manufactures Association, Coimbatore.
52	Thiru.Arun Kanagaraj, Pollachi Coir Association, Pollachi.
53	Thiru.R.Shanthakumar, Country Co-ordinator India Taxpayer, No.81, West Venkatasamy Road, R.S.Puram,Coimbatore - 641002.
54	Thiru.M.Balasubramaniam, Chairman, Lakapuram Powerlooms Association, Erode.
55	Thiru.G.Muruganantham, Chairman, Powerlooms Association, Tiruchengodu, Namakkal.
56	Thiru.G.Prakash, Managing Director Varshaith Textiles, Somanor, Coimbatore.
57	Thiru.P.Palanisamy , Pollution Activist, Vijayamangalam, Perundurai, Coimbatore.
58	Thiru.N.Anburaj ,Secretary, Coimbatore District Coir & Allied Producers Association, Coimbatore.
59	Thiru.T.Mani , Organiser, MSME Coimbatore Association, Coimbatore.
60	Thiru.Kannagi Jothi Basu, No.28th Ward Counsiler, Coimbatore.
61	Thiru.P.Krishnasamy, Consumer, Pollachi.
62	Thiru.R.Chellappan, Managing Director, Swelect Energy Systems, Chennai
63	Thiru.K.P.Shakthivel, Tamil Nadu Rice Mill Owners Association, Coimbatore.
64	Thiru.V.T.Shreedhar, Vice President, Erode District Small Scale Industries Association, Erode.
65	Thiru.S.Palanisamy, President, Kangayam Rice Mill Association, Kangayam.
66	Thiru.M.Manzur Rahman,Proprietor, A.M.R Industries, Singanallur, Coimbatore.
67	Thiru.P.Chinnasamy, Treasurer, Kadeshwara Rice Mill, Kangayam.
68	Thiru.N.Mahesh, Senior Plant Manager, Sandhis Foundaries Private Limited Coimbatore.
69	Thiru.Ganesh, Managing Director, Excel Plastics, Coimbatore.
70	S.Sadasivam, All India Organization in service of Small Scale Industries, Coimbatore
71	Thiru.P.S.Venkatachalam,Advisor, Tamil Nadu Visvakarma Handicrafts Association, Thangamaligai, Periyannai Road, Coimbatore.
72	Thiru.M.M.Kandasamy, Vice President, Federation of Tamil Nadu Mills Owners and Paddy Rice Dealers Association, Coimbatore.
73	Dr.R.K.Gnanamurthy, Alandhurai Post, Coimbatore.
74	Thiru.M.Murugesan, Consumer, Tirupur.
75	Thiru.D.Venkateshwaran,Polymer Trade Association, Erode.
76	Thiru.V.K.Rajamanickam, FATIA, Coimbatore.

77	Thiru.K.Balasubramaniam, Secretary, Tiruppur District Treasur Owner Association, Tirupur.
78	Thiru.P.Eswaran, Thevarayanpalayam Powerloom Association, Tirupur.
79	Thiru.A.Balakrishnan, Member, Powerloom Owners Association, Palladam.
80	Thiru.K.Thangaraj, Secreary, Indian Coir Cluster Private Limited, Erode.
81	Thiru.K.R.Senthil Kumar, Erode & Tirupur District Coir and Allied Manufacturers Association, Erode.
82	Thiru.P.Sivakumar, Powerloom Association, Palladam.
83	Thiru.K.K.Ravi, President, COMMISSIA, Coimbatore.
84	Thiru.N.Sivasamy , President Coimbatore Tirupur Weavers Handlooms Association, Sommanur.
85	Thiru.V.Selvaraj, Thudiyalur, Coimbatore.
86	Thiru.S.Sadha Sivam, Secretary, Kowsika Neer Karangal, Coimbatore.
87	Thiru.P.Chinnasamy, Owner Balaji Textiles, Sommanur.
88	Thiru.H.Nazar, Ukkadam, Karugada Branch Coimbatore
89	Thiru.S.Krishnamoorthy, Secretary, CITU, Coimbatore.
90	Thiru.C.Padmanaban, CPIM, Coimbatore.
91	Thiru.V.K.Shivagnanam CPIM, Coimbatore.
92	Thiru.J.Ajaykumar DYFI, Coimbatore.
93	Thiru.K.ChinnasamyPresident, Tamil Nadu Treasur Owner Association, Tamil Nadu.
94	Thiru.A.G.Chinnasmay, Chairman Coimbatore District Powerlooms Association, Iyyampalayam, Coimbatore.
95	R. Shanmuganathan, Chairman Kovai-Thirupur District Koolikku Nesavu Seium Visaithariyalal Sangam, Kombankaddu- Coimbatore
96	R. Mounasamy, Sri Lakshmi Techno Castt Foundry Clutter, Coimbatore
97	Kavi. Thamizh Selvan, Secretary Coimbatore Consumer Action Club Peelamedu- Coimbatore
98	R. Mahi, 3/1, Sowaripalayam, Coimbatore
99	K. Subramanian, Secretary, Tiruchangodu Taluk, Small Powerloom Oowners Association Namakkal District - 637211
100	Thiru.N.Manoharan, No.2AB, South 7th Street, Avarampalayam, Coimbatore
101	Thiru.Thirumalai M.Ravi, Chairman, Coimbatore District Grill Manufacturers Association, Ganapathy, Coimbatore.
102	Thiru.B.M.Boopathi, CEO, Dyers Association of Tirupur, Tirupur.
103	Tmt.R.Geetha, No.35A, South Street, No.2 Aavarampalayam, Coimbatore - 6
104	Thiru.N.Duraisamy, No.2/196B, Karasampalayam Road, Mylampatti Post, Coimbatore.
105	Thiru.Velumani, 7 South Street, Aravampalayam, Coimbatore.
106	Thiru.K.Ramesh, 7 South Street, Aravampalayam, Coimbatore.
107	Thiru.K.C.M Duraisamy, Tirupur and Palladam District Rice Mill Owners Association, Tirupur
108	Thiru.M .Sivaguru, No.14/8, Mariyappan Kovil Street, Vellavur, Coimbatore.



109	Thiru.G.VigneshNo.16/23, Karunanithi Street, Sowripalayam, Coimbatore - 28
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**Public Hearing at : Madurai,****Venue : Lakshmi Sundaram Hall, Thallakulam, Madurai.****Date : 16-08-2022**

Sl. No.	Name of Speakers at Madurai Public Hearing
1	Dr.N.Jagatheesan, President , Tamil Nadu Chamber of Commerce & Industry, Kamarajar Salai, Madurai.
2	Thiru.S.Ashok Sundareesan, Ex-president Shree Chakra Industries, Mathur, Bhelsia, Trichy.
3	Thiru.C.Theivarajan Chairman, Madurai District Flour Traders Association, Madurai.
4	Thiru.Prakalathan Dharmaraj, Sonal Vyapar Private Limited, Salem.
5	Thiru.G.Yuvaraj, Sri Govindharaja Meals,Aruppukottai.
6	Thiru.P.N.Ragunatha Raja, President, Kappalur Industrialists Association, Kappalur, Madurai – 08
7	Thiru.P.Kishore President, Madurai District Rice Mill Owners Association, Madurai.
8	Thiru.Vetrivel, President, Tuticorin District Paddy & Rice Owner's Association, Tuticorin.
9	Dr.D.R.RavikumarExecutive Member,Tamil Nadu Coastal Aquaculture Farmers Federation (TANCAFF),Tirupoondi, Nagapattinam.
10	Thiru.S.P.Jeya PrakasamPresident , Tamil Nadu Foodgrains Merchants Association, Madurai.
11	Thiru.V.Prabhu, Proprietor,Sri Kamatchi Industries, Trichy - 15.
12	Thiru.M.S.Sampath President, Madurai District Tiny & Small Scale Industries Association, Madurai.
13	Thiru.Raja Sudhakaran, President, Nagari Industries Association, Madurai.
14	Thiru.C.S.Ravishankar President, K.Pudhur Industrial Association, Madurai.
15	Thiru.A.K.P.Navasbabu President, Urangalpatti Industrialist Association, Madurai.
16	Thiru.Chandrasekaran President,Jaihindpuram Small Industries Manufacturers Association, Madurai.
17	Thiru.Noor Mohammed, President, Sivagangai District Bricks Manufacturers Association, Madurai.
18	Thiru.A.L.NarayananPresident,Madurai Plastic Manufacturers Association,Madurai.
19	Thiru.M.Elango President, South District Textiles Processing Cluster Industries Association, Madurai.
20	Thiru.Radhakrishnan, President, Madurai Granite Manufacturers Association, Madurai.
21	Thiru.M.B.Gunasekaran, President, Madurai Bakery's Association, Madurai.
22	Thiru.M.Ganesan District Secretary, Madurai District Secretary, CPIM, Madurai.
23	Thiru.Rajendran President, Madurai District Secretary, CPIM, Madurai.
24	Thiru.T.S.A.Subramaniam State Organiser, Tamil Nadu Powerlooms Association Committee, Shankarankovil, Thenkasi.
25	Thiru.M.S.V.Ramachandran No.48, Malapatti Village, Vadakku Taluk, Alanganallur via, Madurai.
26	Thiru.P.Rajamani, Sagaya Madha Salt Corporation.Tuticorin - 628002.
27	Thiru.S.VasandhanPresident,Sivakasi Plastics Manufacturers Association,Sivakasi.
28	Thiru.A.Annadurai, President, Dindigul District Micro and Small Enterprises Association, Dindigul.

29	Dr.R.Karnan Founder / State President, TamilNadu Citizens Consumers Protection Centre, Madurai.
30	Dr.A.SelvarajFarmer President, Tamil Nadu Small Scale Industries Association, Madurai.
31	Thiru.P.Harish Senior Research Specialist, Energy World Research Institute, Chennai.
32	Thiru.P.Arivuarasan, Madurai Dhall Merchants Association, Madurai.
33	Thiru.A.L.Narayanan Plastic Manufacturers Association, Madurai.
34	Thiru.K.K.Dinesh Secretary, Sourashtra Chamber of Commerce, Madurai - 625001.
35	Thiru.K.T.Krishnaswamy, Tamil Nadu Vanigar Sangam Peramaippu ( GST Audit) No.5, Thalavai Agraharam, First Floor, 2 kilo coir Madurai - 625001.
36	Thiru.K.RajasekarMadurai District Offset Printers Association, No.27, Mothilal Main Road, Madurai - 625016.
37	Thiru.S.Dhinakaran Co-ordinator, Aalayam Kappom, Madurai District, No.149, Main Road, Natarajan Nagar, Kochadai, Madurai - 625016.
38	Thiru.M.Mazibur Rahman Hameedia Rice Mill, Mathur Post, Alagar Kovil (via), Madurai - 625301.
39	Thiru.Excel.K.Palanisamy, President, Federation of Madurai Manufacturers and Traders , Association, No.9, Sambandha moorthy Street, Madurai - 625001.
40	Thiru.A.K.B.Nawas Babu, President, Madurai Hosierey Industries Association, Madurai Sivagangai Road, Varichiyur Post, Uranganpatti, Madurai - 625020.
41	Thiru.P.G.Vetrivel, Thoothukudi District Rice Mill and Wholesale Traders Association, No.100 C1, Therkku Pudhu Street, Thoothukudi - 628002.
42	Thiru.P.V.Murugan, Sai Plastics, Alagar Kovil Main Road, Maruthanpalayam, Madurai - 625014.
43	Thiru.A.Alaguchamy, Secretary, Madurai District Farmers Association, Panaiyur, Madurai - 625009.
44	Thiru.S.Suresh District President, Tirunelveli Industrial Cell, Tirunelveli - 627001.
45	Thiru.Thirumurugan District President, Tamil Nadu Appalam Vadagam Morevathal Association, Madurai - 625001.
46	Thiru.T.R.Mohan Ram, Vice President, Sowrashttra Chambers of Commerce, Madurai - 625001.
47	Thiru.R.Shivakumar Hotel Chapathi Park, Madurai - 625017.
48	Thiru.K.Nehru Prakash, President, Thoothukudi District Tiny and Small Scale Industries Association, No.247-A18, North Car Street, Tuticorin - 02.
49	Thiru.J.Ashok Raj Fine Packs, Plot No.471,472,473, Adithya Industrial pack, Puliyyur, Sivagangai - 625009.
50	Thiru.P.Chinnasamy, No.11/57, Usalampatti, Madurai - 625532.
51	Thiru.V.R.Sridharan, No.46,A/4, CMR Road, Madurai - 625009.
52	Thiru.N.S.Gopinath No.65/23, Khanpalayam, 1st Street, Madurai - 625009.
53	Thiru.G.Selvavel Pandi, FOMTA Secretary, Madurai - 625001.
54	Thiru.R.Kaleeswaran BJP Industrial State Secretary, Ramanathapuram - 623504.
55	Thiru.R.Murugesan BJP District President, Ramanathapuram.
56	Thiru.T.Manoharan, Treasurer, Madurai District Jalli Kalkuvvari Owners Association, Madurai - 625020.
57	Thiru.N.Jayaraman, Tamil Nadu All separtal atodetment Pensiors Association, Madurai - 625002.
58	Thiru.R.Arumuga Pandian BJP District Secretary Tirunelveli - 627005.
59	Thiru.M.P.Sankara Pandian, President, Water Resources protection and public trust, No.1/5, Kalayana sundaram, 5th Street, Madurai - 625002.
60	Thiru.Daniel Perinbaraj No.4354, TNHB Colony, Villapuram, Madurai - 625011.
61	Thiru.K.P.Murugan Secretary, MADDISIA Trade and Conversion Centre, Madurai - 625020.

