

CENTRAL ELECTRICITY REGULATORY COMMISSION

NEW DELHI

Petition No. 345/2010

**Coram: Dr. Pramod Deo, Chairperson
Shri S. Jayaraman, Member
Shri V.S. Verma, Member**

Date of Hearing: 22.12.2011

Date of Order: 19.1.2012

In the matter of:

Approval under Regulation 86 of Central Electricity Regulatory Commission (Conduct of Business) Regulations 1999 and Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations 2009 for determination of transmission tariff from date of commercial operation to 31.3.2014 for 400 kV D/C Gorakhpur – Lucknow transmission line along with associated bays (anticipated date of commercial operation 1.10.2010) under transmission system associated with Northern Region System Strengthening Scheme- X (NRSS-X), for tariff block 2009-14 period in Northern Region.

And

In the matter of:

PowerGrid Corporation of India Ltd., Gurgaon

.....**Petitioner**

Vs

1. Rajasthan Rajya Vidyut Prasaran Nigam Limited, Jaipur
2. Ajmer Vidyut Vitran Nigam Limited, Jaipur
3. Jaipur Vidyut Vitran Nigam Limited, Jaipur
4. Jodhpur Vidyut Vitran Nigam Limited, Jaipur
5. Himachal Pradesh State Electricity Board, Shimla
6. Punjab State Electricity Board, Patiala
7. Haryana Power Purchase Centre, Panchkula
8. Power Development Department, Jammu
9. Uttar Pradesh Power Corporation Ltd., Lucknow
10. Delhi Transco Limited, New Delhi
11. BSES Yamuna Power Limited, New Delhi
12. BSES Rajdhani Power limited, New Delhi
13. North Delhi Power Limited, New Delhi
14. Chandigarh Administration, Chandigarh
15. Uttarakhand Power Corporation Ltd., Dehradun



The following were present:

1. Shri. S.S. Raju, PGCIL
2. Shri. Rajeev Gupta, PGCIL

ORDER

This petition has been filed by PGCIL seeking approval for transmission tariff from date of commercial operation to 31.3.2014 for 400 kV D/C Gorakhpur – Lucknow transmission line along with associated bays (anticipated date of commercial operation 1.10.2010) under transmission system associated with Northern Region System Strengthening Scheme- X (NRSS-X) (hereinafter referred to as "transmission assets"), for tariff block 2009-14 period in Northern Region under Regulation 86 of Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations 2009 (hereinafter referred to as "2009 regulations").

2. The administrative approval and expenditure sanction to the transmission project was accorded by Board of Directors of POWERGRID vide C/CP/NRSS-X dated 26.12.2007 for ₹ 408.36 crore, including IDC of ₹ 35.31 crore (based on 3rd Quarter, 2007 price level).

3. The scope of work covered under the instant petition includes construction of following transmission line and Sub-station:-

A. Transmission Lines

- a. Gorakhpur-Lucknow 400 kV D/C line 255 km

B. Sub-stations

- a. Extension of 400/200 KV Gorakhpur Sub-station

- b. Extension of 400/200 KV Lucknow Sub-station
- c. 30% series compensation at Lucknow on proposed Gorakhpur-Lucknow 400 kV D/C line

C. Reactive Compensation

- a. 63 MVAR switchable line reactors at both ends on proposed Gorakhpur-Lucknow 400 kV D/C line

4. The tariff was initially claimed on the basis of the anticipated date of commercial operation as 1.10.2010 and later the petitioner submitted that the actual date of commercial operation of the transmission assets was 1.11.2010. Accordingly, the petitioner was directed to submit the revised forms as per actual date of commercial operation. The petitioner has submitted the details of capital cost as on the actual date of commercial operation and the estimated additional capital expenditure vide affidavit dated 4.11.11.

