



KERALA STATE ELECTRICITY BOARD LIMITED

(Incorporated under the Companies Act, 1956)

Reg. Office: Vidyuthi Bhavanam, Pattom, Thiruvananthapuram – 695 004

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ABSTRACT

Taking over of 2 Nos. of Bays at Edamon Substation in respect of Kayamkulam - Edamon DC line at depreciated cost – Sanction accorded- Orders issued.

Corporate Office (SBU-T)

B.O.(FTD)No.660/2020/D(T &SO)/T2/Edamon Bays/Decap/2020-21/ Thiruvananthapuram dated 03.11.2020

- Read:
1. MoU signed between POWERGRID and KSEBL for the O&M of the Edamon and Pallom Bays of the PGCIL 220kV DC Kayamkulam- Edamon & Kayamkulam – Pallom lines
 2. Agreement No. 55/12-13 dated 28.02.2013 executed between PGCIL & KSEBL
 3. MoM of 34th SRPC meeting held on 11.08.2018 at Coimbatore
 4. No. CE(TS)/EE2/AEE3/Edamon Bays/PGCIL/Decapitalisation/2019-20/2503 dated 06.02.2019 of the Chief Engineer (TS)
 5. Letter No. SR-II/TVM/SS/Edamon-Pallom 220kV Bays/2019/107 dated 17.01.2019 of POWERGRID
 6. PGCIL Letter No. SR11/AM//EDMN/01/2019 dated 02.07.2020 of the POWERGRID
 7. Note No.CE(TS)/EE2/AEE3/Edamon Bays/PGCIL/Decapitalisation/2020-21/917 dated 08.10.2020
 8. Letter No.KSEB/TRAC/CG/Miscellaneous/2020-21/1033 dated 16.10.2020 of the DyCE(Commercial & Planning) with full powers of Chief Engineer.
 9. Note No. Fin/POP/PCCIL Kayamkulam-Edamon line/20-21/40 dated 19.10.2020 of the Financial Advisor.
 - 10.Note No. D(T&SO)/T2/Edamon Bays/Decap/20-21/217 Dated 21.10.2020 of the Director (Transmission & System Operation) to the Full Time Directors

ORDER

The Power Grid Corporation of India Limited (PGCIL) has commissioned the 220kV DC Kayamkulam-Edamon Line with 2 bays at Edamon (Edamon - Kundara Bay & Edamon-Edappon Bay) and 220kV DC Kayamkulam - Pallom line with 2 bays at Pallom for the evacuation of power from Kayamkulam Power Station.

The MoU read (1) above was signed between PGCIL and KSEBL for carrying out the Operation and Maintenance of the terminal equipments of the PGCIL bays at Edamon and Pallom 220kV Substations w.e.f 01.11.1998 for a period of 10 years by KSEBL subject to the condition that the amount in this regard shall be paid by PGCIL. However, the maintenance of the connected lines is being carried out by PGCIL. The said MoU expired on 31.10.2008 and again extended for a further period of 10 years w.e.f 01.11.2018 for which, a formal Agreement read as 2nd above was executed on 28.02.2013.

Meanwhile, the conventional terminal equipments of the Edappon & Kundara Bays at 220kV Substation, Edamon were replaced by the Hybrid Switchgear Modules under PSDF scheme. The work was carried out by KSEBL with the technical concurrence of PGCIL. The date of commissioning of the Hybrid Switchgear Modules of Edamon – Kundara bay was on 22-06-2018 & that of Edamon-Edappon on 01-07-2018.

The extended MoU upto 2018 was also expired on 01.11.2018 and the Chief Engineer (Trans. South) as per letter read as 4th above requested PGCIL to renew the Agreement for a further period of 10 years. PGCIL, in the letter read as 5th above, expressed their unwillingness to renew the Agreement for the terminal equipments of Edamon Bays, citing the decisions taken in the 34th SRPC meeting held on 11.08.2018 as per the MoM read as 3rd above. KSEBL has agreed to take up the asset on depreciated cost after approval of the Board and SERC.