62	Thiru.S.Muthukumar88 Kumar's Electronics, West Valli Street, Madurai - 625001.
63	Thiru.V.Kannan GKI Fab Work, No.RO15, Women's Industrial Estate,(SIDCO), Valavanathankottai, Thuvakudi, Trichy - 620015.
64	Thiru.A.V.S. Mukunthan, Secretary, Association of Cold Storages, No.76/4A2, Madurai - Dindigul NM Nagari, Madurai - 625021.
65	Thiru.J.V.Mohangandhi Siddha Doctor, Tamil Nadu Siddha Centre,xMadurai - 625107.
66	Thiru.R.Vijayarajan CPM District Committee, Madurai - 625002.
67	Thiru.Muthurani W/o.Chellakannu, Vellaimalaipatti, Ilowing Usilampatti Taluk.
68	Thiru.P.Ramar M.Paraipatti, O&M Mannouth Post,Usilampatti Post, Madurai District.
69	Thiru.S.P.Asai ThambiMakkal Neethi MaiyamMadurai
70	Thiru.M.Kalai Selvam CPIM East Taluk, Secretary, Pandian Nagar, Othakadai, Madurai.
71	Thiru.Nammavar Senthil/n Makkal Neethi Maiyam, Madurai Central.
72	Thiru.R.Manicka Vasagam No.24 Anthoniyar Kovil Street Madurai
73	Thiru.Dhananjay Kumar Dindigul District Coconut Fibre Products Manufacturers Association, Dindigul - 624308.
74	Thiru.T.K.Sadhanandam No.6/2, Mahal 8th Street, Madurai - 625001.
75	Thiru.R.Jeyaprakash No.38, Vaikolkara Street, Madurai - 625001.
76	Thiru.M.Ghouse Batcha Senior Citizen / Advocate B1, Vishal Jagadish Apartment, No.7, Rathnasamy Nadar Road, B.B.Kulam, Madurari North Tlauk, Madurai - 625002.

<b>Sl. No.</b>	<b>Name &amp; Address of people who have submitted written suggestion at Madurai Public Hearing</b>
<b>1.</b>	Thiru.G.Srinivasan, Sr.Exe.VP (Works) M/s.DCW Ltd, Sahupuram, Thoothukudi District-628229.

**Public Hearing at : Chennai****Venue : Kalaivanar Arangam, Chennai – 600005.****Date : 22-08-2022**

S.No.	Name of the Speakers at Chennai Public Hearing
1	Dr.A.C.Mohan, Secretary, Federation of Tamil Nadu Rice Mill Owners Paddy & Rice Dealers Associations, No.99, Trade Centre complex, Wallajah Road, Chepauk, Chennai - 600002.
2	Thiru.Kamala Kannan, No.52, Palakuppam Road, Avaari Pakkam, Dindivanam Villupuram District.
3	Thiru.R.Rajachidambaram, State Secretary, Tamil Nadu Farmers Association, Sundar Nagar, 2nd Street, Venkateshapuram Extension, Perambalur - 621212.
4	Thiru.K.Murali, Auditor State Secretary - Industrial Cell, Tamil Nadu BJP Old No.249 / New No.339, Level I, "Safi House" Anna Salai, Teynampet, Chennai - 06.
5	Thiru.P.Muthusamy, Electro Legal Consultant,
6	Mrs.Annie Josey Fellow, NGO, No.1/22, M.K.N Road, St Thomas Mount Chennai - 16.
7	Thiru.M.Jothi, Secretary, North Chennai Small Industries Federation, No.38, Pattinathar Koil Street, Thiruvottriyur, Chennai - 19.
8	Dr.Jeyavelan, President VGP, Seethapathy Nagar Resident Welfare Association.
9	Prof. S.Arumugam, Federation of Velachery Residents Welfare Association.
10	Thiru.S.Chandrasekaran, Seethapathy Nagar, Velachery
11	Thiru.Kumara Raja, Annai Indra Nagar welfare Association.
12	Thiru.Kuppan, District President, Thiruvallur West
13	Thiru.P.Sathish Kumar, Triplicane, Chennai - 05.
14	Thiru.R.V.Subbarayan, No.39/69, Agaraham Musiri, District Vice President, Tamil Nadu Commerce Institute Association, Trichy.
15	Thiru.Rajiv Dosharey, Member, Madras Steel Re-rollers Association, No.6, Sadar Patel Road, Guindy, Chennai - 32.
16	Thiru.C.Murugeswaran, Member, TNPPA, Chennai - 02.
17	Thiru.Ajith Prathap Singh, OPG Power Generation CFO, C4R2+645, Peria Obulapuram Village, Gummudipoondi, Taluk, Thiruvallur District - 201
18	Thiru.T.Govindaraj, Kollidam River, Prawn Farmers Society, Vishnu Hospital, Kollidam.
19	Thiru.K.Gnanamoorthy, Cuddalore Prawn Farmers Association, Cuddalore.
20	Thiru.S.Jeyaraman, Secretary, Agro Prawn Farmer Association, No.55, R.S.Road, Sirkali, Mayiladurari District.
21	Thiru.B.Kandavel, State P.R.O. & Organisation Secretary, Tamil Nadu Federation of Powerlooms Associations, No.214/223, Vivekananthar Road, Narayanavalasu, Nasiyanur Road, Erode - 11.
22	Thiru.P.Shanmugam, Tamil Nadu Farmers Association, CPIM, No.11, Vaithiyanathan Street, T.Nagar, Chennai - 11.

23	Thiru.M.Jeyabalan, Deputy Pesident, Redhills Rice Mills Owners Asscoation & Paddy, Redhills, Chennai - 52.
24	Thiru.Shreekanth Dhuri, Consultant, South Indian Cement Manufacturers Association, 3rd Floor, Jubilee Hills, Hyderabad - 500034.
25	Thiru.Vengadeshwaran, Durga Wind Power LLP Vesap Garden, R.A.Puram.
26	Thiru.G.Indrakumar, Deputy Manager, OPG Energy, Mayavaram.
27	Thiru.Selva, District Secretary CPIM, Central Chennai.
28	Thiru.Shankar, Tamil Nadu Costal Aqua Farms Federation, Myladurai District.
29	Mrs.D.Ponmalar, Vel Hi Tech Industries, Thirumalisai
30	Thiru.G.D.Bharathram, Citizen Consumer & Civic Action Group(CAG) Eldams Road, Teynampet, Chennai - 18.
31	Thiru.N.Pannerselvam, Weaver, No.78, Alamal Street, Vishwanathapuram, Guruvarajapet, Arakkonam, Ranipet District.
32	Thiru.A.P.Srinivasan, Consumer Protection Forum(Force) No.87, Dr.Radhakrishnan Salai, Chennai - 04.
33	Thiru.G.Kuppusamy, General Secretary, Chennai Metro Small and Micro Industries Association, Ekkaduthangal, Chennai - 32.
34	Thiru.G.Krishnamoorthy, Ambattur Industrial Estate, Manufacturers Association, Chennai – 58.
35	Thiru.K.Baskaran, Secretary, Kakkalur Industrial Estate Manufacturers Association(KIEMA) Kakkalur, Tiruvallur District.
36	Thiru.Neelakandan, Consumer, Madipakkam, Chennai - 91.
37	Sri Kumar Rajan, Manager, M/s.Malaravan Machine works, Ambattur, Chennai.
38	Thiru.C.Selvaraj, Consumer, No.162, Ranga Nagar, 1st Street, Chrompet, Chennai - 44.
39	Thiru.V.Nithyanandhan, General Secretary, Tamil Nadu Small and Tiny Industries Association, No.10, GST Road, Chennai - 32.
40	Thiru.Muralimohan, Secretary, Madhuranthakam co-operative sugar cane mills Association.
41	Thiru.Ashrafali, Member, COCOManas Association, Chepauk, Chennai - 05.
42	Thiru.P.Harish, Senior Research Specialist Energy, WRI India, 2nd Floor, South End Road, Bangalore - 04
43	Thiru.G.Senthil Kumar, Thiruvallur District President, Our People Protection Organization.
44	Thiru.Y.Mohammed Farook, President, Aam Aadmi Party, North Chennai.
45	Thiru.Gandhi, Power Engineers Society of Tamil Nadu (PESOT)
46	Thiru.K.S.Anbuselvan, President, Perungudi Industrial Estate Manufacturers Association, Chennai – 96.
47	Thiru.S.Ramakrishnan, President, Vinnamangalam SIDCO Industrial Estate, Manufacturers Association, Tiruppathur District.
48	Thiru.Thirumurugan Gandhi, May - 17, Iyakkam Organizer.
49	Thiru.Rama Rao, Secretary, Peoples Awarness Association Nanganallur, Chennai - 61
50	Thiru.V.Purushothaman, Secretary, Federation of Adayalampattu, Residents Welfare Associations, (FARWA) No.20, 1st Street, Tiruvallur - 95.
51	Thiru.S.Gokula Krishnan, Secretary, TASIOWA, Chennai - 32.
52	Thiru.S.Gajaraj, President, TIEMA.

53	Thiru.K.Thirumurugan, Co-ordinator Consumer and Awareness United of India, Chennai – 53.
54	Thiru.G.Calraj, President, Hatcheries Association, Chengalpattu District - 102.
55	Thiru.S.Sankaranarayanan, Deputy Secretary, Madras Chamber Commerce & Industry (MCCI), Chennai - 35.
56	Thiru.Vasu Devan, President, Thindivanam SIDCO Association, MSME, Chennai - 95.
57	Thiru.C.Babu, Former President Tamil Nadu Small & Tiny Industrial Body, Chennai - 32.
58	Thiru.S.Vijayakumar, Chairman, India Consumer Awareness Association, Ambattur, Chennai - 53
59	Thiru.G.Shankaran, President Tamil Nadu Pondy Plastic Association, Choolai High Road, Chennai - 112.
60	Thiru.D.Kamaraj, Secretary Chennai Plastic Manufacturers and Traders Association, Choolai High Road, Chennai - 112.
61	Thiru.Solomon, President, Thiruvalluvar District, Industries Association, Thiruvallur
62	Thiru.V.Shankar, President, Industries Association, Kancheepuram District.
63	Thiru.P.Muthukrishnan, Proprietor, Global Packaging Industry, Ramapuram, Chennai - 89.
64	Thiru.S.Muthu Raman, M/s.Jeyam Stores, Chennai - 87.
65	Thiru D. Rajendiran, Secretary, Vandimedu House Owners Association, Villupuram.
66	Thiru Chandran, Secretary, (AIECA) All India Electricity Consumers Association
67	Thiru Rajesh, Consumer, Teynampet, Chennai
68	Thiru G. Kathiresan, Secretary Egai Small Industries Association, Ekkaduthangal, Chennai - 32
69	Thiru S. Murugan, President, Nabasian Social Service and Helping Centre, Chennai 106.
70	Thiru Kalam Vijayan, District Secretary, Tamil Nadu Federation of Powerlooms Association, Thiruvallur.
71	Thiru Thooyamurthy, Association of Transparency and Anti corruption, Chennai.
72	Thiru Natraj, Senior AVP Renewabl Energy Projects, Swelect Energy Systems Ltd, Mylapore, Chennai - 4.
73	Thiru Sikkantar, Proprietor, Global Recyclers, Madhavaram, Chennai -60.
74	Thiru Ashish Nandan, Vice President Regulatory Affairs, First Energy Pvt. Ltd., Pune - 05.
75	Thiru Sutharsanam, Xerox store, No.1, Redhills, Chennai -52.
76	Thiru D. Mariyappan, No.1, Mariamman Kovil Street, Social Activist, Chengalpet District.
77	Thiru S. Ragunathan, Consumer Valasaravakkam Brindavan Nagar Welfare Assocaition, Chennai.
78	Thiru P.S. Baskar Kumar, Consumer, Toll gate, Chennai -19.
79	Thiru P. Loganathan, Kundrathur Industries Traders Owners Association, Chennai - 69.
80	Thiru S. Jayaprakasan, Ex Member, Tamil Nadu Small & Tiny Industries Association, Guindy, Chennai - 32.
81	Thiru J. Chandrasekaran, Secretrary, Chennai Fishing Harbour Ice Manufacturers Association, Tondiarpet, Chennai -81.
82	Thiru S. Rakkappan, President, The Tamil Nadu Plastics Manufactureres Association, Nungambakkam, Chennai - 34.
83	Thiru R. Selvam, Consumer, Shanthi nagar, Ranipet.

84	Thiru K.M. Siva, Consumer, T. Nagar, Chennai.
85	Thiru K. Chandra Kumar, Small Engineering Industries Welfare Association Ekkaduthangal, Chennai -32.
86	Thiru A.P. Subramanian, Consumer, Thiruvanmiyur, Chennai.
87	Thiru S.R.Kumaraswamy Adithyan, Consumer, Tiruchendhur.
88	Thiru.S.Kuppusamy, Wax Manufacturers, Ekkaduthangal, Chennai - 32.
89	Thiru.N.Ramakrishnan, Lagu Udyog Bharathi, Chennai.
90	Thiru.S.Bharanitharan, Joint Secretary, Tamil Nadu Rice Mills Owners Association.
91	Thiru.A.S.kannan, Ex-MLA (State President), Tamil Nadu Association of Cottage and Tiny Entrepreneurs, Chennai - 58.
92	Thiru.S.Arivanandham, President, Plastic Dye Manufacturers Associations, Ekkaduthangal, Chennai - 32.
93	Thiru.S.Senthil Viswarooban, Advocate, Stephen and Stephen Advocates Associations, Chennai - 01.
94	Thiru.Seralathan, Secretary, Aam Aadmi Party, South Chennai.