5. Details of the transmission charges claimed by the petitioner are as under:-

	(₹ in lakh)			
	2010-11 (Pro-rata)	2011-12	2012-13	2013-14
Depreciation	843.62	1789.55	1815.13	1815.13
Interest on Loan	1004.38	2018.27	1885.71	1719.43
Return on equity	843.36	1793.20	1819.82	1819.82
Interest on Working Capital	68.58	143.21	143.39	141.96
O & M Expenses	309.09	653.58	690.93	730.34
Total	3069.03	6397.81	6354.98	6226.68

6. The details submitted by the petitioner in support of its claim for interest on working capital are given overleaf:-

(₹ in lakh)				
	2010-11 (Pro-rata)	2011-12	2012-13	2013-14
Maintenance Spares	92.73	98.04	103.64	109.55
O & M expenses	51.52	54.47	57.58	60.86
Receivables	1023.01	1066.30	1059.16	1037.78
Total	1167.26	1218.81	1220.38	1208.19
Interest	68.58	143.21	143.39	141.96
Rate of Interest	11.75%	11.75%	11.75%	11.75%

7. No comments or suggestions have been received from the general public in response to the notices published by the petitioner under section 64 of the Electricity Act, 2003. Reply to the petition has been filed by UP Power Corporation Limited (UPPCL), Respondent No.9.

8. UPPCL, Respondent No.9, vide its affidavit dated 24.12.2011 has raised objections regarding service tax, license fee and grossing up of base rate of return on equity with applicable MAT rates. The issue of service tax and license fee is dealt in the concerned paragraphs of this order.

9. UPPCL has submitted that section 80-IA of Income Tax Act provides 100% deduction in respect of profits for 10 consecutive Assessment Years and the assesseees may opt for any 10 years out of 15 years beginning with the year in which the undertaking starts the eligible activity and for an undertaking which starts transmission or distribution by laying a network of new transmission or distribution lines during 1.4.1999 to 31.3.201. In the instant case, the date of commercial operation is 1.11.2010 and therefore no Income Tax is leviable on these assets. The respondent has submitted that grossing up of return on equity with the applicable MAT rates for the relevant year and realization is not justified. It is clarified that the Commission has considered the issue of Tax Holiday and passed a reasoned order in order dated 8.4.2011 in Petition No.225/2010.

10. The petitioner has not filed any rejoinder to the reply filed by UPPCL.

11. Having heard the representative of the parties and perused the material on record, we proceed to dispose of the petition.

CAPITAL COST

12. As regards capital cost, Regulation 7(1) (a) of the 2009 regulations provides that:-

“The expenditure incurred or projected to be incurred, including interest during construction and financing charges, any gain or loss on account of foreign exchange risk variation during construction on the loan – (i) being equal to 70% of the funds deployed, in the event of the actual equity in excess of 30% of the funds deployed, by treating the excess equity as normative loan, or (ii) being equal to the actual amount of loan in the event of the actual equity less than 30% of the fund deployed, - up to the date of commercial operation of the project, as admitted by the Commission, after prudence check.”

13. The details of expenditure and projected additional capital expenditure claimed by the petitioner are as under:-

(₹ in lakh)

Capital expenditure incurred up to actual date of commercial operation	Projected additional capital expenditure		Estimated completion cost
	2010-11	2011-12	
31365.57	1219.54	2323.26	34908.37

Capital cost as on the date of commercial operation is inclusive of initial spares of ₹ 152.44 lakh for Sub-station.

14. The petitioner has claimed the capital cost of ₹ 31365.57 lakh as on the date of commercial operation vide auditor's certificate dated 19.9.2011. However, capital expenditure of ₹ 31332.04 lakh (excluding excess

initial spares claimed) has been considered for the purpose of tariff calculation as on the date of commercial operation i.e. 1.11.2010 for tariff determination for 2009-14 period.