KSEBL has calculated the depreciation value of the terminal equipments as per letter read as 8th above. The depreciation calculation was done on the cost of the assets of Rs.1,68,74,764/- after deducting the cost of non reusable equipments as well as the cost of civil works involved. The depreciation was arrived based on depreciation rates of 3.6% (from COD to 2008--09) , 5.2609%(2009-10 to 2011-12) and 0.66% (2012-13 to 22-06-2018). Also, the Advance Against Depreciation (AAD) already claimed by PGCIL before CERC in this account is deducted from the calculated depreciated value. Accordingly, the balance capital cost as on 22.06.2018 comes to **Rs.47,57,553/-** (Calculation Sheet attached as Annexure 1).

The Financial Advisor remarked, as per note read as 9th above, that the depreciation rate taken is fair and reasonable. It is also pointed out that as the depreciation value is calculated on the cost of the reusable assets and has arrived the value as on 22.06.2018, any amount provisionally claimed by way of NON POC bills from 22.06.2018 (CoD of the Hybrid S/G modules) till date based on Tariff Order dated 09.11.2015 relating to the assets taken over has to be reimbursed by M/s.PGCIL.

The matter is placed before the Full Time Directors for sanction as per note read as 10th above.

Having considered the matter in detail, the Full Time Directors through circular mode, Resolved to accord sanction for taking over the 2 Nos. of bays of the 220kV DC Kayamkulam – Edamon lines at the 220kV Substation, Edamon from PGCIL for an amount of **Rs.47,57,553/- (Rupees Forty Seven Lakh Fifty Seven Thousand Five Hundred and Fifty Three Only)**.

Further resolved to entrust the Chief Engineer (Trans. South), to take over the bays, as decided in the 34th SRPC Meeting held on 11.08.2018, only after taking up the matter with SERC by the Chief Engineer (Commercial & Planning).

Orders are issued accordingly.

By Order of the Full Time Directors,

Sd/

LEKHA.G

Company Secretary (In-Charge)

To : The Chief Engineer (Transmission South)

Copy to: The Deputy Chief Engineer,Transmission Circle, Kottarakkara
The Financial Adviser/ The Chief Internal Auditor/ The Company Secretary
The RCAO/ RAO.
The TA to Chairman & MD/ D(T&SO)/D(D,IT&HRM)/ D(G-C)/ D(G-E& SCM),D(P&S) PA to D(F)
Fair Copy Superintendent/Library/Stock File.

Forwarded / By Order



Assistant Executive Engineer

ANNEXURE to BO (FTD)NO.660/2020/D(T&SO)/T2/Edamon Bays/Decap/2020-21 Thiruvananthapuram dated 03.11.2020

CALCULATION STATEMENT FOR THE DEPRECIATION VALUE OF ASSETS OF THE EDAMON BAYS AT 220KV SUBSTATION, EDAMON

Date of Commissioning of the Edamon Bays at 220kV Substation: 31.03.1998

	1998-99	1999-2000	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13*	2013-14	2014-15	2015-16	2016-17	2017-18	upto 22-6-2018
Capital Cost excluding unused items and the Civil portion : Rs.1,68,74,764/-	1.6874764	Cr																			
Depreciation rate	3.6	3.6	3.6	3.6	3.6	3.6	3.6	3.6	3.6	3.6	3.6	5.2609	5.2609	5.2609							
Depreciation claimed	0.060749	0.0607492	0.0607492	0.060749	0.060749	0.060749	0.060749	0.060749	0.060749	0.060749	0.060749	0.088776	0.088776	0.088776	0.011137	0.011137	0.011137	0.011137	0.011137	0.011137	0.0025326016
AAD				0.015253	0.021917	0.136054		0.06797	0.105321	0.045712	0										
Total depreciation claimed upto 22.06.2018				1.0039267	Cr																
AAD claimed upto 31.03.2018				0.2077945	Cr																
Total depreciation claimed upto 22.06.2018				1.2117211	Cr																
Balance capital				0.4757553	Cr																