### Annexure IV- Capital Expenditure Plan (TANTRANSCO)

CAPITAL EXPENDITURE AND CAPITALISATION OF TRANSMISSION SCHEMES FOR THE FY 2022-23, 2023-24, 2024-25, 2025-26 and 2026-27

Sl.No	Description	Cost of the Scheme Rs in Cr. As per BP / Awarded cost	BP No/Date	Date of Completion (Actual / Anticipated)	Expenditure already incurred as on 31.03.2022	Submitted by TANTRANSCO					Approved by Commission					Submitted by TANTRANSCO					Approved by Commission					Justification	Funding agency	Present Status	
						Capital Expenditure					Capital Expenditure					Capitalisation Rs. In Crores					Capitalisation Rs. In Crores								
						Rs in Crores					Rs in Crores					Rs in Crores					Rs in Crores								
2022-23	2023-24	2024-25	2025-26	2026-27	2022-23	2023-24	2024-25	2025-26	2026-27	2022-23	2023-24	2024-25	2025-26	2026-27	2022-23	2023-24	2024-25	2025-26	2026-27	2022-23	2023-24	2024-25	2025-26	2026-27					
A	SUBSTATIONS AND ASSOCIATED LINE WORKS																												
I	765 kV Substations																												
1	Ariyalur 765 kV SS 2X1500 MVA	2131.45 + 60.80 / 1734.8 (440.40+ 1050.9+ 243.49)	91/07.11.2013 & 228/07.10.2017	31.03.2019/ 22-23	1575.63	137.48	34.37				137.48	34.37				525.45	389.14	220.20			525.45	389.14	220.20				For transferring power either way which have been pooled at North Chennai Pooling station and for transfer of interstate power	REC	Sub Station works are in Progress and is being delayed due to slow progress of work by the Turnkey Contractor. 765 kV and 400 kV Line works were completed. Expenditure incurred for 765 kV Line work is Rs.1063.58 Cr.
	2nos 765 kV, 240 MVAR Line Reactors																												
	Associated Lines: 765 kV DC line from Ariyalur to Thiruvallam and LIL0 of 400 kV Pugalur - Kalivanthapattu feeder at Ariyalur 765/400 kV SS																												
	2 nos. GIS Bay at Thiruvallam (PGCIL ) SS																												
2	North Chennai Pooling Station 765 kV SS (GIS) - 3x1500 MVA	2509.81/ 909.87	64/25.07.2015		793.67	81.34	34.86				81.34	34.86				272.96	636.91				272.96	636.91				Evacuating the power from various thermal power projects in north chennai area and meet the future load growth of chennai region.	PFC	SS works are nearing completion.	
	765 kV DC line from North Chennai - Pooling Station to Ariyalur	2427.88/ 2133.42	239/ 17.10.17	20.03.20/ 2022-23	1996.71	95.70	41.01				95.70	41.01				640.03	1493.39				640.03	1493.39						Line works completed.	

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Sl.No	Description	Cost of the Scheme Rs in Cr. As per BP / Awarded cost	BP No/Date	Date of Completion (Actual / Anticipated)	Expenditure already incurred as on 31.03.2022	Capital Expenditure Rs in Crores					Capital Expenditure Rs in Crores					Capitalisation Rs. In Crores					Capitalisation Rs. In Crores	Justification	Funding Agency	Present Status					
						2022-23	2023-24	2024-25	2025-26	2026-27	2022-23	2023-24	2024-25	2025-26	2026-27	2022-23	2023-24	2024-25	2025-26	2026-27					2022-23	2023-24	2024-25	2025-26	2026-27
3	Virudhunagar 765/400-230	3713.33/ 2090.17* (542.90+1281.26 +266)	18/ 03.03.18	02.06.22/ 2023-24	153.86	194.52	194.52				194.52	194.52							162.87	380.03			162.87	380.03			ADB	SS, 765 kV and one no. 400 kV Line works are in Progress.* Awarded cost under ADB Funding. ROW issues involved in 765 kV Line work and is being sorted out.	
	765 kV DC lines 400 kV DC line details under ADB package				691.58	265.36	265.36	58.97				265.36	265.36	58.97						366.69	855.60	58.97		366.69	855.60	58.97			
	400kV DC line from Virudhunagar - Kayathar				151.23	51.65	63.12					51.65	63.12							79.80	186.20			79.80	186.20				
	Works other than ADB Packages.	1558.272							233.74	233.74					50.00						327.24				327.24			For evacuation of power from Thermal Power Project and for wind and solar power evacuation from Kayathar, Kamudhi and Thappagundu	
	400kV DC line from common point of 400 kV DC Kamudhi- Thappagundu line (Cost :64.888 Cr)					3.24	32.44	29.20			3.24	15.00	25.00										15.00	20.00	30.88		Tender to be floated		
	Other 230 kV connectivity to Sivilliputhur, Thummakundu and Kinnimangalam																										CEA approval awaited.		
4	Coimbatore 765 kV SS Associated lines.	2455.98	74/ 03.11.16	2025-26	10.38	10.00	49.12	245.60	368.40	368.40	10.00	49.12	245.60	368.40	368.40											315.57	REC	Total Land area 99.153 acres. Out of which 67.78 acres has been purchased. Administrative sanction is awaited from Govt. for Acquisition of 31.37 Acres under Industrial Purpose Act 1977. Remarks received from Energy Department and replied to the Energy Department on 13.10.2021. Now the file is with Additional Finance Secretary.	
	765 kV Substations (4 Nos)					839.28	714.81	333.77	602.14	602.14	839.29	697.36	329.57	368.40	418.40	1438.44	3728.80	1674.48	91.41	642.80	1438.44	3743.80	1662.03	417.09	315.57				
	765 kV Substations under ADB					511.52	523.00	58.97	0.00	0.00	511.53	523.00	58.97	0.00	0.00	0.00	609.36	1421.83	58.97	0.00	0.00	609.36	1421.83	58.97	0.00		Increase in Capitalisation during 2023-24 and 2024-25 is due to Capitalisation of Major schemes Such as Ariyalur 765 kV SS and North Chennai GIS.		
	765 kV Substations excluding ADB					327.76	191.81	274.80	602.14	602.14	327.76	174.36	270.60	368.40	418.40	1438.44	3119.44	252.64	32.44	642.80	1438.44	3134.44	240.20	358.12	315.57				

Tamil Nadu Transmission Corporation (TANTRANSCO) True-Up, ARR and Tariff Order, 2022

Sl.No	Description	Cost of the Scheme Rs in Cr. As per BP / Awarded cost	BP No/Date	Date of Completion (Actual / Anticipated)	Expenditure already incurred as on 31.03.2022	Capital Expenditure Rs in Crores					Capital Expenditure Rs in Crores					Capitalisation Rs. In Crores					Justification	Funding Agency	Present Status																		
						2022-23	2023-24	2024-25	2025-26	2026-27	2022-23	2023-24	2024-25	2025-26	2026-27	2022-23	2023-24	2024-25	2025-26	2026-27																					
II	400 kV Substations																																								
1	<b>Therivaikandigai 400kV SS - 2X315 +1X200 MVA</b>	90.86	7/ 10.02.12	03.03.14/ 31.03.23	86.32																			To connect all the private power plants that can be used as evacuation hub with connectivity to major 400 kV substations to meet rapid increasing load demand of Chennai city and for effective Load Management.	REC	SS Charged on 15.04.16 at 230 kV level. On completion of 400 kV Line work, SS will be commissioned at 400 kV Level.															
	400 kV DC line from Manali to Therivaikandigai SS, Manali to Korattur & Korattur to Therivaikandigai SS - 46.609 Kms (JICA)																										JICA	Forest approval involved and is being followed up.													
	(j) Work by M/s SEW Aster and rewarded to M/s.L&T (34.13 Cr)	87.78			46.92	24.52	16.34			24.52	16.34					43.89	43.89				35.00	35.00	17.78			JICA	Work completed.														
	(ii) Work by M/s. L&T	172.27			147.03	12.62	12.62			12.62	12.62					86.14	86.14				86.14	86.14				JICA															
2	<b>Guindy 400 kV SS -2X315 MVA</b>	756.52/ 1309.06 (231.00+108.40+188.23+614.85+174.40)	55/ 25.10.12	2024-25	237.30																		To strengthen the Chennai Network.	JICA	SS charged at 230 kV Level on 19.12.20. On completion of 400 kV OH and UG Cable works,SS will be charged at 400 kV Level.																
	LILO of Alathamby - Sunguvarchatram at Guindy up to Parivakkam.14.04 Kms																								JICA	13.795/14.043 Kms completed. LILO portion will be completed on availing LC.															
	400 kV DC OH line connectivity Ottiyambakkam 400 kV SS to Guindy 400 kV SS - 14.74 Kms (M/s.NCC)	108.40			54.55	14.81			14.81							34.68	34.68				34.68	34.68			JICA	As the work could not be continued due to Marsh Land, in principle approval accorded by CMD to lay UG cable. to avoid the Marsh land ,															
	UG Cable to avoid marsh Land 9.5 Kms	188.23				5.00	37.65	94.12	25.73	25.73	5.00	20.00	42.65	60.00	60.58		68.38	81.25	25.73			30.00		68.38			Price bid opened on 19.05.22														
	<i>400 kV UG cable for Guindy</i>																																								
	(Parivakkam) Vellavedu -Guindy 16.50 Kms - M/s.LS Cables	614.85			296.03	191.29	127.53			145.29	116.00	57.53					307.43	307.43				130.65		250.00	57.53																
	Perumbakkam - Guindy (Palikarana)-9 Kms - M/s.KEI	174.40			139.70	24.29	10.41			24.29	10.41						87.20	87.20				47.20		80.00	47.20	Associated lines of Guindy and Manali ss	REC	Work in Progress.													
	400 kV UG Cable from Manjambakkam (OH/ UG Jn. Point) to Korattur SS-11.7 KMS(M/sUnivershal cables) Associated works of Manali 400 kV GIS	221.33				46.75	122.21	52.37			122.21	52.37					110.67	110.67				110.67		110.67																	
3	<b>Korattur 400 kV SS -2X500 + 2X200 MVA (JICA Scheme)</b>	511.3/ 506.55	55/ 25.10.12	17.11.21/ 2024-25	26.46	96.02	192.04	144.03	24.00	24.00	96.02	192.04	144.03	24.00	24.00						229.27	241.27	24.00	To strengthen the Chennai Network.	JICA	Work under Progress.															
	400 kV Line from Kovilpathagai OH / UG Junction point to Korattur (16 KM) - 182 Cr.Estimatd Cost	182.00		31.05.24			20.00	30.00	66.00	66.00		15.00	25.00	55.00	87.00						25.00	58.00	66.00			REC proposed	Revised estimate from UG cable to OH is under approval.														

Sl.No	Description	Cost of the Scheme Rs in Cr. As per BP / Awarded cost	BP No/Date	Date of Completion (Actual / Anticipated)	Expenditure already incurred as on 31.03.2022	Capital Expenditure Rs in Crores					Capital Expenditure Rs in Crores					Capitalisation Rs. In Crores					Capitalisation Rs. In Crores	Justification	Funding Agency	Present Status											
						2022-23	2023-24	2024-25	2025-26	2026-27	2022-23	2023-24	2024-25	2025-26	2026-27	2022-23	2023-24	2024-25	2025-26	2026-27															
4	<b>Pulianthope 400kV SS (GIS)-3X315 MVA.</b>	558/ 534.10 (218.29+300.61 +38.96)	83/ 06.11.13	02.02.20/ 2022-23	433.81	60.17	40.12				60.17	40.12									160.23	373.87			160.23	163.87	210.00	To provide System stability in North and Central EDCs.	REC	SS and 400 kV Line works are in Progress. Court case involved in the 400 kV Line work and is being followed up. 230 kV UG Cable works are nearing completion.					
	Manali - Pulianthope Line 10.33 and 230 kV Cables																																		
5	<b>Taramani 400 kV SS (UG) (GIS)-2 X 500 + 2X 200+ 2X 50 MVA</b>	707.88/ SS:413.57, UG 169.28 Cr.	215/ 15.12.16	29.05.21/ 2024-25	239.87	138.96	58.60	101.57	16.93	16.93	138.96	58.60	101.57	16.93	16.93										164.70	392.76	16.93	To export the power from North Chennai Generating Stations to Chennai South Region.	REC	SS :Work under progress. Line work: OH Portion dropped and proposed as UG and Price bid opened on 19.05.22 at a cost of 169.28					
	LILO of Sholinganallur - Guindy UG Cable																																		
6	<b>Vellalavidudhi -2X315 + 2X200 MVA</b>																																		
	LILO of Karaikudi-Pugalur 400 kV Line at vellalaviduthi - 83.355 Kms																																		
	230 kV Line to TNPL 230 kV SS and Pudukottai 230 kV SS - Package -I -RL : (90.51+20.626) KMS	909.1 / 624.4 (166.37+293.1+ 91.06+73.87)	80/ 11.12.15	27.12.19 / 2022-23	437.23	93.59	56.15	37.43			50.00	85.59	71.58	0.00											312.20	312.20		312.20	312.20	For system strengthening	PFC	Works are under progress for Substations. Slow progress of work by the Turnkey contractor M/s.BHEL. 400 kv Line work is being delayed due to Railway crossing approvals and ROW issues . ROW issues are being followed up closely for early clearance. 230 kV Line work from NT Kudy to Thuvakudy have been completed.			
	230 kV Line to Nimmeli Thippiyakudy 230 kV SS and Thuvakudy 230 kV SS - Package-II Route Length : (22.927+32.93) Kms																																		
7	<b>Edayarpalayam 400 kV SS -2X315 +3X200 MVA</b>	433.02/ 240.419 (224.28+16.13)	189/10.08.17	07.07.2021/ 2023-24	23.72	43.34	86.68	86.68			10.00	33.72	49.68	58.22	65.08											46.12	150.96	43.34		33.12	102.00	91.16	For System strengthening and for disposal of power received from Chattisgarh	REC	SS, 230 kV Line works under Progress 400 kV Line work execution by PGCIL. SS work is being delayed due to Rockey area.
8	<b>Ottapidaram 400 kV SS - 2X500 + 2X200 MVA</b>	1038.9/ 756.01 (715.86 +40.15)	5/ 03.02.18	12.02.22/ 2022-23	498.13	154.73	103.15				154.73	103.15													226.80	302.40	226.80		226.80	302.40	226.80	For evacuation of power from Udangudi Thermal Power Project and renewable power.	ADB	Work under progress for SS , 400 kV Line from Ottapidaram to Kanudhi and Udagudi and it's 230 kV Lines.	
9	<b>Parali 400 kV SS 3X 166.66 +3X166.66 MVA</b>	429.78 / 339.26 (225+114.26)	21/ 05.03.19	21.06.22/ 2024-25	1.50	16.96	33.93	135.70	49.13	49.13		5.00	11.50	93.95	144.17													94.89	166.90	95.00	For evacuation of power from Kundha Pumped Storage Hydro Electric Project	REC	As the Land identified for the SS is full of Tress, awaiting trees cutting permission from Forest Departmentat. Meanwhile alternate Land is also being identified. 230 kv Line work are in Progress.		
10	<b>Samugarengapuram 400 kV SS- 2X500 + 2X200 MVA</b>	599.65	17/ 03.03.18	2024-25		6.00	29.98	239.86	107.94	107.94	5.00	10.00	100.00	237.80	98.92													153.51	196.69	105.00	245.20	To avoid congestion in 110 kV and 230 kV lines in evacuation of about 1800 MW of wind power in Aralvoimozhi Pass.	MNRE	MNRE approval received. Proposal for availing KFW Loan is in process. On getting approval tender will be floated.	