TREATMENT OF INITIAL SPARES

15. The petitioner has claimed initial spares of ₹ 152.44 lakh. As per Regulations 8 of 2009 regulations, initial spares works out to ₹ 118.91 lakh and it is in excess of ₹ 33.53 lakh. Accordingly, excess initial spares of ₹ 33.53 lakh has been deducted from the cost of sub-station of as on date of commercial operation. Details of the same are given as under:-

(₹ in lakh)				
Project cost pertaining to substation (inclusive of PLCC) as on cutoff date	Initial spare claimed	Ceiling limits as per clause 8 of Regulation 2009	Initial spares worked out	Excess initial spares claimed
(a)	(b)	(c)	(d) =*((a-b)*c)/(100-c)%	(e)= (b)-(d)
4789.98	152.44	2.50%	118.91	(33.53)

Further, the ceiling limit of initial spares shall be reviewed as per clause 8 of Regulation 2009 at the time of truing up.

ADDITIONAL CAPITAL EXPENDITURE

16. As per Regulation 9(1) of 2009 regulations-

“Additional Capitalisation: (1) The capital expenditure incurred or projected to be incurred, on the following counts within the original scope of work, after the date of commercial operation and up to the cut-off date may be admitted by the Commission, subject to prudence check:

- (i) Undischarged liabilities;
- (ii) XXX
- (iii) XXX
- (iv) XXX
- (v) XXX”

17. As per Regulations 2009,

“Cut-off date means 31st March of the year closing after 2 years of the year of commercial operation of the project, and in-case of the project is declared under commercial operation in the last quarter of the year, the cut-off date shall be 31st March of the year closing after 3 years of the year of commercial operation”.

Therefore, cut-off date for the above mentioned assets is 31.3.2013.

18. The petitioner has claimed additional capital expenditure of ₹ 1219.54 lakh and ₹ 2323.26 lakh for the year 2010-11 and 2011-12 respectively. Additional capital expenditure claimed falls within the cut-off date. Hence, the same has been considered for the purpose of tariff calculation.

DEBT- EQUITY RATIO

19. Regulation 12 of the 2009 regulations provides that,

“(1) For a project declared under commercial operation on or after 1.4.2009, if the equity actually deployed is more than 30% of the capital cost, equity in excess of 30% shall be treated as normative loan:

Provided that where equity actually deployed is less than 30% of the capital cost, the actual equity shall be considered for determination of tariff:

Provided further that the equity invested in foreign currency shall be designated in Indian rupees on the date of each investment.

(2) XXX.”

20. The details of debt-equity of asset considered for the purpose of tariff calculation as on the date of commercial operation are as under:-

Capital cost as on 1.11.2010		
	Amount (₹ in lakh)	%
Debt	21932.43	70.00
Equity	9399.61	30.00
Total	31332.04	100.00



21. Detail of debt- equity ratio of assets as on 31.3.2014 is as follows:-

Capital cost as on 31.3.2014		
	Amount (₹ in lakh)	%
Debt	24412.39	70.00
Equity	10462.45	30.00
Total	34874.84	100.00

22 Details of projected additional capital expenditure claimed by the Petitioner are under:-

Particulars	Additional capital expenditure for 2010-11	
	(₹ in lakh)	%
	Nominative	
Debt	853.68	70.00
Equity	365.86	30.00
Total	1219.54	100.00
	Additional Capital for 2011-12	
Debt	1626.28	70.00
Equity	696.98	30.00
Total	2323.26	100.00

RETURN ON EQUITY

23. Regulation 15 of the 2009 regulations provides that:-

“15. (1) Return on equity shall be computed in rupee terms, on the equity base determined in accordance with regulation 12.

(2) Return on equity shall be computed on pre-tax basis at the base rate of 15.5% to be grossed up as per clause (3) of this regulation:

*Provided that in case of projects commissioned on or after 1st April, 2009, an additional return of 0.5% shall be allowed if such projects are completed within the timeline specified in **Appendix-II**:*

Provided further that the additional return of 0.5% shall not be admissible if the project is not completed within the timeline specified above for reasons whatsoever.

