

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 514/TT/2014

Subject : Truing up of transmission tariff for 2013-14 tariff block and determination of transmission tariff for 2014-19 tariff block for 400 kV Double Circuit Siliguri-Purnea Transmission Line, 400 kV Double Circuit Purnea-Muzaffarpur Transmission Line and 220 kV Double Circuit Muzaffarpur (PGCIL)-Muzaffarpur (BSEB) Transmission Line in Eastern Region associated with Tala Hydro Electric Project, East-North Interconnector and Northern Region Transmission System.

Date of Hearing : 20.09.2016

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

Petitioner : Powerlinks Transmission Limited

Respondents : Power Grid Corporation of India Limited and 6 others

Parties present : Shri Amit Kapoor, Advocate, PTL
Shri M Janmau, Advocate, PTL
Ms. Nita Jha, Advocate, PTL
Shri Dilip Kumar, PTL
Shri Gajender Bhandari, PTL

Record of Proceedings

The learned counsel for the petitioner submitted that the instant petition has been filed for truing up of tariff of 2013-14 and determination of transmission tariff for 400 kV Double Circuit Siliguri-Purnea Transmission Line, 400 kV Double Circuit Purnea-Muzaffarpur Transmission Line and 220 kV Double Circuit Muzaffarpur (PGCIL)-Muzaffarpur (BSEB) Transmission Line in Eastern Region. The tariff for the instant asset for the 2009-14 period was allowed vide order dated 17.3.2011 in Petition No.288/2009.



2. The learned counsel for the petitioner further made the following submission:-

- (i) Replacement of 160kN insulators in Siliguri-Purneas line and in part of the Purnea-Saharas section is envisaged. The cost of replacement of such insulators is ₹302.87 lakh in 2013-14.
- (ii) Additional O&M Expenses arising on account of pay revision for 2013-14 over and above the Normative O&M Expenses may be allowed under Regulation 44 of 2009 Tariff Regulations, i.e. 'Power to Relax';
- (iii) Transmission Majoration Factor (TMF) for 2013-14 is claimed on the basis of order dated 1.7.2004 in the Petition No. 51/2004 and for 2014-19 is claimed on the basis of order dated 1.7.2004 in Petition No. 51/2004. 'Incentive' based on the actual availability during 2013-14 on Annual Fixed Charges may be allowed. 'Incentive' based on actual/projected availability for 2014-19 may be allowed;
- (iv) One of the towers of 200 kV Double Circuit Muzaffarpur (PGCIL)-Muzaffarpur (BSEB) lines collapsed due to severe cyclone in Muzaffarpur District. The cost of the tower collapse and reconstruction of new tower was claimed for 2013-14 in Petition No. 19/TT/2014. The balance additional capital expenditure on this account, i.e. ₹16.32 lakh including normative IDC is claimed in the instant petition for the period 2014-15;
- (v) Capitalization of penal amount to be paid towards sales tax was disallowed in order dated 6.5.2016 in Petition No. 18/TT/2014 accordingly the same is not being claimed in the instant petition;
- (vi) The present ERP system is outdated and therefore a robust ERP system namely, SAPS costing ₹110.13 lakh is envisaged and the apportioned cost of Asset 4 and Asset 5 works out to ₹23.24 lakh and ₹22.39 lakh respectively. The same is claimed under Regulation 14(3)(ix) of 2014 Tariff Regulations;
- (vii) Replacement of 160 kN insulators in Siliguri-Purnea line and in part of the Purnea-Saharas section is envisaged. The cost of replacement of such insulators is ₹1446.20 lakh for 2014-19 for Eastern Region Transmission Assets; and
- (viii) The machines currently used for compression work on the conductor are heavy in weight and are not suitable to carry out the compression work at higher altitudes and therefore capital expenditure of ₹5 lakh is estimated on account of procurement of compression light weight machines for eastern



region and the same may be allowed under Regulation 14(3)(ix) of 2014 Tariff Regulations.

3. The Commission directed the petitioner to submit the following information on affidavit, with an advance copy to the respondents, by 7.10.2016:-

(i) Calculation of normative IDC during 2013-14 and Auditor's Certificates for additional capitalization incurred/projected to be incurred during 2013-14 and 2014-19 showing segregated value of normative IDC and original expenditure for the asset.

(ii) Whether any actual loan has been deployed for additional capitalization during 2014-19. If yes, details of loan i.e, name, amount and date of drawl, rate of interest with their supporting documents and repayment schedule of the loan deployed.

(iii) Whether the towers of the lines covered in the instant petition are insured and if they are insured, what is the amount that is realised?

(iv) Whether any dividend has been paid by the petitioner to its shareholders? If so, what is the % or amount?

4. The Commission directed the respondents to file their replies by 17.10.2016 with an advance copy to the petitioner who shall file its rejoinder, if any, by 21.10.2016.

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

By order of the Commission

Sd/-

(T. Rout)
Chief (Law)