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						2022-23	2023-24	2024-25	2025-26	2026-27	2022-23	2023-24	2024-25	2025-26	2026-27	2022-23	2023-24	2024-25	2025-26	2026-27	2022-23	2023-24	2024-25	2025-26	2026-27								
						11	<b>Koyambedu 400 kV SS GIS SS - 2X500 MVA</b>	1488.10	7/ 04.03.20	2024-25		14.88	74.41	297.62	367.06	367.06	5.00	30.00	150.00	271.43	355.60				226.19				448.41				
	<b>Sanction awaited nos. 400 kV Substations at Manalmedu, Cuddalore and Azhagarcoil.</b>						10.00	30.00	275.00	300.00		5.00	15.00	120.00	220.00					184.50							150.00	For System strengthening	To be tied up	Tendering work will be taken up on obtaining administrative approvals.			
	<b>Total including JICA, ADB and GEC-II</b>					<b>1019.38</b>	<b>971.97</b>	<b>1197.01</b>	<b>931.80</b>	<b>956.80</b>	<b>844.10</b>	<b>804.14</b>	<b>784.88</b>	<b>937.33</b>	<b>1072.28</b>	<b>0.00</b>	<b>872.42</b>	<b>2353.85</b>	<b>2284.36</b>	<b>1172.50</b>	<b>0.00</b>	<b>508.17</b>	<b>1694.90</b>	<b>2376.54</b>	<b>1044.52</b>								
	<b>Total excluding JICA, ADB and GEC-II</b>					<b>710.69</b>	<b>617.83</b>	<b>813.12</b>	<b>799.86</b>	<b>824.86</b>	<b>535.40</b>	<b>450.01</b>	<b>400.99</b>	<b>805.39</b>	<b>940.34</b>	<b>0.00</b>	<b>515.59</b>	<b>1538.72</b>	<b>1509.34</b>	<b>951.81</b>	<b>0.00</b>	<b>151.34</b>	<b>879.77</b>	<b>1601.53</b>	<b>823.83</b>								
	JICA					147.97	221.00	144.03	24.00	24.00	147.97	221.00	144.03	24.00	24.00	0.00	130.03	512.73	394.70	24.00		130.03	512.73	394.70	24.00								
	ADB					154.73	103.15	0.00	0.00	0.00	154.73	103.15				0.00	226.80	302.40	226.80	0.00		226.80	302.40	226.80									
	GEC-II					6.00	29.98	239.86	107.94	107.94	6.00	29.98	239.86	107.94	107.94	0.00	0.00	0.00	153.51	196.69						153.51	196.69						
III	<b>230 kV SUB STATION</b>																																
1	Thiruvanniyur 230 kV SS GIS -2X100 MVA	92.55	137/ 16.08.16	24.05.19/ 2022-23	59.35	26.56	6.64				26.56	6.64					46.28	46.28				46.28	46.28							To accommodate the future load growth in and around Thiruvanniyur and provide load relief to Thiruvanniyur 33/11 kV SS and near by substations.	TNIPP-II	Works are nearing completion.	
2	Karuppur 230 kV SS-2X100 MVA	72.51	52/ 30.08.17	2022-23	37.73	14.50	3.48	3.48	6.66	6.66	10.50	3.48	3.48	6.66	10.66	27.86	27.86	3.48	3.33	6.66	23.86	25.86	3.48	3.33	15.98				To provide load relief to Salem 230 kV SS and K.R.Thoppur 400 kV SS	REC	Work under progress. NH approval involved in 230 kV Line work.		
3	Selvapuram (Puttuvikki)230 kV SS - 2X100 MVA	64.35	55/ 06.09.16	23.10.19/ 2022-23	37.85	5.30	5.00		8.10	8.10	5.30	5.00		8.10	8.10		24.08	24.08	4.05	8.10		24.08	24.08	4.05	8.10				8.10	To provide load relief to near by substations and to meet load growth.	REC	Slow progress of work by the Turnkey Contractor . 230 kV Line work completed.	
4	Narimanam 230 kV SS-2X100 MVA	90.31	67/27.07.15	2024-25	0.00	2.71	9.03	18.06	30.25	30.25	2.71	9.03	18.06	30.25	30.25				30.03	45.16					30.03	45.16				To provide load relief to Tiruvarur, Kadalangudi and Kumbakonam 230 kV Substations ,flexible operation arrange alternate feeding arrangements and meet load growth.	PFC	Revised approval is in process for Line work. On getting approval, SS tender will be processed.	
5	Erode 230kV SS (GIS) -2X 100 MVA	80.26 / 78.31	5/ 11.01.17	30.09.20/ 30.06.21	41.63	18.34	18.34				18.34	18.34					39.16	39.16				39.16	39.16							To provide load relief to Ingur, Gobi, Thingalur and Pallakkapalayam 230 kV SS and to meet load growth.	REC	SS Work nearing completion. Line Energised on 08.02.2021.	
6	Ganesh Nagar 230 kV SS GIS - 2X 100 MVA	93.86/ 55:66 Cr	50/ 30.08.17	2024-25	0.00	0.00	0.00	0.00							0.00																To provide load relief to nearby substations and to meet future loads.	JICA	<b>Price bid opened on 30.07.22. Budget provision made in JICA Schemes.</b>
7	Avadi 230kV SS- 2X100 MVA	102.83 / 67.04	54/ 30.08.17	2023-24	8.25	15.42	20.57	20.57	19.01	19.01	15.42	20.57	20.57	19.01	19.01			32.40	41.91	19.01					32.40	41.91	19.01				To provide flexibility in operation and to meet future load growth.	TNIPP-II	Civil work awarded on 31.05.22

Tamil Nadu Transmission Corporation (TANTRANSCO) True-Up, ARR and Tariff Order, 2022

Sl.No	Description	Cost of the Scheme Rs in Cr. As per BP / Awarded cost	BP No/Date	Date of Completion (Actual / Anticipated)	Expenditure already incurred as on 31.03.2022	Capital Expenditure Rs in Crores					Capital Expenditure Rs in Crores					Capitalisation Rs. In Crores					Capitalisation Rs. In Crores					Justification	Funding Agency	Present Status	
						2022-23	2023-24	2024-25	2025-26	2026-27	2022-23	2023-24	2024-25	2025-26	2026-27	2022-23	2023-24	2024-25	2025-26	2026-27	2022-23	2023-24	2024-25	2025-26	2026-27				
						8	Maraimalai Nagar 230 kV SS- 2X100 MVA	110.35	2/ 19.01.18	30.11.21/ 2023-24	25.86	11.04	22.07	25.69	25.69	11.04	22.07			25.69	25.69			29.48	42.33				25.69
9	Sathumadurai 230 kV SS- 2X160 MVA	142.72	50/ 03.08.18 & 72/ 28.10.21	2024-25	0.00	15.00	14.27	28.54	28.30	28.30	5.00	10.00	15.00	45.00	39.41					43.06	57.21			30.06	50.20	To provide load relief to Thiruvalem, Singarapet and Vinnamangalam 230 kV substations and to meet future load growth	PFC	Work awarded for SS and commenced. Revised administrative approval received for line work recently and tender to be floated.	
10	Kaivelampatty 230 kV SS- 2X100 MVA	117.72 / 34.68	61/ 04.10.18	2023-24	8.52	11.77	23.54				5.00	6.00	25.00						21.92	21.92						To provide load relief to Arasur and Palladam 230 kV Substations and to meet future load growth in and around areas.	REC	Work under progress for SS and 110 kV Lines. Revised approval for 230 kV Line is to be obtained.	
11	Nanguneri 230 kV SS- 2X100 MVA	135.7 / 96.64	63/ 04.10.18	2022-23	27.13	19.33	38.66	5.76	5.76	19.33	38.66			5.76	5.76			42.56	42.56	5.76	5.76			42.56	42.56	5.76	To avoid overloading of Kayathar 230 kV SS and 110 kV Melakallur Sankaneri feeder.	REC	SS and Line works are in Progress.
12	Vembakkam 230 kV SS- 3 X100 MVA	84.20	60/ 04.10.18	2023-24	8.76	16.84	8.42	16.73	16.73	16.84	4.42	4.00	16.73	16.73					17.01	25.37	16.73			17.01	25.37	16.73	To provide load relief to Arani 230 kV SS and to meet future load growth	PFC	SS and Line works are in Progress.
13	Mambakkam 230 kV SS- 2X100 MVA	137.37/69.96	59/ 04.10.18	2023-24	64.58	13.74	13.74				13.74	13.74							46.03	46.03				46.03	46.03	To provide load relief to S.P.Koil 230 kV substation and to avoid overloading of 110 kV S.P.Koil - Siruseri and 110 kV Veerapuram - Thiruppur feeders and to meet future load growth.	PFC	SS and line Works under Progress.	
14	Nallur 230 kV SS - 2X100 MVA	155.03	03/ 10.01.19	2023-24	2.75	17.05	18.60	38.87	38.87	11.05	14.60	10.00	38.87	38.87					19.20	38.64	38.87			14.20	38.64	43.87	To provide 110 kV source to newly proposed 110 kV Substations and to provide load relief to near by 230 kV SS and to accommodate future load growth.	PFC	SS Work under progress revised approval for line work is under process.
15	K.Pudur 230 kV SS(GIS) - 2X100 MVA	320.49	36/ 17.06.17	2024-25	0.00	5.00	3.20	32.05	35.03	35.03	5.00	3.20	32.05	35.03	35.03												To provide load relief to 110 kV feeders feeding Madurai area and to provide reliable supply to 33 kV substations feeding Madurai city.	PFC	Revised as Partial GIS. Approval is in Process.
16	K.K.Nagar 230 kV SS(GIS) - 3X100 MVA	333.13	87/ 04.06.18	2024-25	0.00																						To provide load relief to Guindy and Koyambedu 230 kV substations, to provide flexibility in operation and to provide alternate feeding arrangements to existing substations to provide uninterrupted supply.	JICA	Price bid opened on 06.08.22. Provision made in JICA Schemes.
17	Poolavady 230 kV SS- 2X100 MVA	107.32	49/ 06.09.16	2024-25	0.00	5.00	32.20	42.93	13.60	13.60	5.00	10.00	25.00	42.00	40.00										42.00	55.00	In order to give load relief to near by substations and to meet the future load growth.	MNRE	MNRE approval received. Proposal for availing KFW Loan is in process. On getting approval tender will be floated.

Sl.No	Description	Cost of the Scheme Rs in Cr. As per BP / Awarded cost	BP No/Date	Date of Completion (Actual / Anticipated)	Expenditure already incurred as on 31.03.2022	Capital Expenditure Rs in Crores					Capital Expenditure Rs in Crores					Capitalisation Rs. In Crores					Capitalisation Rs. In Crores					Justification	Funding Agency	Present Status	
						2022-23	2023-24	2024-25	2025-26	2026-27	2022-23	2023-24	2024-25	2025-26	2026-27	2022-23	2023-24	2024-25	2025-26	2026-27	2022-23	2023-24	2024-25	2025-26	2026-27				
18	Ennore 230 kv SS(GIS) - 2X100 + 2X50 +2X16 MVA	116.42	181/ 01.08.17	2024-25	0.00																						To shift the existing 230 kv ETPS SS to a new location in the vacant space available at Ennore 110 kv SS to provide start up power to the proposed power plants in the area and to extend supply to Railway Traction SS.	JICA	Tender opened on 24.03.22. Board note for price bid opening submitted for approval. Budget Provision made in JICA Schemes.
19	Panjetty 230/110 kv SS	256.45 /58.69	51/21.09.21	2024-25	0.00	8.80	27.61	37.61			8.00	27.61	37.61							37.01	37.01				37.01		To provide load relief to Alamathy and Manali 400 kv substations	TNIPP-II	Civil work awarded on 31.05.22
20	Rajagopalapuram 230 kv SS(GIS) - 2X100 MVA	123.02	24/ 07.05.18	2024-25	0.00		1.23	24.60	24.30	24.30		1.23	10.00	10.00	50.41					25.07	49.36						To avoid overloading of Kayathr 230 kv SS and to improve voltage profile	PFC	Revised as AIS. Land for AIS is under identification.
21	Muppandal 230 kv SS- 3X100 MVA	66.30	38/ 30.06.18	2024-25	0.00	5.00	13.26	19.89	14.08	14.08	5.00	10.00	18.00	14.08	19.23					26.11	40.19						To have separate corridor for wind generators and to avoid grid congestion due to wind power evacuation	MNRE	MNRE approval received. Proposal for availing KFW Loan is in process. On getting approval tender will be floated.
22	Pallavaram 230 kv SS(GIS) - 3X100 MVA	184.53	51/ 03.08.18	2024-25	0.00		1.85	18.45	54.74	54.74		1.85	10.00	30.00	50.70					37.52	64.89				15.52	51.50	To provide load relief to Kadapperi 230 kv SS, to avoid overloading of 110 kv Kadapperi - Pallavaram feeder and to meet future load growth.	PFC	Tender lodged. To be re-tendered.
23	Thuckalay 230 kv SS(GIS) - 2X160 MVA	366.63	62/ 04.10.18	2024-25	0.00		3.67	36.66	40.79	40.79				5.00	30.00					40.56	60.95						for evacuation of wind power to avoid over loading, to provide uninterrupted supply and to meet load growth	PFC	Revised as AIS. Land for AIS is under identification.
24	Saravanampatty 230 kv SS(GIS) - 3X100 MVA	188.33	38/ 09.08.19	2024-25	0.00		1.88	18.83	41.90	41.90				5.00	30.00					31.31	52.26						To provide Load relief to nearby 230 kv Substations viz. Arasur, Karamadai, Thudiyalur, Karuvallur and Coimbatore.	REC	Revised as AIS. Land for AIS is under identification.
25	Kheezhakuppam 230/110 kv SS	166.88	09/28.03.22	2024-25	0.00	0.00	16.69	33.38	38.94	38.94				30.00	55.00					44.50	63.97							To be tied up	Tender to be floated.