(3) The rate of return on equity shall be computed by grossing up the base rate with the Minimum Alternate/Corporate Income Tax Rate for the year 2008-09, as per the Income Tax Act, 1961, as applicable to the concerned generating company or the transmission licensee, as the case may be:

Provided that return on equity with respect to the actual tax rate applicable to the generating company or the transmission licensee, as the case may be, in line with the provisions of the relevant Finance Acts of the respective year during the tariff period shall be trued up separately for each year of the tariff period along with the tariff petition filed for the next tariff period.



(4) Rate of return on equity shall be rounded off to three decimal points and be computed as per the formula given below:

$$\text{Rate of pre-tax return on equity} = \text{Base rate} / (1-t)$$

Where t is the applicable tax rate in accordance with clause (3) of this regulation.

(5) The generating company or the transmission licensee as the case may be, shall recover the shortfall or refund the excess Annual Fixed charge on account of Return on Equity due to change in applicable Minimum Alternate/ Corporate Income Tax Rate as per the Income Tax Act, 1961 (as amended from time to time) of the respective financial year directly without making any application before the Commission.

Provided further that Annual Fixed charge with respect to the tax rate applicable to the generating company or the transmission licensee, as the case may be, in line with the provisions of the relevant Finance Acts of the respective financial year during the tariff period shall be trued up in accordance with Regulation 6 of these regulations"

24. The following amount of equity has been considered for calculation of return of equity:-

(₹ in lakh)						
Equity on date of commercial operation	Notional equity due to ACE for the period 2010-11	Total equity considered for tariff calculations for the period 2010-11	Notional equity due to ACE for the period 2011-12	Total equity considered for tariff calculations for the period 2011-12	Notional equity due to ACE for the period 2012-14	Total equity considered for tariff calculations for the period 2012-14
9399.61	365.86	9582.54	696.98	10113.96	0.00	10462.45

25. Average equity corresponding to additional capital expenditure has been considered for working out return of equity. Return on equity has been calculated as per the prescribed formula, i.e. Base rate/(1-t), where Base Rate is 15.5% and 't' is normal tax rate for the period 2008-09 applicable to Power Grid which is under MAT i.e. 10%+ surcharge@10%+3%Education Cess.

26. Petitioner's prayer to allow grossing up the base rate of return on equity based on the tax rates viz., MAT, surcharge, any other cess, charges, levies etc., as per the relevant Finance Act, shall be settled in accordance with the provisions of Regulation 15 of 2009 regulations.

27. In view of the above, the following amount of equity has been considered for calculation of return of equity:-

(₹ in lakh)				
	2010-11 (pro-rata for five months)	2011-12	2012-13	2013-14
Opening Equity	9399.61	9765.47	10462.45	10462.45
Addition due to Additional Capitalisation	365.86	696.98	0.00	0.00
Closing Equity	9765.47	10462.45	10462.45	10462.45
Average Equity	9582.54	10113.96	10462.45	10462.45
Return on Equity (Base Rate)	15.50%	15.50%	15.50%	15.50%
Tax rate for the year 2008-09 (MAT)	11.33%	11.33%	11.33%	11.33%
Rate of Return on Equity (Pre Tax)	17.481%	17.481%	17.481%	17.481%
Return on Equity (Pre Tax)	697.97	1768.02	1828.94	1828.94

INTEREST ON LOAN

28. Regulation 16 of the 2009 regulations provides that,-

“16. (1) The loans arrived at in the manner indicated in regulation 12 shall be considered as gross normative loan for calculation of interest on loan.

(2) The normative loan outstanding as on 1.4.2009 shall be worked out by deducting the cumulative repayment as admitted by the Commission up to 31.3.2009 from the gross normative loan.

(3) The repayment for the year of the tariff period 2009-14 shall be deemed to be equal to the depreciation allowed for that year:

(4) Notwithstanding any moratorium period availed by the generating company or the transmission licensee, as the case may be the repayment of loan shall be considered from the first year of commercial operation of the project and shall be equal to the annual depreciation allowed.,

(5) The rate of interest shall be the weighted average rate of interest calculated on the basis of the actual loan portfolio at the beginning of each year applicable to the project:

Provided that if there is no actual loan for a particular year but normative loan is still outstanding, the last available weighted average rate of interest shall be considered: Provided further that if the generating station or the transmission system, as the case may be, does not have actual loan, then the weighted average rate of interest of the generating company or the transmission licensee as a whole shall be considered.

