

**CENTRAL ELECTRICITY REGULATORY COMMISSION  
NEW DELHI**

**Petition No. 18/TT/2014**

Subject : Petition for truing-up of annual transmission charges for the period FY 2009-13 and Revised Estimates of FY 2013-14 for 400 kV D/C Muzaffarpur-Gorakhpur transmission line in Eastern-Northern Inter-Region associated with Tala Hydro Electric Project, East-North Inter-Connector and Northern Region Transmission System of Powerlinks Transmission Ltd.

Date of Hearing : 20.8.2015

Coram : Shri Gireesh B. Pradhan, Chairman  
Shri A.K. Singhal, Member  
Shri A.S. Bakshi, Member  
Dr. M.K. Iyer, Member

Petitioner : Powerlinks Transmission Ltd.

Respondents : Power Grid Corporation of India Ltd. and 17 others

Parties present : Shri Amit Kapur, Advocate, PKTCL  
Shri Vishal Anand, Advocate, PKTCL  
Shri Gajendra Bhardwaj, PKTCL  
Ms. Nita Jha, PKTCL  
Shri Jayant Tikku, PKTCL  
Shri Janmali Manikala, PKTCL  
Shri Lokendra Singh, PKTCL  
Shri R.B. Sharma, Advocate, Gridco and BRPL

**Record of Proceedings**

Learned counsel for the petitioner made submission in the form of slides and submitted as under:-

- (a) Transmission licence was granted to Powerlinks Transmission Ltd. on 13.11.2003 to transmit electricity and for that purpose to construct, maintain and operate the inter-state transmission system associated with Tala Hydro Electric Project East-North Inter Connector and Northern Region Transmission System. PGCIL is the off-taker of entire transmission capacity;



- (b) The instant petition has been filed for determination of transmission tariff for Muzaffarpur (New)-Gorakhpur (New) 400 kV D/C (Quad Conductor) transmission line. The Commission, vide order dated 28.4.2008 in Petition No. 147/2007 approved capital cost as on the date of commercial operation and additional capital expenditure for the FY 2006-07 for this line. The Commission then allowed provisional transmission tariff for the period 2006-09 vide order dated 16.1.2007 in Petition No. 131/2006. Subsequently, vide order dated 29.7.2009 in Petition No. 66/2009, additional capital expenditure for the FYs 2007-08 and 2008-09 were approved by the Commission;
- (c) The Commission in its order dated 18.8.2010 in Petition No. 286/2009 approved the annual transmission charges for the period 2009-14;
- (d) The petitioner has paid 90% of the consultancy fees to PGCIL as per the agreement signed between the petitioner and PGCIL, and capitalized this amount in project cost before 31.3.2009. The remaining amount was paid to PGCIL on 4.12.2010 and the same has now been capitalized in the transmission system in the ratio of the respective transmission line length;
- (e) License fee paid from the date of license (13.11.2003) till COD (1.9.2006) has been capitalized;
- (f) Compensation paid towards plantation of trees under the directives of forest Department is a mandatory one-time payment and is uncontrollable in nature. As such, the said expense be approved over and above normative O&M expenses;
- (g) The incentive based on the actual availability during the period 2009-13 and estimated availability during FY 2013-14 on annual fixed charges (including majoration charges), duly certified by member-secretary, NRPC, may be allowed;
- (h) The Commission, vide order dated 1.7.2004, in Petition No. 51/2004, has allowed the transmission majoration factor for the petitioner. The petitioner has included the transmission majoration factor in the proposed true-up annual transmission charges for 2009-14;
- (i) Information sought vide ROP has been filed. Rejoinder to the reply of BRPL has also been filed.

2. Learned counsel for the petitioner also submitted that objections raised by BRPL in its reply pertain to the claims raised by the petitioner in Petition No. 515/TT/2014 and are beyond the scope of the present petition.

3. The learned counsel for BRPL submitted that the reply dated 10.6.2015 filed in this petition pertains to 2014-19 period which is the subject matter of Petition No. 515/TT/2014. The Commission permitted the learned counsel to file a reply to the present



petition by 11.9.2015 and the petitioner to file rejoinder thereto, by 23.9.2015. Learned counsel for BRPL submitted that the introduction of the Transmission Majoration Factor (TMF), which has been claimed in this petition also, was based on the assumption that the private investors in transmission have to incur additional liabilities in their pioneering efforts compared to long standing Central Transmission Utility. Subsequent to the 2001-04 period, no such facility was extended to the petitioner in the 2004 Tariff Regulations or 2009 or 2014 Tariff Regulations. Moreover, the asset in question was commissioned in September, 2006. This being so, TMF may not be allowed to the petitioner.

4. The Commission directed the petitioner to give detailed justification by 11.9.2015 for claiming TMF for the capitalization of assets commissioned on or after 1.4.2004. The Commission also directed BRPL to file reply to this petition by 11.9.2015 and the petitioner to file its rejoinder, if any, by 23.9.2015.

5. The Commission also directed the petitioner to file the information within the specified date and observed that information received after the due date shall not be considered while passing the final order in the petition.

6. Subject to the above, order in the petition was reserved.

By order of the Commission

Sd/-

(T. Rout)  
Chief (Law)