Sl.No	Description	Cost of the Scheme Rs in Cr. As per BP / Awarded cost	BP No/Date	Date of Completion (Actual / Anticipated)	Expenditure already incurred as on 31.03.2022	Capital Expenditure Rs in Crores					Capital Expenditure Rs in Crores					Capitalisation Rs. In Crores					Capitalisation Rs. In Crores	Justification	Funding Agency	Present Status											
						2022-23	2023-24	2024-25	2025-26	2026-27	2022-23	2023-24	2024-25	2025-26	2026-27	2022-23	2023-24	2024-25	2025-26	2026-27					2022-23	2023-24	2024-25	2025-26	2026-27						
	<b>Sanction awaited</b> for 10 nos. 230 kV Substations at Kongalnagaram, Kanagavallipuram, , Thumbalapatti, Old Jayankondam, Virugambakkam, Arasanoor, Irugur,Edapady and Thiruppalai, Madhavaram CMRL, poonamallee CMRL, Alwarthirunagar CMRL, Perumbakkam CMRL			2025-26			25.00	100.00	300.00	400.00		25.00	50.00	179.00	318.00									182.50	302.50					90.00	350.00	For system strengthening/ Wind Power Evacuation	To be tied up	Works will be taken up after 6 months from the date of administrative approval.	
	Total including JICA, and GEC-II					211.40	328.94	435.05	742.76	842.76	175.83	231.83	268.77	583.79	822.85	74.13	179.92	275.31	811.51	1003.15	70.14	177.94	248.40	452.04	825.26										
	Total excluding GEC-II, JICA					201.40	283.48	372.24	715.08	815.08	165.83	211.83	225.77	527.71	763.62	74.13	179.92	275.31	738.53	909.30	70.14	177.94	248.40	410.04	703.96									Rs.169.995 Crs. Of Capitalisation of schemes commissioned during 2021-22 has to be included during 22-23	
	GEC-II					10.00	45.46	62.82	27.67	27.67	10.00	20.00	43.00	56.08	59.23	0.00	0.00	0.00	72.97	93.85	0.00	0.00	0.00	42.00	121.30										
IV	<b>110 kV SUB STATIONS</b>																																		
	110 kV Substations (35 Nos.in each year) Available as on .22 - 99 Nos.	1700	Various approvals			50.00	100.00	100.00	200.00	200.00	35.00	75.00	105.00	105.00	115.00	15.00	75.00	100.00	140.00	160.00	15.00	65.00	75.00	90.00	110.00								To improve voltage regulation, reduce the line loss, provide load relief to the existing substations, to meet load growth to provide 33 kV source to new 33kV Substations and to extened EHT/HT Supply.	REC/PFC/ TNIPP-II	Capitalisation of Rs. 15 Cr carried over from 2021-22.










Sl.No	Description	Cost of the Scheme Rs in Cr. As per BP / Awarded cost	BP No/Date	Date of Completion (Actual / Anticipated)	Expenditure already incurred as on 31.03.2022	Capital Expenditure Rs in Crores					Capital Expenditure Rs in Crores					Capitalisation Rs. In Crores					Capitalisation Rs. In Crores					Justification	Funding agency	Present Status
						2022-23	2023-24	2024-25	2025-26	2026-27	2022-23	2023-24	2024-25	2025-26	2026-27	2022-23	2023-24	2024-25	2025-26	2026-27	2022-23	2023-24	2024-25	2025-26	2026-27			
	<b>Original package</b> - 400 kV Substations, OH and UG Cables ( Rs.1073.26 Cr is for balance work only)	1073.26	Various approvals	2023-24	512.26	147.97	221.00	144.03	24.00	24.00	147.97	221.00	144.03	24.00	24.00	0.00	130.03	512.73	394.70	24.00	0.00	130.03	512.73	394.70	24.00			5 nos. 400 kV SS and 12 nos. 230 kV SS. All works completed except 2 nos. SS at Guindy , Korattur and it's associated Line works.
	<b>Additional scope</b> - 19 nos. 110 kV Substations, 3 nos. 230 kV Substations, 4 nos. improvement Line works, 230 kV UG Cable of Koyambedu 400 kv GIS and 21 nos. of Transformer Augmentation	1168.3	Various approvals	2023-24 / 2024-25	0.00	116.83	233.66	584.15	116.83	116.83	116.83	233.66	584.15	116.83	116.83			350.49	233.66	467.32			350.49	233.66	467.32	System Strengthening	JICA	Tender in Process.
	<b>OTHERS</b>																											
	Enhancement / Additional Power/Auto Transformers and ICTs	600	Various approvals			150.00	120.00	120.00	175.00	175.00	50.00	60.00	60.00	90.00	90.00	112.50	135.00	120.00	147.50	175.00	35.00	40.00	40.00	65.00	70.00	To ensure optimum loading of substation to provide load relief in existing sub stations , to provide reliable supply.	REC/ PFC	Capitalisation of Rs37.5 Cr carried over from 2020-21
	Capacitor Bank	17.55			13.55	4.00					4.00					17.55				17.55						To improve voltage Profile.	REC	On going works.
	Reactors	62.82						31.41	31.41				31.41	31.41	62.82						62.82					To improve voltage Profile.	PSDF	Work under progress.
	Transformer Repair contract	40				10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00		10.00	10.00	10.00	10.00			10.00	10.00	10.00			Proposal to be evolved.	
	SE/GCCs Office (Coimbatore)	5.21	1/10.01.2019					2.61	2.61			2.61	2.61						5.21					5.22	Construction SE/GCCs	REC	Will be taken up.	
	Erection of Breakers at Vallurvakottam 110 kV SS and Annanagar 110 kV SS	22.52/17.18	08/22.01.09				3.44	10.31	3.44			3.44	10.31	3.44			13.74	3.44				13.74	3.44				Tendering Stage.	
	Balance works of commissioned substations 110 kV and above and Emergency works in nature					75.00	75.00	100.00	50.00	50.00	30.00	30.00	50.00	50.00	50.00	62.50	75.00	87.50	50.00	50.00	20.00	25.00	30.00	30.00	40.00	Lines works of existing sub station in progress	REC/PFC	
	<b>Total</b>					<b>2795.30</b>	<b>3136.08</b>	<b>3181.18</b>	<b>3187.45</b>	<b>3309.01</b>	<b>2352.01</b>	<b>2645.58</b>	<b>2330.09</b>	<b>2452.73</b>	<b>2900.15</b>	<b>2090.43</b>	<b>5609.89</b>	<b>5767.25</b>	<b>4787.54</b>	<b>4459.07</b>	<b>1896.11</b>	<b>4966.01</b>	<b>4715.95</b>	<b>4704.40</b>	<b>3387.18</b>			

Sd/-  
(K. Venkatesan)  
Member

Sd/-  
(M. Chandrasekar)  
Chairman

  
(Dr. C. Veeramani)  
Secretary

## Annexure V- Public Notice on the abridged version of the petition by TANTRANSCO

**TAMIL NADU TRANSMISSION CORPORATION LTD (TANTRANSCO)**  
144, Anna Salai, Chennai - 600 002, Phone: 044-2852 0131, website: www.tantransco.gov.in

**PUBLIC NOTICE**

- The Tamil Nadu Transmission Corporation Ltd (TANTRANSCO) has filed a petition before the Hon'ble Tamil Nadu Electricity Regulatory Commission (TNERC) for approval of True up for the FY 2016-17 to FY 2019-20, provisional ARR for the FY 2020-21 and Annual Performance Review for the FY 2021-22 and the ARR for the MYT period from FY 2022-23 to FY 2026-27 and the determination of Transmission charges for Long Term and Short Term Open Access Customers and Reactive Energy Charges.
- In order to remove congestion in the network, to reduce system loss, to facilitate more operational flexibility and cater to the needs of load growth in the State, TANTRANSCO is in the process of developing transmission network across the State by building adequate new 110 KV and 230 KV and 400 KV substations, up gradation of existing 33 KV, 110 KV and 230 KV Substations into 110 KV, 230 KV and 400 KV substations respectively. Further for transfer of bulk power across the State, TANTRANSCO is executing four 765/400 KV Substations, which is first kind of project in India. Among all State Transmission utilities in India, TANTRANSCO is the first utility to erect a 765 KV transmission network.
- TANTRANSCO has proposed to incur capital expenditure of around Rs. 18,000 crores during the MYT period of FY 2022-23 to FY 2026-27.
- Allotted Transmission capacity of TANTRANSCO as on 31.03.2022 is 33272 MW. TANTRANSCO is expecting around 7750 MW addition during the MYT period from FY 2022-23 to FY 2026-27.
- Under the above circumstances, the Hon'ble Commission admitted the petition in T.P.No. 2 of 2022 and issued direction to issue public notice. Accordingly, this public notice is being issued with the following details:  
Salient Features of the Proposal:  
a) The Net Annual Revenue Requirement for the period from FY 2022-23 to FY 2026-27 are given below:

Sl. No.	Particulars	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27
1	Net ARR Requirement (Rs. in Crs.)	5610.46	5979.06	6527.10	7010.26	7437.79

b) The proposed charges are as below:


Sl. No.	Description	Proposed for				
		FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27
1.	LTOA Transmission Charges (Rs./MW/Day)	5388.55	As per prevailing tariff x (1+(CPI of May of respective financial year-CPI of May of previous financial year) /CPI of May of previous financial year) or 6% whichever is lower with effect from 1 <sup>st</sup> July of respective financial year.	As per prevailing tariff x (1+(CPI of May of respective financial year-CPI of May of previous financial year) /CPI of May of previous financial year) or 6% whichever is lower with effect from 1 <sup>st</sup> July of respective financial year.	As per prevailing tariff x (1+(CPI of May of respective financial year-CPI of May of previous financial year) /CPI of May of previous financial year) or 6% whichever is lower with effect from 1 <sup>st</sup> July of respective financial year.	As per prevailing tariff x (1+(CPI of May of respective financial year-CPI of May of previous financial year) /CPI of May of previous financial year) or 6% whichever is lower with effect from 1 <sup>st</sup> July of respective financial year.
2.	STOA Transmission Charges (Rs./MW/Hr.)	224.52				
3.	Reactive Energy Charges	16.00 paise/kVAh	At the rate that may be determined by the Hon'ble Commission.			

- The said proposal of TANTRANSCO is hosted in the website of the Hon'ble Commission ([www.tnerc.gov.in](http://www.tnerc.gov.in)) and TANTRANSCO ([www.tantransco.gov.in](http://www.tantransco.gov.in)). The copies of the petition can also be obtained from 22.07.2022 onwards at the office of the Chief Financial Controller / TANTRANSCO, 4th Floor, Southern Side, TANTRANSCO New Building, 144, Anna Salai, Chennai-2 and at the offices of all the Superintending Engineers/EDC/TANGEDCO on payment of Rs. 330/- by way of cash or demand draft drawn in favour of the Chief Financial Controller/Tamil Nadu Transmission Corporation Ltd, Chennai.
- Any person who intends to file views /Objections/ suggestions on the above filings, may file the same with the Secretary, Tamil Nadu Electricity Regulatory Commission (TNERC), 4th Floor, SIDCO Corporate Office Building, Thiru.V.Ka. Industrial Estate, Guindy, Chennai-32, in person or through post so as to reach on or before 18.08.2022.
- The views/Objections/suggestions should be filed with the Hon'ble Commission in three copies and should carry full name and postal address of the person sending the objection. If the objection/ suggestion are filed on behalf of an organisation / association / category of consumers etc., it should be so mentioned. Public may also offer their suggestions / objections before the Hon'ble TNERC during the public hearing.