(6) The interest on loan shall be calculated on the normative average loan of the year by applying the weighted average rate of interest.

(7) The generating company or the transmission licensee, as the case may be, shall make every effort to re-finance the loan as long as it results in net savings on interest and in that event the costs associated with such re-financing shall be borne by the



beneficiaries and the net savings shall be shared between the beneficiaries and the generating company or the transmission licensee, as the case may be, in the ratio of 2:1.

(8) The changes to the terms and conditions of the loans shall be reflected from the date of such re-financing.

(9) In case of dispute, any of the parties may make an application in accordance with the Central Electricity Regulatory Commission (Conduct of Business) Regulations, 1999, as amended from time to time, including statutory re-enactment thereof for settlement of the dispute:

Provided that the beneficiary or the transmission customers shall not withhold any payment on account of the interest claimed by the generating company or the transmission licensee during the pendency of any dispute arising out of re-financing of loan."

29. In these calculations, interest on loan has been worked out as under:-
- (a) Gross amount of loan, repayment of instalments and rate of interest and weighted average rate of interest on actual average loan have been considered as per the petition;
 - (b) Tariff has been worked out considering normative loan and normative repayments. Depreciation allowed has been taken as normative repayment for the tariff period 2009-14;
 - (c) The repayment for the tariff period 2009-14 shall be deemed to be equal to the depreciation allowed for that period; and
 - (d) Weighted average rate of interest on actual average loan worked out as per (i) above is applied on the notional average loan during the year to arrive at the interest on loan.

30. The methodology followed for the calculation of weighted average rate of interest in case of floating interest loans in Petition No. 132/2010 has been adopted in the instant petition. Accordingly, the interest on loan has been calculated on the basis of rate prevailing as on 1.4.2009/date of commercial

operation. Any change in the rate of interest subsequently to 1.4.2009/ date of commercial operation will be considered at the time of truing up.

31. Detailed calculations of the weighted revised average rate of interest have been in Annexure to this order.

32. Details of the interest on loan worked on the above basis are given hereunder:-

	(₹ in lakh)			
	2010-11 (pro-rata for five months)	2011-12	2012-13	2013-14
Gross Normative Loan	21932.43	22786.11	24412.39	24412.39
Cumulative Repayment upto Previous Year	0.00	699.27	2466.53	4290.66
Net Loan-Opening	21932.43	22086.83	21945.85	20121.73
Addition due to Additional Capitalisation	853.68	1626.28	0.00	0.00
Repayment during the year	699.27	1767.26	1824.12	1824.12
Net Loan-Closing	22086.83	21945.85	20121.73	18297.61
Average Loan	22009.63	22016.34	21033.79	19209.67
Weighted Average Rate of Interest on Loan	9.0857%	9.0857%	9.0808%	9.0735%
Interest	833.22	2000.33	1910.03	1742.98

DEPRECIATION

33. Petitioner has claimed actual depreciation as a component of Annual Fixed Charges. However, Regulation 17 (4) of the 2009 regulations provides as under:-

"Depreciation shall be calculated annually based on Straight Line Method and at rates specified in Appendix-III to these regulations for the assets of the generating station and transmission system:

Provided that, the remaining depreciable value as on 31th March of the year closing after a period of 12 years from date of commercial operation shall be spread over the balance useful life of the asset".

34. Transmission asset covered in the instant petition was put under commercial operation as on 1.11.2010 and accordingly will complete 12 years

beyond 2013-14 and thus depreciation has been calculated annually based on Straight Line Method and at rates specified in Appendix-III of 2009 regulations.

