

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 20/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 (i) 400 kV D/C Gorakhpur-Lucknow transmission line, and (ii) 400 kV D/C Bareilly-Mandola transmission line in Northern Region associated with Tala Hydro Electric Projects, East-North Interconnector 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 7 others

Parties present : Shri Amit Kapur, Advocate, PKTCL
Shri Vishal Anand, Advocate, PKTCL
Shri Gajendra Bhardwaj, PKTCL
Ms. Nita Jha, PKTCL
Shri Jayant Tiku, 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 (i) 400 kV D/C Gorakhpur-Lucknow transmission line, and (ii) 400 kV D/C Bareilly-Mandola transmission line. The Commission, vide order dated 30.4.2008 in Petition No. 149/2007 approved capital cost as on the date of commercial operation and determined transmission tariff for the lines for 2006-09 for these lines;
- (c) The Commission in its order dated 17.3.2011 in Petition No. 287/2009 approved additional capital expenditure on shifting of tower with pile foundation pertaining to 400 kV D/C Gorakhpur-Lucknow transmission line, as a remedial measure due to change in course of the River Parman, and also on replacement of insulators pertaining to 400 kV D/C Bareilly-Mandola transmission line, during the tariff block 2009-14. The petitioner has also capitalized consultation fees paid to PGCIL;
- (d) Additional capital expenditure approved by the Commission vide order dated 17.3.2011 in Petition No. 287/2009 only represents the Equipment and Services Cost associated with the Project, and does not include IDC. The petitioner in this petition has computed IDC based on the start date of the projects, and requests the Commission to approve the methodology adopted by it for computation of IDC and its inclusion in the additional capital expenditure;
- (e) License fee paid from the date of license (13.11.2003) till 31.3.2007 has been capitalized;
- (f) 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;
- (g) 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;

2. 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 the petitioner to submit the following, by 11.9.2015, with advance copy to the respondents:-

- (a) Details of consultancy fee capitalized up to 31.3.2009 and the head under which the same has been allowed by the Commission;

(b) Methodology adopted by the petitioner for calculation of IDC corresponding to additional capital expenditure claimed by the petitioner;

(c) Supporting documents in respect of the loans considered in Form 13, indicating (i) Rates of interest on loan, (ii) Repayment schedule, and (iii) Details of foreign loans as per the footnote indicated in Form 13 of the 2009 Tariff Regulations.

3. The Commission also directed the petitioner to file the information within the specified date, i.e. 11.9.2015, and observed that information received after the due date shall not be considered while passing the final order in the petition.

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

By order of the Commission

Sd/
(T. Rout)
Chief (Law)