**Chairman,**  
Tamil Nadu Transmission Corporation Ltd.


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THE TIMES OF INDIA - 22 JULY 2022



## TAMIL NADU TRANSMISSION CORPORATION LTD (TANTRANSCO)

144, Anna Salai, Chennai - 600 002, Phone: 044-2852 0131, website: www.tantransco.gov.in



### PUBLIC NOTICE

1. The Tamil Nadu Transmission Corporation Ltd (TANTRANSCO) has filed a petition before the Hon'ble Tamil Nadu Electricity Regulatory Commission (TNERC) for approval of True up for the FY 2016-17 to FY 2019-20, provisional ARR for the FY 2020-21 and Annual Performance Review for the FY 2021-22 and the ARR for the MYT period from FY 2022-23 to FY 2026-27 and the determination of Transmission charges for Long Term and Short Term Open Access Customers' and Reactive Energy Charges.
2. In order to remove congestion in the network, to reduce system loss, to facilitate more operational flexibility and cater to the needs of load growth in the State, TANTRANSCO is in the process of developing transmission network across the State by building adequate new 110 KV and 230 KV and 400 KV substations, up gradation of existing 33 KV, 110 KV and 230 KV Substations into 110 KV, 230 KV and 400 KV substations respectively. Further for transfer of bulk power across the State, TANTRANSCO is executing four 765/400 KV Substations, which is first kind of project in India. Among all State Transmission Utilities in India, TANTRANSCO is the first utility to erect a 765 KV transmission network.
3. TANTRANSCO has proposed to incur capital expenditure of around Rs. 18,000 crores during the MYT period of FY 2022-23 to FY 2026-27.
4. Allotted Transmission capacity of TANTRANSCO as on 31.03.2022 is 33272 MW, TANTRANSCO is expecting around 7750 MW addition during the MYT period from FY 2022-23 to FY 2026-27.
5. Under the above circumstances, the Hon'ble Commission admitted the petition in T.P.No. 2 of 2022 and issued direction to issue public notice. Accordingly, this public notice is being issued with the following details:  
Salient Features of the Proposal:
  - a) The Net Annual Revenue Requirement for the period from FY 2022-23 to FY 2026-27 are given below:

Sl. No.	Particulars	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27
1	Net ARR Requirement (Rs. in Crs.)	5610.46	5979.06	6527.10	7010.26	7437.79

  - b) The proposed charges are as below:

Sl. No.	Description	Proposed for				
		FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27
1.	LTOA Transmission Charges (Rs./MWh/Day)	5388.55	As per prevailing tariff x (1+(CPI of May of respective financial year-CPI of May of previous financial year) / CPI of May of previous financial year) or 6% whichever is lower with effect from 1 <sup>st</sup> July of respective financial year.	As per prevailing tariff x (1+(CPI of May of respective financial year-CPI of May of previous financial year) / CPI of May of previous financial year) or 6% whichever is lower with effect from 1 <sup>st</sup> July of respective financial year.	As per prevailing tariff x (1+(CPI of May of respective financial year-CPI of May of previous financial year) / CPI of May of previous financial year) or 6% whichever is lower with effect from 1 <sup>st</sup> July of respective financial year.	As per prevailing tariff x (1+(CPI of May of respective financial year-CPI of May of previous financial year) / CPI of May of previous financial year) or 6% whichever is lower with effect from 1 <sup>st</sup> July of respective financial year.
2.	STOA Transmission Charges (Rs./MWh/Hr.)	224.52	As per prevailing tariff x (1+(CPI of May of respective financial year-CPI of May of previous financial year) / CPI of May of previous financial year) or 6% whichever is lower with effect from 1 <sup>st</sup> July of respective financial year.	As per prevailing tariff x (1+(CPI of May of respective financial year-CPI of May of previous financial year) / CPI of May of previous financial year) or 6% whichever is lower with effect from 1 <sup>st</sup> July of respective financial year.	As per prevailing tariff x (1+(CPI of May of respective financial year-CPI of May of previous financial year) / CPI of May of previous financial year) or 6% whichever is lower with effect from 1 <sup>st</sup> July of respective financial year.	As per prevailing tariff x (1+(CPI of May of respective financial year-CPI of May of previous financial year) / CPI of May of previous financial year) or 6% whichever is lower with effect from 1 <sup>st</sup> July of respective financial year.
3.	Reactive Energy Charges	16.00 paise/kVAh	At the rate that may be determined by the Hon'ble Commission.			

6. The said proposal of TANTRANSCO is hosted in the website of the Hon'ble Commission ([www.tnerc.gov.in](http://www.tnerc.gov.in)) and TANTRANSCO ([www.tantransco.gov.in](http://www.tantransco.gov.in)). The copies of the petition can also be obtained from 22.07.2022 onwards at the office of the Chief Financial Controller / TANTRANSCO, 4th Floor, Southern Side, TANTRANSCO New Building, 144, Anna Salai, Chennai-2 and at the offices of all the Superintending Engineers/EDC/TANGEDCO on payment of Rs. 330/- by way of cash or demand draft drawn in favour of the Chief Financial Controller/Tamil Nadu Transmission Corporation Ltd, Chennai.
7. Any person who intends to file views /Objections/ suggestions on the above filings, may file the same with the Secretary, Tamil Nadu Electricity Regulatory Commission (TNERC), 4th Floor, SIDCO Corporate Office Building, Thiru.Vi.Ka. Industrial Estate, Guindy, Chennai-32, in person or through post so as to reach on or before 18.08.2022.
8. The views/Objections/suggestions should be filed with the Hon'ble Commission in three copies and should carry full name and postal address of the person sending the objection. If the objection/ suggestion are filed on behalf of an organisation / association / category of consumers etc., it should be so mentioned. Public may also offer their suggestions / objections before the Hon'ble TNERC during the public hearing.

**Chairman,**  
**Tamil Nadu Transmission Corporation Ltd.**

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THE HINDU 22 JULY 2022



**தமிழ்நாடு மின் தொடரமைப்பு கழக நிறுவனம்**  
 144, ஆன்வாரவாயு, சென்னை - 600 092, தொலைபேசி எண்: 044-2852 0131, இணையதளம் : www.tantransco.gov.in

**பொது அறிவிப்பு**

1. தமிழ்நாடு மின் தொடரமைப்பு கழக நிறுவனம், 2018-17 நிதியாண்டு முதல் 2018-20 நிதியாண்டு வரை உட்கட்டியாக இருந்த நிவரணமைய கண்ட நிதம் மற்றும் 2020-21 நிதியாண்டுக்கான தற்காலிக இறுதி நிவர மற்றும் 2021-22 நிதியாண்டுக்கான வரடாந்திர செலுத்தீர் ஆய்வு மற்றும் 2022-23 நிதியாண்டு முதல் 2026-27 நிதியாண்டு வரையிலான கொடுத்த வருவாய் தேவை தீர்மானம் உட்கட்டிய மற்றும் குறுகிய கால திட்ட நுழைவுகளை வாய்க்காலவாங்குக்கான மின் அணுகுபாடு கட்டணங்கள் மற்றும் எதிர்வினை மின் கட்டணங்களை நிவரணம் செய்ய கோரி மறுபரிசீலனை மாண்டிசு தமிழ்நாடு மின்னா ஒழுங்குமுறை ஆணையம் முன்பு 18.07.2022 அன்று தாக்கம் செய்துள்ளது.
2. மின் கட்டணமயின் உட்கட்டி நெரிசலை தீர்க்கவும் மற்றும் மின் இழப்பைக் குறைக்கவும், ஆதிக் செலவுகட்டு நெரிசலுத்தர்ப்பணியை மனிதர்க்கவும், மனிதர்திடம் மின் தேவையகளைப் பூர்த்தி செய்கவும், பொதுவான புவிய மின் கட்டணமைய உருவாக்கும் பணியில் தமிழ்நாடு மின் தொடரமைப்பு கழக நிறுவனம் ஈடுபட்டுள்ளது. இதற்காக 110 கிலோ வேல்ட், 230 கிலோ வேல்ட், மற்றும் 400 கிலோ வேல்ட் துணை மின் திட்டங்களை உருவாக்கவும், தற்போதுள்ள 33 கிலோ வேல்ட், 110 கிலோ வேல்ட், மற்றும் 230 கிலோ வேல்ட் துணை மின் திட்டங்களை முறையே 110 கிலோ வேல்ட், 230 கிலோ வேல்ட் மற்றும் 400 கிலோ வேல்ட் துணை மின் திட்டங்களை நாம் உட்கட்டி வருகிறது மேலும் மாதிரி முடிவெடுக்க கொடுத்த மின்னாந்தர அனுப்புவதற்கு, தமிழ்நாடு மின் தொடரமைப்பு கழக நிறுவனம் திறமிக் கொண்டுக்கும் தளம் 765/400 கிலோ வேல்ட், துணை மின் திட்டங்கள் இந்நிதியாண்டுமே முதல் வரையாக கோரிக்கை இந்நிதியாண்டு உட்கட்டி அளவற்ற மாறிய மின் தொடரமைப்பு நிறுவனங்களில், 765 கிலோ வேல்ட், இட, கோரிக்கை அளவற்ற முதல் நிறுவனம், தமிழ்நாடு மின் தொடரமைப்பு கழக நிறுவனம் ஆகும்.
3. தமிழ்நாடு மின் தொடரமைப்பு கழக நிறுவனத்தால் தி.ஆ.2022-23 முதல் தி.ஆ.2026-27 வரையிலான பங்களிப்பு மின் கட்டண காலத்தின் கமிட்டி ரூ. 10,000 கோடிக்கு ஒவ்வாண்டு செலவினங்கள் செய்ய உத்தேசிக்கப்பட்டிருக்கிறது.
4. 31.03.2022 அன்று தமிழ்நாடு மின் தொடரமைப்பு கழகத்தின் ஒதுக்கீடு செய்யப்பட்ட மின் செலவு திறன் 33272 மெகாவாட் ஆகும். 2022-23 நிதியாண்டு முதல் 2026-27 நிதியாண்டு வரையிலான பங்களிப்பு மின் கட்டண காலத்தின் கமிட்டி 7750 மெகாவாட் ஒதுக்கீடு செய்யப்பட்ட மின் செலவு திறன் கூடுதலாக தமிழ்நாடு மின் தொடரமைப்பு கழக நிறுவனத்தால் எதிர்க்கப்பட்டிருக்கிறது.
5. சென்னை, நுழைவுகளை, மாண்டிசு தமிழ்நாடு மின்னா ஒழுங்குமுறை ஆணையம் இந்நிதியாண்டு T.P. எண் 2/2022 என புவிய செலவு ஒரு பொது அறிவிப்பை கோரிக்கை, உத்தரவு பிறப்பித்துள்ளது இந்நிதியாண்டு, சி.பி. வரும் விவரங்களை இந்நிதியாண்டு அறிவிக்க கோரிக்கைப்படுகிறது.

**மேலு பற்றிய சிபிப்புகள்:**

1) 2022-23 நிதியாண்டு முதல் 2026-27 நிதியாண்டு வரையிலான நிவர ஆண்டு வருவாய் தேவை கீழே கொடுக்கப்பட்டுள்ளது.

எண்	விவரங்கள்	தி.ஆ. 2022-23	தி.ஆ. 2023-24	தி.ஆ. 2024-25	தி.ஆ. 2025-26	தி.ஆ. 2026-27
1.	நிவர ஆண்டு வருவாய் தேவை (ரூ. கோடி/வீதம்)	5610.46	5979.06	6527.10	7010.26	7437.79

2) உத்தேசிக்கப்பட்டுள்ள கட்டணங்கள் மின் வருவாய்:

எண்.	விவரங்கள்	தி.ஆ. 2022-23	தி.ஆ. 2023-24	தி.ஆ. 2024-25	தி.ஆ. 2025-26	தி.ஆ. 2026-27
1.	தீர்மானம் உட்கட்டி நெரிசலை நுழைவுகளை வாய்க்காலவாங்குக்கான மின் அணுகுபாடு கட்டணம் (ரூ. / மெ. வா / தளம்)	5398.55	தடை முறையில் உட்கட்டணம் x (1+ (முத்திரை நிதியாண்டுகள் மீத மாதத்தின் துரிசீலனை - பரிசீலனை நிதியாண்டுகள் மீத மாத துரிசீலனை) / முத்திரை நிதியாண்டுகள் மீத மாத துரிசீலனை) / முத்திரை நிதியாண்டுகள் மீத மாத துரிசீலனை) / அல்லது 6% இலாபத்தின் ஒரு குறையான அல்லது அத்தனை நிதியாண்டுகள் இரண்டு 1 முதல் அடிப்படையிலான வருவாய்.	தடை முறையில் உட்கட்டணம் x (1+ (முத்திரை நிதியாண்டுகள் மீத மாதத்தின் துரிசீலனை - பரிசீலனை நிதியாண்டுகள் மீத மாத துரிசீலனை) / முத்திரை நிதியாண்டுகள் மீத மாத துரிசீலனை) / அல்லது 6% இலாபத்தின் ஒரு குறையான அல்லது அத்தனை நிதியாண்டுகள் இரண்டு 1 முதல் அடிப்படையிலான வருவாய்.	தடை முறையில் உட்கட்டணம் x (1+ (முத்திரை நிதியாண்டுகள் மீத மாதத்தின் துரிசீலனை - பரிசீலனை நிதியாண்டுகள் மீத மாத துரிசீலனை) / முத்திரை நிதியாண்டுகள் மீத மாத துரிசீலனை) / அல்லது 6% இலாபத்தின் ஒரு குறையான அல்லது அத்தனை நிதியாண்டுகள் இரண்டு 1 முதல் அடிப்படையிலான வருவாய்.	தடை முறையில் உட்கட்டணம் x (1+ (முத்திரை நிதியாண்டுகள் மீத மாதத்தின் துரிசீலனை - பரிசீலனை நிதியாண்டுகள் மீத மாத துரிசீலனை) / முத்திரை நிதியாண்டுகள் மீத மாத துரிசீலனை) / அல்லது 6% இலாபத்தின் ஒரு குறையான அல்லது அத்தனை நிதியாண்டுகள் இரண்டு 1 முதல் அடிப்படையிலான வருவாய்.
2.	குறுகிய கால திட்ட நுழைவுகளை வாய்க்காலவாங்குக்கான மின் அணுகுபாடு கட்டணம் (ரூ. / மெ. வா / மாதம்)	224.52	தடை முறையில் உட்கட்டணம் x (1+ (முத்திரை நிதியாண்டுகள் மீத மாதத்தின் துரிசீலனை - பரிசீலனை நிதியாண்டுகள் மீத மாத துரிசீலனை) / முத்திரை நிதியாண்டுகள் மீத மாத துரிசீலனை) / அல்லது 6% இலாபத்தின் ஒரு குறையான அல்லது அத்தனை நிதியாண்டுகள் இரண்டு 1 முதல் அடிப்படையிலான வருவாய்.	தடை முறையில் உட்கட்டணம் x (1+ (முத்திரை நிதியாண்டுகள் மீத மாதத்தின் துரிசீலனை - பரிசீலனை நிதியாண்டுகள் மீத மாத துரிசீலனை) / முத்திரை நிதியாண்டுகள் மீத மாத துரிசீலனை) / அல்லது 6% இலாபத்தின் ஒரு குறையான அல்லது அத்தனை நிதியாண்டுகள் இரண்டு 1 முதல் அடிப்படையிலான வருவாய்.	தடை முறையில் உட்கட்டணம் x (1+ (முத்திரை நிதியாண்டுகள் மீத மாதத்தின் துரிசீலனை - பரிசீலனை நிதியாண்டுகள் மீத மாத துரிசீலனை) / முத்திரை நிதியாண்டுகள் மீத மாத துரிசீலனை) / அல்லது 6% இலாபத்தின் ஒரு குறையான அல்லது அத்தனை நிதியாண்டுகள் இரண்டு 1 முதல் அடிப்படையிலான வருவாய்.	தடை முறையில் உட்கட்டணம் x (1+ (முத்திரை நிதியாண்டுகள் மீத மாதத்தின் துரிசீலனை - பரிசீலனை நிதியாண்டுகள் மீத மாத துரிசீலனை) / முத்திரை நிதியாண்டுகள் மீத மாத துரிசீலனை) / அல்லது 6% இலாபத்தின் ஒரு குறையான அல்லது அத்தனை நிதியாண்டுகள் இரண்டு 1 முதல் அடிப்படையிலான வருவாய்.
3.	எதிர்வினை மின் கட்டணம் கமிட்டி / எதிர்வினை கிலோ வேல்ட் ஆய்விக்க மணி	15.00 கமிட்டி / எதிர்வினை கிலோ வேல்ட் ஆய்விக்க மணி	மாண்டிசு ஆணையத்தின் தீர்மானங்கட்கும் மிதித்தல்.			