35. Details of the depreciation worked out are as under:-

(₹ in lakh)				
	2010-11 (pro-rata for five months)	2011-12	2012-13	2013-14
Opening Gross Block	31332.04	32551.58	34874.84	34874.84
Addition during 2009-14 due to Projected Additional Capitalisation	1219.54	2323.26	0.00	0.00
Closing Gross Block	32551.58	34874.84	34874.84	34874.84
Average Gross Block	31941.81	33713.21	34874.84	34874.84
Rate of Depreciation	5.2541%	5.2420%	5.2305%	5.2305%
Depreciable Value	28747.63	30341.89	31387.36	31387.36
Remaining Depreciable Value	28747.63	29642.62	28920.82	27096.70
Depreciation	699.27	1767.26	1824.12	1824.12

OPERATION & MAINTENANCE EXPENSES

36. Clause (g) of Regulation 19 of the 2009 regulations prescribes the norms for operation and maintenance expenses based on the type of sub-station and line. Norms prescribed in respect of the elements covered in the instant petition are as under:-

Element	2010-11 (Pro-rata for five months)	2011-12	2012-13	2013-14
400 kV D/C twin conductor, T/line (₹ Lakh/ kms.)	0.663	0.701	0.741	0.783
400 kv bay (₹ Lakh/ bay.)	55.40	58.57	61.92	65.46

37. As per the above mentioned norms the allowable O&M expenses for the assets covered in the petition works out are given overleaf:-

(₹ in lakh)

Element	2010-11 (Pro- rata for five months)	2011-12	2012-13	2013-14
263.933 kms, ,400 kV,D/C,twin conductor T/line	72.91	185.02	195.57	206.66
Eight nos., 400 kV bays	184.67	468.56	495.36	523.68
Total O&M Expenditure	257.58	653.58	690.93	730.34

38. The Petitioner has stated that O&M expenditure for 2009-14 tariff block has been arrived on the basis of normalized actual O&M expenses of the petitioner during the year 2003-04 to 2007-08. The wage hike of 50% on account of pay revision of the employees of public sector undertaking was also considered while calculating the O&M charges for tariff period 2009-14. The petitioner has submitted that it would approach the Commission for suitable revision in the norms for O&M expenditure in case the impact of wage hike w.e.f 1.1.2007 is more than 50%.

39. The petitioner has further submitted that in O&M norms for tariff block 2009-14, the cost associated with license fees had not been captured and the license fee may be allowed to be recovered separately from the respondents.

40. It is clarified that, if any, application for revision in the norms for O&M expenditure is filed in future, it will be dealt with in accordance with law. As regards licence fee, it is clarified that licence fee will be dealt in accordance with order dated 25.10.2011 in Petition No.21/2011 and 22/2011.



INTEREST ON WORKING CAPITAL

41. As per the 2009 regulations the components of the working capital and the interest thereon are discussed are given as under:-

(i) Receivables: As per Regulation 18(1) (c) (i) of the 2009 regulations, receivables will be equivalent to two months of fixed cost. The petitioner has claimed the receivables on the basis of 2 months transmission charges claimed in the petition. In the tariff being allowed, receivables have been worked out on the basis of 2 months transmission charges.

(ii) Maintenance spares: Regulation 18(1)(c)(ii) of the 2009 regulations provides for maintenance spares @ 15% per annum of the O & M expenses from 1.4.2009. The value of maintenance spares has accordingly been worked out.

(iii) O & M expenses: Regulation 18(1) (c) (iii) of the 2009 regulations provides for operation and maintenance expenses for one month as a component of working capital. The petitioner has claimed O&M expenses for 1 month of the respective year. This has been considered in the working capital.

(iv) Rate of interest on working capital: In these calculations, interest rate of 11.00% (SBI Base Rate 7.50% plus 350 bps) has been considered in accordance with the 2009 regulations, amended for calculating interest on working capital.

