

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 22/GT/2017

Subject : Determination of tariff for BBMB hydro generation project for the period 2014-19.

Petition No. 16/TT/2017

Subject : Determination of tariff for BBMB Transmission systems & SLDC for the period 2014-19.

Date of hearing : **20.2.2018**

Coram : Shri P.K. Pujari, Chairperson
Shri A.K.Singhal, Member
Shri A.S. Bakshi, Member
Shri M.K. Iyer, Member

Petitioner : Bhakra Beas Management Board, Chandigarh

Respondents : Punjab State Power Corporation Ltd & 4 Ors.

Parties present : Shri K. Vansi Aditya, BBMB
Shri Hriday Das, BBMB
Ms. Parmjit Kaur, BBMB
Ms. Pooja Gupta, BBMB
Ms. Hardeep Kaur, BBMB
Shri Sanjay Sidana, BBMB
Shri Anil Gautam, BBMB
Ms. Swapna Seshadri, Advocate, PSPCL, HPPC, Rajasthan Discoms
Ms. Parichita Chowdhary, Advocate, PSPCL, HPPC, Rajasthan Discoms
Shri Sushil Mathur, RRVPNL
Shri M.G.Ramachandran, Advocate

Record of Proceedings

These petitions were heard today.

2. During the hearing the representative of the petitioner submitted that both the petitions have been filed for the determination of tariff for the generation and transmission activities for the tariff period 2014-19. He further submitted that in compliance with the directions of the Commission vide ROP of the hearing dated 23.5.2017, the petitioner has filed additional information vide affidavit dated 22.6.2017.

3. The learned counsel for respondent PSPCL, HPPC and Rajasthan discoms submitted as under:

(a) Since, substantial portion of the period 2014-19 is over, the Commission may determine the tariff on a prospective date, there providing the transition period for BBMB;



- (b) Return on Equity may not also be considered in terms of the Tariff Regulations, since it is the participating States who contributed to the capital cost of BBMB;
- (c) The claim of the petitioner in respect of additional capital expenditure may be examined since major portion of the tariff period 2014-19 is also over;
- (d) Relaxation of operational norms may be granted only if the same is proved to be in public interest;
- (e) Reply filed by respondent, Rajasthan discoms may be adopted for the respondent, PSPCL.

4. Shri M.G. Ramachandran, Advocate, as friend of the court made submissions highlighting the unique features in respect of the BBMB Project and submitted that the Commission may consider the grant of the O&M expenses for the generating station and inter-State transmission assets of BBMB as per the 2014 Tariff Regulations. The Commission however, pointed out that these issues have been considered by the Commission and the Tribunal in its orders/ judgment while deciding the jurisdiction of BBMB in favour of the Central Commission.

5. The Commission after hearing the parties directed the petitioner to file additional information, on affidavit, with advance copy to the respondents, on or before 19.3.2018 on the following:

As per the books of the Beneficiary States following shall be submitted:

- (a) Beneficiary-wise, Plant-wise and asset-wise Gross Block and net Block as on 31.3.2014 and remaining useful life of the plants as on 31.3.2014;
- (b) Total amount of Loan as on 31.3.2014 as per the books of the beneficiary States along with repayment schedule and applicable rate of interest as well as the copy of the Loan Agreements.

Additional Capital Expenditure (2014-19)

- (c) Plant-wise and Asset-wise actual capital expenditure incurred during the period from 2014-15 to 2016-17 and projected additional capital expenditure for the years 2017-18 and 2018-19 with calculation of weighted average rate of depreciation as per rates and methodology prescribed under the 2014 Tariff Regulations;
- (d) Actual rate of interest on loan borrowed, if any, by the beneficiary States to fund the additional capital expenditure incurred after 1.4.2014.

6. The respondents shall file their replies on or before 27.3.2018 with advance copy to the petitioner, who shall file its rejoinder, if any, by 4.4.2018. Pleadings shall be completed by the parties within the due dates mentioned. No extension of time shall be granted for any reason whatsoever.

7. Based on the submissions of the parties, the Commission shall take a view as to whether the matter is to be listed for hearing.

By Order of the Commission

-Sd/-
(T. Rout)
Chief (Legal)