6. சென்னை, திட்ட நுழைவுகளை கட்டண முன்பெழிவுகள் ஆணையத்தின் இணையதளமான (www.tnarc.gov.in) இல் தமிழ்நாடு மின் தொடரமைப்பு கழகத்தின் இணையதளமான (www.tantransco.gov.in) இல் கோரிக்கைப்பட்டுள்ளது. மேலும் அப்படிப்பட்ட தகவல் 22.07.2022 அன்று இருந்த நிலையை திட்டம் கட்டுப்பாட்டு ஆணையத்திற்கு தமிழ்நாடு மின் தொடரமைப்பு கழகம், 4வது தளம், தெற்குப் பகுதி, தமிழ்நாடு மின் தொடரமைப்பு கழக புவிய கட்டிடம், 144, ஆன்வாரவாயு, சென்னை 2, என்ற முகவரியில் உட்கட்டி அனுப்பவும் மற்றும் அளவற்ற செலுத்திய செலுத்தியவாங்குக்கான பரிசீலனை கட்டணம்/ தமிழ்நாடு மின் உத்தரவி மற்றும் மின் பரிசீலனை கழகம் அனுப்புகக்கமிட்டி ரூ.300/- (ரூ. மூன்று முப்பது மட்டும்) செலுத்தியவாங்குக்கான அப்படி தகவல் திட்டம் கட்டுப்பாட்டு ஆணையத்திற்கு தமிழ்நாடு மின் தொடரமைப்பு கழகம் தீர்மானம் செய்ய வாய்க்காலவாங்குக்கான செலுத்தி செலுத்தி கொள்ளப்படும்.

7. சென்னை, திட்டம் கட்டுப்பாட்டு ஆணையத்தின் மூன்று மாதங்கட்கும் மிதித்தல் மீண்டும், அல்லது அத்தனை வருடங்களில்/ ஆரம்பகாலகால, 4வது தளம், SIDCO கமிட்டி/கட்டி அனுப்பவும் கட்டிடம், திருவிடை மூலம் கட்டிடம், கிண்டி, சென்னை - 32, என்ற முகவரியில் உட்கட்டி தமிழ்நாடு மின்னா ஒழுங்குமுறை ஆணையம் செயலகம், 18.08.2022 அன்று அப்படி அத்தனை முன்பு தீர்மானம் அப்படி அத்தனை வருடங்கட்கும் தாக்கம் செய்யப்படும்.

8. மாண்டிசு ஆணையத்தின் தாக்கம் செய்யப்படும் மறுபரிசீலனைகளுக்கான மூன்று தரங்களில் இலாபம் பெற்று, மற்றும் அது கருத்துரைப்பதுகளை/ ஆரம்பகாலகால அனுப்பும் மாதிரி முடிவெடுக்க, மற்றும் அத்தனை முன்பு ஆரம்பகாலகால செலுத்தும் மீண்டும், நிறுவனம்/கழகத்தின் துரிசீலனை வகையின் கமிட்டி கருத்துரைக்க/அனுப்புகக்கமிட்டி/ஆரம்பகாலகால தாக்கம் செய்யப்படுகிறது. மேலும் கட்டிடம் கட்டி வகையில் எந்த வகை கமிட்டி/கமிட்டி, பெற்று, பொது நிவரணமைய பொது மாண்டிசு ஆணையத்தின் முன்பு செலுத்தும் தகவல் ஆரம்பகாலகால/ஆரம்பகாலகால கருத்துரைக்க.

செய்தொழில் இ/74/வரையகம்/2022

தலைவர்  
**தமிழ்நாடு மின் தொடரமைப்பு கழகம்**


"செய்தொழில் கருத்துரைக்க கமிட்டி/கமிட்டி, அளவற்ற மிதி மிதி மிதி மிதி மிதி"

தினகரன் - 22 July 2022




Annexure VI- Public Notice by the Commission on Public Hearing

சென்னை 7-8-2022 11



## தமிழ்நாடு மின்சார ஒழுங்குமுறை ஆணையம்

தமிழ்நாடு மின்சார ஒழுங்குமுறை ஆணையம், திரு. வி.க. நெடுஞ்செழியன், தி.நா. சென்னை 600 032.  
தொலைபேசி : 044-2955 5896, 044-2953 5916, மின்னஞ்சல்: tnerc@nic.in, வலைத்தளம் www.tnerc.gov.in



### பொது அறிவிப்பு

**தமிழ்நாடு மின்உற்பத்தி மற்றும் மின்பரிமாணக் கழக நிறுவனம் (TANGEDCO)**  
**தமிழ்நாடு மின் தொடரணமய்ப்புக் கழக நிறுவனம் (TANTRANSCO)** மற்றும் **மாநில மின் கம்பை பகுப்பு கம்பம் (SLDC)**  
**நாக்கல் செய்துள்ள மின்கட்டண மனுக்கள் பிதான பொது மக்களின் கருத்துக் கேட்புக் கூட்டம்**

1. தமிழ்நாடு மின்உற்பத்தி மற்றும் மின்பரிமாணக் கழக நிறுவனம் (TANGEDCO) 2016-17 முதல் 2020-21 வரையிலான நிதியாண்டுசெலக்வுகளை இறுதி உண்மை நிலை சரிபாட்டு, 2021-22 நிதியாண்டுக்கான வருடாந்திர செயல் திட்டம் மதிப்பாய்வு மற்றும் 2022-23 முதல் 2026-27 நிதியாண்டு வரைக்கான மொத்த வருவாய் தேவையை நிர்ணயித்தல் மற்றும் பல்வாண்டு மின்கட்டண விலித் திட்டத்தின்படி நிதியாண்டுகள் 2022-23 முதல் 2026-27 வரைக்கான மின்கட்டணத்தை நிர்ணயம் செய்யும் பொருட்டு நாக்கல் செய்துள்ள மனுக்கள் மீது மனு எண். 1/2022 ஆக ஆணையத்தால் ஏற்றுக் கொள்ளப்பட்டது.
2. தமிழ்நாடு மின்தொடரணமய்ப்புக் கழக நிறுவனம் (TANTRANSCO) 2016-17 முதல் 2019-20 வரையிலான நிதியாண்டுசெலக்வுகளை உண்மை நிலை சரிபாட்டு மற்றும் 2020-21 நிதியாண்டுக்கான தற்காலிக உண்மை நிலை சரிபாட்டு மற்றும் 2021-22 நிதியாண்டுக்கான வருடாந்திர செயல் திட்டம் மதிப்பாய்வு மற்றும் 2022-23 முதல் 2026-27 நிதியாண்டு வரைக்கான மொத்த வருவாய் தேவையை நிர்ணயித்தல் மற்றும் பல்வாண்டு மின்கட்டண விலித் திட்டத்தின்படி மின்சாரத்துறையை கட்டணங்கள் மற்றும் சிறு தொகுப்புகள் கட்டணங்களையும் நிர்ணயிப்பதற்கான நாக்கல் செய்துள்ள மனுக்கள் மீது மனு எண். 2/2022 ஆக ஆணையத்தால் ஏற்றுக் கொள்ளப்பட்டது.
3. மாநில மின் கம்பை பகுப்பு கம்பம் (SLDC), 2017-18 முதல் 2019-20 நிதியாண்டுகள் வரையிலான உண்மை நிலை சரிபாட்டு மற்றும் 2020-21 நிதியாண்டுக்கான தற்காலிக உண்மை நிலை சரிபாட்டு மற்றும் 2021-22 நிதியாண்டுக்கான வருடாந்திர செயல் திட்டம் மதிப்பாய்வு மற்றும் 2022-23 முதல் 2026-27 வரையிலான மொத்த வருவாய் தேவை மற்றும் பல்வாண்டு மின்கட்டண விலித் திட்டத்தின்படி நிதியாண்டுகள் 2022-23 முதல் 2026-27 வரையிலான மாநில மின் கம்பை பகுப்பு கம்பம் கட்டணங்களை நிர்ணயம் செய்வது பொருட்டு நாக்கல் செய்துள்ள மனுக்கள் மீது மனு எண். 3/2022 ஆக ஆணையத்தால் ஏற்றுக் கொள்ளப்பட்டது.
4. தமிழ்நாடு மின்உற்பத்தி மற்றும் மின்பரிமாணக் கழகம், 2022-23 முதல் 2026-27 நிதியாண்டு வரையிலான மின்கட்டணம் அல்லாத இரா கட்டணங்களை நிர்ணயம் செய்து 01.09.2022 அன்று நடைமுறைக்கு வரும் பொருட்டு நாக்கல் செய்துள்ள மனுக்கள் மீது மனு எண். 35/2022 ஆக ஆணையத்தால் ஏற்றுக் கொள்ளப்பட்டது.
5. ஆணையம் தனது 19.7.2022 நாள் கட்ட ஆணையில், மின்கட்டண வீத மறுவீதி நகல்களை தமிழ்நாடு மின்உற்பத்தி மற்றும் மின்பரிமாணக் கழகம் மற்றும் ஆணையத்தின் வலைத்தளங்களில் பதிவேற்றம் செய்யும்படி பரிந்துரை செய்து, இந்த முன் செய்தியின் மீதான தொடர்புடையவர்களின் கருத்துரைக்காக புகையூ நாட்கள் சரஸ் ஆலகாலம் அறிவிக்கப்பட்டது. அனைத்து கருத்துரைகளும் அந்தக்கை தமிழ்நாடு மின்உற்பத்தி மற்றும் மின்பரிமாணக் கழகம் / தமிழ்நாடு மின் தொடரணமய்ப்புக் கழகம் / மாநில மின் கம்பை பகுப்பு கம்பம் ஆகியவற்றின் பதிவுரைகளுடன் ஆணையத்திற்கு 22 ஆகஸ்ட் 2022 அன்று அல்லது அதற்கு முன்பே அனுப்பப்படுதல் வேண்டும்.
6. அப்படிப்பட்ட மனுக்களின் நகல்கள் தமிழ்நாடு மின்உற்பத்தி மற்றும் மின்பரிமாணக் கழகத்தின் வலைத்தளமான [www.tangedco.gov.in](http://www.tangedco.gov.in), தமிழ்நாடு மின்தொடரணமய்ப்புக் கழகத்தின் வலைத்தளமான [www.tantransco.gov.in](http://www.tantransco.gov.in), மாநில மின் கம்பை பகுப்பு கம்பத்தின் வலைத்தளமான [www.tneblco.org](http://www.tneblco.org) மற்றும் ஆணையத்தின் வலைத்தளமான [www.tnerc.gov.in](http://www.tnerc.gov.in) ஆகியவற்றில் பதிவேற்றம் செய்யப்பட்டன.
7. இவன் தொடர்ச்சியாக ஆணையம் கீழ்க்கண்ட கூட்டங்களில் மக்கள் கருத்துக் கேட்புக் கூட்டத்திற்கான பொதுமறைத் திட்டத்தை அறிவிக்கிறது. விருப்பமுள்ளவர்கள், கருத்துக்கு அருகிலுள்ள இடத்தில் மின்வரும் நாட்களில் ஆணையத்தின் முன் ஆலோசி நகல்களை கருத்துக்களைத் தெரிவிக்கலாம். கருத்துக் கேட்புக் கூட்டம் நடைபெறும் நாட்கள் அந்தந்த இடங்களில் காலை 9.00 மணி முதல் காலை 10.30 மணி வரை நகல்களைய பெறக்கான பதிவு செய்திகள் கூட்டத்தில் தகவலுடைய கருத்துக்களைத் தெரிவிக்கலாம்.