42. Necessary computations in support of interest on working capital are appended hereunder:-

(₹ in lakh)

	2010- 11 (Pro-rata for five months)	2011-12	2012-13	2013-14
Maintenance Spares	92.73	98.04	103.64	109.55
O & M expenses	51.52	54.47	57.58	60.86
Receivables	1016.49	1053.65	1064.82	1043.32
Total	1160.74	1206.15	1226.03	1213.73
Interest	53.20	132.68	134.86	133.51

TRANSMISSION CHARGES

43. The transmission charges being allowed for the transmission lines are summarized hereunder:-

(₹ in lakh)

	2010-11 (Pro-rata for five months)	2011-12	2012-13	2013-14
Depreciation	699.27	1767.26	1824.12	1824.12
Interest on Loan	833.22	2000.33	1910.03	1742.98
Return on equity	697.97	1768.02	1828.94	1828.94
Interest on Working Capital	53.20	132.68	134.86	133.51
O & M Expenses	257.58	653.58	690.93	730.34
Total	2541.23	6321.87	6388.89	6259.90

LICENCE FEE

44. The petitioner has submitted that they be allowed to bill and recover the license fee separately from the respondents. The respondent, UPPCL has submitted that license fee is onus of the petitioner. Under the Central Electricity Regulatory Commission (Payment of Fees) Regulation 2008 the licensee, in this case the petitioner is required to pay the license fee. UPPCL has further submitted that there is no specific provision for recovery of license fee in the 2009 regulations and hence the petitioner's request for reimbursement for licence fee should be rejected.

45. The petitioner's prayer for licence fee shall be dealt with in accordance with our order dated 25.10.2011 in Petition No.21/2011 and 22/2011.

SERVICE TAX

46. The petitioner has made a prayer to recover the service tax on transmission charges separately from the respondents, if it is subjected to such service tax in future. The respondent, UPPCL has objected to levying of service tax on the beneficiaries as the issue of service tax is pending before the Hon'ble Supreme Court. Respondent has submitted that it is premature for the petitioner to request for recovery of service tax when the matter is pending before the Hon'ble Supreme Court. We consider the prayer of the petitioner pre-mature and accordingly it is rejected.

SHARING OF TRANSMISSION CHARGES

47. The transmission charges allowed shall be recovered on monthly basis in accordance with Regulation 23 and shared by the beneficiaries in accordance with Regulation 33 of the 2009 regulation up to 30.6.2011. With effect from 1.7.2011, the billing, collection & disbursement of the transmission charges shall be governed by the provision of Central Electricity Regulatory Commission (sharing of inter-state transmission charges and losses) Regulations, 2010 as amended.

48. This order disposes of Petition No.345/2010.

Sd/-
(V.S. Verma)
Member

Sd/-
(S. Jayaraman)
Member

Sd/-
(Dr. Pramod Deo)
Chairperson



CALCULATION OF WEIGHTED AVERAGE RATE OF INTEREST ON LOAN

(₹ in lakh)

