CENTRAL ELECTRICITY REGULATORY COMMISSION NEW DELHI

Petition No. 1/TT/2019

Subject: Petition for truing up the transmission tariff for 2009-14 tariff block

and determination of transmission tariff for 2014-19 tariff block for assets under Common Scheme for 765 kV Pooling Station and Network for NR, Import by NR from ER and Common Scheme for network for WR and Import by WR from ER and from NER/SR/WR

via ER in Eastern, Northern and Western Region...

Date of Hearing: 12.9.2019

Coram : Shri P. K. Pujari, Chairperson

Dr. M.K. Iyer, Member Shri I.S. Jha, Member

Petitioner: Powergrid Corporation of India Limited

Respondents: Bihar State Power (Holding) Company Limited & 29 Others

Parties present: Shri R. B. Sharma, Advocate, BRPL, BYPL and BSP(H)CL

Shri Mohit Mugdal, Advocate, BRPL, BYPL and BSP(H)CL

Shri Ved Prakash Rastogi, PGCIL

Shri B. Dash, PGCIL Shri A. K. Verma, PGCIL Shri S.S. Raju, PGCIL

Record of Proceedings

The representative of the petitioner submitted that the instant petition is filed for truing up of transmission tariff of 2009-14 period and determination of tariff for 2014-19 period for the assets under Common Scheme for 765 kV Pooling Station and Network for NR, Import by NR from ER and Common Scheme for network for WR and Import by WR from ER and from NER/SR/WR through ER in Eastern, Northern and Western Region in terms of the Commission's 2009 Tariff Regulations and 2014 Tariff Regulations respectively. He submitted that the instant petition includes Asset-1: 765 kV, 240 MVAR Bus Reactor at Balia Sub-station; Asset-2: 765 kV Line bays at Sasaram Sub-station (for 765 kV Sasaram-Fatehpur Transmission Line under Sasan Project); Asset-3: 765 kV, 3x110 MVAR Bus Reactor along with associated bays at Sasaram Sub-station; Asset-4: 400 kV D/C (Quad) Ranchi (New)-Ranchi (Old)-I Ckt. 1 Transmission Line and associated 400 kV line bays at Ranchi (New) Sub-station and Ranchi (old) Sub-station; Asset-5: 765/400 kV, 3x500 MVA ICT-II at Ranchi along with associated bays at 765 kV Ranchi (New) Sub-station; Asset-6: Combined Asset of Asset 6 (a): 765 kV 3x80 MVAR Bus Reactor-II alongwith associated bays at Ranchi 765 kV Sub-station; Asset 6 (b): 400 kV 125 MVAR Bus Reactor-I alongwith associated bays at Ranchi 765 kV Sub-station and Asset 6 (c): 400 kV 125 MVAR Bus Reactor-II



alongwith associated bays at Ranchi 765 kV Sub-station; Asset-7: 240 MVAR Switchable Line Reactor along with associated bays at Bilaspur Pooling Station; and Asset-8: 240 MVAR Bus Reactor at Agra Sub-station whose tariff has already been approved by the Commission as per the details given in the present petition.

- 2. He submitted that in terms of Regulation 26 of 2014 Tariff Regulations they have considered effective date of commercial operation by taking into account the actual COD and capital cost of all the combined assets. He submitted that in respect of Asset-8: 240 MVAR Bus Reactor at Agra Sub-station, the Commission vide order dated 20.5.2015 in Petition No. 109/TT/2013 had directed the petitioner to reduce ₹14.89 crore towards the cost of land at Agra and make necessary adjustment thereof in the respective asset. He submitted that against Asset-8 they incurred cost of ₹3.97 crore and the same has been reduced in the present petition against the said asset. He further submitted that they have not deducted the amount as directed by the Commission in the present petition as they have filed Appeal No. 80 of 2017 against the Commission's order dated 20.5.2015 in Petition No. 109/TT/2013 before the Appellate Tribunal for Electricity wherein the judgment is awaited. He further submitted that in case of two assets where IEDC @ 5% was deducted on the hard cost, they have filed Appeal No. 104 of 2018 before the Appellate Tribunal for Electricity and Tribunal's judgment on the same is also awaited. He submitted that overall completed cost of all the assets in the present petition is within the RCE and as such there is no cost overrun.
- 3. Learned counsel for respondent, BRPL submitted that tariff of Assets-1, 3, 5, 6, 7 and 8 cannot be determined as they are not complete in terms of Regulation 4(1) of 2009 Tariff Regulations or Regulation 9(1) of 2014 Tariff Regulations read with the provisions of sub-station and transmission line as defined in the Electricity Act, 2003. He further submitted an incorrect decision or claim allowed previously by the Commission cannot be allowed in perpetuity in terms of the judgment of APTEL dated 12.5.2015 in Appeal No. 129 & batch. He also submitted that there cannot be estoppel against the law. Besides this, he referred to the submissions made in the reply regarding additional capitalization during 2014-19 and effective tax rate.
- 4. In response, the representative of the petitioner countered the submissions of BRPL and referred to its affidavit dated 30.7.2019 and submitted that they have given specific reply to each and every submission of the BRPL.
- 5. After hearing, the Commission observed that the petitioner should either comply with the Commission's order dated 20.5.2015 in Petition No. 109/TT/2013 and revise the claims made in the instant petition or keep this petition in abeyance till the appeals filed by it are decided by Appellate Tribunal for Electricity. The representative of the petitioner has, however, sought a month's time to revise the tariff form.
- 6. The Commission directed the petitioner to submit the following information on affidavit by 18.10.2019, with an advance copy to the respondents:-
 - (i) Clarify the Rates of Interest for IFC-A (Foreign Loan) has been indicated as 3.3%, 3.31% and 3.27% for Asset-2, 3 and 6 respectively in Form-13 (2009-14 period), whereas corresponding supporting documents do not clearly establish the rates considered.



- (ii) The Rates of Interest considered along with supporting documents.
- (iii) As per Regulation 2009: Revised Form-5B (Element Wise break up of Project cost for transmission System) based on RCE for all the assets.
- (iv) Revised Form-5D (Details of element wise cost of the project) based on RCE of each asset.
- (v) Form-9A "Statement of Capital Cost" for the Assets.
- (vi) Form-14 (Draw down schedule for calculation of IDC and financing charges)
- (vii)Form-14A (Actual Cash Expenditure).
- 7. The Commission further directed the petitioner to file the revised tariff forms and other information within the specified time and made it clear that no extension of time shall be granted in filing the same.
- 8. Subject to above, the Commission reserved the order in the petition.

By order of the Commission

sd/-(V. Sreenivas) Dy. Chief (Law)