தேதி மற்றும் நாள்	இடம்	நியுமியம்	நேரம்
ஆகஸ்ட் 16, 2022 (செவ்வாய் சிறுமை)	செய்யும்புத்தூர்	சாண்டன் ஆர். கண்ணாதி கணையாங்கம், தலை இயக்குநர் பொருத்து நிறுத்தம், அன்றாடல் சாண்டன், செய்யும்புத்தூர் 641 006	முற்பகல் 10.00 மணி முதல்
ஆகஸ்ட் 18, 2022 (வியாழக் சிறுமை)	மதுரை	வட்டி கந்தரம் மண்டலம், தய்யார்க்குளம், மதுரை 625 002	முற்பகல் 10.00 மணி முதல்
ஆகஸ்ட் 22, 2022 (சூன்சுட் சிறுமை)	சென்னை	கணகலகலர் அலகியம், சென்னை 600 005	முற்பகல் 10.00 மணி முதல்

செயலாளர்

தமிழ்நாடு மின்சார ஒழுங்குமுறை ஆணையம்

Reg. No. 19/814 / 2022 / 2022  
 சென்னை கட்டிட கட்டுவல் துறைமுகக் கழகம் பரிசீலனை செய்யப்பட்டது

**தமிழ்நாடு மின்சார ஒழுங்குமுறை ஆணையம்**

**தமிழ்நாடு மின்சார ஒழுங்குமுறை ஆணையம் (TANGEDCO)**

**தமிழ்நாடு மின் தொடரணைப்புக் கழக நிறுவனம் (TANTRANSCO) மற்றும் மாநில மின் கலையப் பகுப்பு கலையம் (SLDC) தாக்கல் செய்துள்ள மின்கட்டண மறுக்கல் பீதான பொது மக்களின் கருத்துக் கேட்புக் கூட்டம்**

1. தமிழ்நாடு மின் உற்பத்தி மற்றும் மின்பகிள்மாணக் கழக நிறுவனம் (TANGEDCO) 2016-17 முதல் 2020-21 வரையிலான நிதியாண்டுகளுக்கான இறுதி உண்மை நிலை சரிபாப்பு 2021-22 நிதியாண்டுகளை வருடாந்திர செயல் திட்டம் மதிப்பீடு மற்றும் 2022-23 முதல் 2026-27 நிதியாண்டு வரைக்கான மொத்த வருவாய் தேவையை நிர்ணயிக்கும் மற்றும் மலர்வாண்டு மின்கட்டண விதி திட்டத்தின்படி நிதியாண்டுகள் 2022-23 முதல் 2026-27 வரையிலான மின்கட்டணத்தை நிர்ணயம் செயல் செய்குண்டு தாக்கல் செய்யப்பட்ட மனு எண் 19.07.2022 அன்று மின்கட்டண வீத மறுசீரமைப்பு 2022 ஆக ஆணையத்தால் ஏற்றுக் கொள்ளப்பட்டது.

2. தமிழ்நாடு மின்தொடரணைப்புக் கழக நிறுவனம் (TANTRANSCO) 2016-17 முதல் 2019-20 வரையிலான நிதியாண்டுகளுக்கான உண்மை நிலை சரிபாப்பு மற்றும் 2020-21 நிதியாண்டுகளை தற்காலிக உண்மை நிலை சரிபாப்பு மற்றும் 2021-22 நிதியாண்டுகளை வருடாந்திர செயல் திட்டம் மதிப்பீடு மற்றும் 2022-23 முதல் 2026-27 வரையிலான மொத்த வருவாய் தேவையை நிர்ணயிக்கும் மற்றும் மலர்வாண்டு மின்கட்டண விதி திட்டத்தின்படி நிதியாண்டுகள் 2022-23 முதல் 2026-27 வரையிலான மாநில மின் கலையப் பகுப்பு கலையம் மின் தொடரணைப்பு கட்டணங்கள் மற்றும் மின் தொடரணைப்பு கட்டணங்களையும் நிர்ணயிப்பதற்காக தாக்கல் செய்யப்பட்ட மனு எண் 19.07.2022 அன்று மின் கட்டண வீத மறுசீரமைப்பு 2022 ஆக ஆணையத்தால் ஏற்றுக் கொள்ளப்பட்டது.

3. மாநில மின் கலையப் பகுப்பு கலையம் (SLDC), 2017-18 முதல் 2019-20 நிதியாண்டுகள் வரையிலான உண்மை நிலை சரிபாப்பு மற்றும் 2020-21 நிதியாண்டுகளை தற்காலிக உண்மை நிலை சரிபாப்பு மற்றும் 2021-22 நிதியாண்டுகளை வருடாந்திர செயல் திட்டம் மதிப்பீடு மற்றும் 2022-23 முதல் 2026-27 வரையிலான மொத்த வருவாய் தேவையையும் மற்றும் மலர்வாண்டு மின்கட்டண விதி திட்டத்தின்படி நிதியாண்டுகள் 2022-23 முதல் 2026-27 வரையிலான மாநில மின் கலையப் பகுப்பு கலையம் கட்டணங்களை நிர்ணயம் செய்யும் மொத்த தாக்கல் செய்யப்பட்ட மனு எண் 19.07.2022 அன்று மின்கட்டண வீத மறுசீரமைப்பு 2022 ஆக ஆணையத்தால் ஏற்றுக் கொள்ளப்பட்டது.

4. தமிழ்நாடு மின் உற்பத்தி மற்றும் மின்பகிள்மாணக் கழகம் 2022-23 முதல் 2026-27 நிதியாண்டு வரையிலான மின்கட்டணம் அல்லாத இது கட்டணங்களை நிர்ணயம் செய்து 01.09.2022 விருத்தி நடைமுறைக்கு வரும் செலவு தாக்கல் செய்யப்பட்ட மனு எண் 19.07.2022 அன்று இது மனு எண் 36.2022 ஆக ஆணையத்தால் ஏற்றுக் கொள்ளப்பட்டது.

5. ஆணையம் தனது 19.7.2022 அளிக்க ஆணையில் மின்கட்டண வீத மறுசீரமைப்பு நகல்களை தமிழ்நாடு மின் உற்பத்தி மற்றும் மின்பகிள்மாணக் கழகம் மற்றும் ஆணையத்தின் வலைத்தளங்களில் பதிவேற்றம் செய்யப்பட்டு பணிபுரிந்தது. மேலும் இந்த முன் மொழிவினை மீதான தொடர்புடைய பங்களிப்புகள் கருத்துக்களைக் குறித்து நாடளம் கால அடிப்படையில் அளிப்புகள் ஆணையத்தின் கருத்துக்களும் அறியும் தமிழ்நாடு மின் உற்பத்தி மற்றும் மின்பகிள்மாணக் கழகம் / தமிழ்நாடு மின் தொடரணைப்புக் கழகம் / மாநில மின் கலையப் பகுப்பு கலையம் ஆகியவற்றின் பதிவுரைகளுடன் ஆணையத்திற்கு 22 ஆகஸ்ட் 2022 அன்று அல்லது அதற்கு முன்பே அனுப்பப்படுதல் வேண்டும்.

6. அவ்வாறாக, பணிகளின் நகல்கள் தமிழ்நாடு மின் உற்பத்தி மற்றும் மின்பகிள்மாணக் கழகத்தின் வலைத்தளமான [www.tangedco.gov.in](http://www.tangedco.gov.in), தமிழ்நாடு மின்தொடரணைப்புக் கழகத்தின் வலைத்தளமான [www.tantransco.gov.in](http://www.tantransco.gov.in) மாநில மின் கலையப் பகுப்பு கலையத்தின் வலைத்தளமான [www.tnebidc.org](http://www.tnebidc.org) மற்றும் ஆணையத்தின் வலைத்தளமான [www.tnerc.gov.in](http://www.tnerc.gov.in) ஆகியவற்றில் பதிவேற்றம் செய்யப்பட்டன.

7. இதன் தொடர்ச்சியாக ஆணையம், கிழக்கரை அட்டவணைபின்படி பொது மக்கள் கருத்துக் கேட்புக் கூட்டத்திற்கான செயல்முறைத் திட்டத்தை அறிவிக்கிறது. விருப்பமுள்ளவர்கள் தங்களின் கருத்துக்களை இடத்தில் பின்வரும் நாட்களில் ஆணையத்தின் முன் ஆணையக் கருத்துக்களைத் தெரிவிக்கலாம். கருத்துக் கேட்புக் கூட்டம் நாடளம் கால அடிப்படையில் அந்தந்த இடங்களில் காலை 9.00 மணி முதல் காலை 10.30 மணி வரை தங்களுடைய பெயர்களை பதிவு செய்வார்கள் கூட்டத்தில் தங்களிடையே கருத்துக்களைத் தெரிவிக்கலாம்.

தேதி மற்றும் நகம்	இடம்	தொழிலாளர்	நேரம்
ஆகஸ்ட் 15, 2022 (செவ்வாய் கிழமை)	சோயம்புத்தூர்	எஸ்.என்.ஆர். கல்யாணி கலையப்பம், நவ இரத்திர பெருந்து நிறுவனம், அவிநாசி ஈலை, சோயம்புத்தூர் 641 006	முற்பகல் 10.00 மணி முதல்
ஆகஸ்ட் 18, 2022 (வியாழக் கிழமை)	மதுரை	எ.கே.சி. சந்திரா மண்டலம், சந்திரா கருணா, மதுரை 625 002	முற்பகல் 10.00 மணி முதல்
ஆகஸ்ட் 22, 2022 (திங்கட் கிழமை)	சென்னை	கமலாட்சி அரங்கம், சென்னை 600 005	முற்பகல் 10.00 மணி முதல்

செயலாளர்  
தமிழ்நாடு மின்சார ஒழுங்குமுறை ஆணையம்

மொ.தொ. இ/ 914 / வலைத்தளம் / 2022

**தமிழ்நாடு மின்சார ஒழுங்குமுறை ஆணையம்**

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**TAMIL NADU ELECTRICITY REGULATORY COMMISSION**  
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**PUBLIC NOTICE**  
 Public Hearing on the Tariff Petition filed by  
**Tamil Nadu Generation and Distribution Corporation Limited (TANGEDCO),  
 Tamil Nadu Transmission Corporation Limited (TANTRANSCO) and State Load Despatch Centre (SLDC)**

1. The Tamil Nadu Generation and Distribution Corporation Limited (TANGEDCO) has filed a Petition for Final True-Up for FY 2016-17 to FY 2020-21, Annual Performance Review for FY 2021-22 and Determination of Aggregate Revenue Requirement for the period from FY 2022-23 to FY 2026-27 and Tariff determination for the MYT control period from FY 2022-23 to FY 2026-27 filed by TANGEDCO which has been admitted in T.P. No.1 of 2022 on 19.07.2022 by the Commission.
2. The Tamil Nadu Transmission Corporation Limited (TANTRANSCO) has also filed a Petition for the Approval of True Up for the FY 2016-17 to FY 2019-20 and Provisional True up for the FY 2020-21 and Annual Performance Review for the FY 2021-22 and Aggregate Revenue Requirement for the period from FY 2022-23 to FY 2026-27 along with Determination of Transmission Tariff and other related charges for the MYT control period from FY 2022-23 to FY 2026-27 filed by TANTRANSCO which has been admitted in T.P. No. 2 of 2022 on 19.07.2022 by the Commission.
3. The State Load Despatch Centre (SLDC) has also filed an Additional Affidavit for Approval of True Up for the FY 2017-18 to FY 2019-20 and Provisional True Up for the FY 2020-21 and Annual Performance Review for the FY 2021-22 and Aggregate Revenue Requirement for the period from FY 2022-23 to FY 2026-27 and Determination of SLDC Charges for the MYT control period from FY 2022-23 to FY 2026-27 filed by SLDC which has been admitted in T.P. No.1 of 2020 on 19.07.2022 by the Commission.
4. The Tamil Nadu Generation and Distribution Corporation Limited (TANGEDCO) has also filed a Petition for Determination of Miscellaneous Charges (Non-Tariff) with effect from 01.09.2022 for the year 2022-23 to 2026-27 filed by TANGEDCO which has been admitted in M.P. No.36 of 2022 on 19.07.2022 by the Commission.
5. In its Daily Order dated 19.07.2022, the Commission has ordered that copies of the Tariff Petition shall be hosted in the websites of TANGEDCO and the Commission. Further, thirty days time was allowed for all the stakeholders for offering comments on the proposal. All comments along with reply shall be sent to the Commission on or before 22<sup>nd</sup> August 2022 by TANGEDCO / TANTRANSCO / SLDC.
6. Accordingly, the copies of the filings were hosted in the website of TANGEDCO [www.tangedco.gov.in](http://www.tangedco.gov.in), website of TANTRANSCO [www.tantransco.gov.in](http://www.tantransco.gov.in), website of SLDC [www.tnebidc.org](http://www.tnebidc.org) and website of the Commission, [www.tnerc.gov.in](http://www.tnerc.gov.in)
7. In continuation of the above, the Commission hereby announces the programme of Public Hearing as per the schedule below. Those who are interested may make it convenient to appear before the Commission on the following dates at the nearest venue and present their case. Those who register their names at the respective venues between 9.00 A.M. to 10.30 A.M. on the hearing dates would be allowed to present their case.

Date and Day	Place	Venue	Time
16 <sup>th</sup> August 2022 (Tuesday)	Coimbatore	S.N.R. College Auditorium, Nava India Bus Stop, Avinashi Road, Coimbatore 641 008.	From 10.00 AM
18 <sup>th</sup> August 2022 (Thursday)	Madurai	Lakshmi Sundaram Hall, Thallakulam, Madurai 625 002.	From 10.00 AM
22 <sup>nd</sup> August 2022 (Monday)	Chennai	Kalaivathar Arengam, Chennai 600 005.	From 10.00 AM

**Secretary**  
**Tamil Nadu Electricity Regulatory Commission**

DIPR/ 814 / DISPLAY / 2022  
 \* கருவிகள் காட்டி மின் தரவுகள் அறிவிக்கப்படுகின்றன \*