Details of Loan	2010-11	2011-12	2012-13	2013-14
1 Bond XXVIII				
Gross loan opening	7816.00	7816.00	7816.00	7816.00
Cumulative Repayment upto DOCO/previous year	0.00	0.00	0.00	651.33
Net Loan-Opening	7816.00	7816.00	7816.00	7164.67
Additions during the year	0.00	0.00	0.00	0.00
Repayment during the year	0.00	0.00	615.33	651.33
Net Loan-Closing	7816.00	7816.00	7164.67	6513.33
Average Loan	7816.00	7816.00	7490.33	6839.00
Rate of Interest	9.33%	9.33%	9.33%	9.33%
Interest	729.23	729.23	698.85	638.08
Rep Schedule	12 annual installments from 15.12.2012			
2 Bond XXIX				
Gross loan opening	5233.00	5233.00	5233.00	5233.00
Cumulative Repayment upto DOCO/previous year	0.00	0.00	0.00	436.08
Net Loan-Opening	5233.00	5233.00	5233.00	4796.92
Additions during the year	0.00	0.00	0.00	0.00
Repayment during the year	0.00	0.00	436.08	436.08
Net Loan-Closing	5233.00	5233.00	4796.92	4360.83
Average Loan	5233.00	5233.00	5014.96	4578.88
Rate of Interest	9.20%	9.20%	9.20%	9.20%
Interest	481.44	481.44	461.38	421.26
Rep Schedule	12 annual installments from 12.3.2013			
3 Bond XXX				
Gross loan opening	4028.00	4028.00	4028.00	4028.00
Cumulative Repayment upto DOCO/previous year	0.00	0.00	0.00	0.00
Net Loan-Opening	4028.00	4028.00	4028.00	4028.00
Additions during the year	0.00	0.00	0.00	0.00
Repayment during the year	0.00	0.00	0.00	335.67
Net Loan-Closing	4028.00	4028.00	4028.00	3692.33
Average Loan	4028.00	4028.00	4028.00	3860.17
Rate of Interest	8.80%	8.80%	8.80%	8.80%
Interest	354.46	354.46	354.46	339.69
Rep Schedule	12 annual installments from 29.9.2013			
4 Bond XXXI				
Gross loan opening	2753.00	2753.00	2753.00	2753.00
Cumulative Repayment upto DOCO/previous year	0.00	0.00	0.00	0.00
Net Loan-Opening	2753.00	2753.00	2753.00	2753.00
Additions during the year	0.00	0.00	0.00	0.00
Repayment during the year	0.00	0.00	0.00	229.42



	Net Loan-Closing	2753.00	2753.00	2753.00	2523.58
	Average Loan	2753.00	2753.00	2753.00	2638.29
	Rate of Interest	8.90%	8.90%	8.90%	8.90%
	Interest	245.02	245.02	245.02	234.81
	Rep Schedule	12 annual installments from 25.2.2014			
5	Bond XXXIII				
	Gross loan opening	1621.00	1621.00	1621.00	1621.00
	Cumulative Repayment upto DOCO/previous year	0.00	0.00	0.00	0.00
	Net Loan-Opening	1621.00	1621.00	1621.00	1621.00
	Additions during the year	0.00	0.00	0.00	0.00
	Repayment during the year	0.00	0.00	0.00	0.00
	Net Loan-Closing	1621.00	1621.00	1621.00	1621.00
	Average Loan	1621.00	1621.00	1621.00	1621.00
	Rate of Interest	8.64%	8.64%	8.64%	8.64%
	Interest	140.05	140.05	140.05	140.05
	Rep Schedule	12 annual installments from 8.7.2014			
6	Bond XXXIV				
	Gross loan opening	504.00	504.00	504.00	504.00
	Cumulative Repayment upto DOCO/previous year	0.00	0.00	0.00	0.00
	Net Loan-Opening	504.00	504.00	504.00	504.00
	Additions during the year	0.00	0.00	0.00	0.00
	Repayment during the year	0.00	0.00	0.00	0.00
	Net Loan-Closing	504.00	504.00	504.00	504.00
	Average Loan	504.00	504.00	504.00	504.00
	Rate of Interest	8.84%	8.84%	8.84%	8.84%
	Interest	44.55	44.55	44.55	44.55
	Rep Schedule	12 annual installments from 12.10.2014			
	Total Loan				
	Gross loan opening	21955.00	21955.00	21955.00	21955.00
	Cumulative Repayment upto DOCO/previous year	0.00	0.00	0.00	1087.42
	Net Loan-Opening	21955.00	21955.00	21955.00	20867.58
	Additions during the year	0.00	0.00	0.00	0.00
	Repayment during the year	0.00	0.00	1087.42	1652.50
	Net Loan-Closing	21955.00	21955.00	20867.58	19215.08
	Average Loan	21955.00	21955.00	21411.29	20041.33
	Rate of Interest	9.0857%	9.0857%	9.0808%	9.0735%
	Interest	1994.76	1994.76	1944.31	1818.45

