

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELH**

Review Petition No.5/RP/2018

in

Petition No. 70/TT/2017

Coram:

Shri P.K. Pujari, Chairperson

Dr. M.K. Iyer, Member

Date of Order: 23.04.2019

In the matter of

Review of Commission's order dated 21.11.2017 in Petition No. 70/TT/2017 regarding determination of transmission charges for assets viz- 765 kV line bays at Jharsuguda (Sundergarh) PS under the Transmission System Associated with Darlipalli TPS in Eastern Region.

AND

IN THE MATTER OF:

Power Grid Corporation of India Limited
Saudamini, Plot No- 2
Sector- 29, Gurgaon – 122001

...Review Petitioner

VERSUS

1. Bihar State Power (Holding) Company Ltd
(Formerly Bihar State Electricity Board -BSEB)
VidyutBhawan, Bailey Road,
Patna- 800001
2. West Bengal State Electricity Distribution Company Limited
BidyutBhawan, Bidhan Nagar,
Block DJ, Sector-II, Salt Lake City, Calcutta - 700 091
3. Grid Corporation of Orissa Ltd.
Shahid Nagar, Bhubaneswar - 751 007
4. Jharkhand State Electricity Board
In Front of Main Secretariat
Doranda, Ranchi – 834002



5. Damodar Valley Corporation
DVC Tower, Maniktala Civic Centre,
VIP Road, Calcutta - 700 054
6. Power Department Government of Sikkim,
Gangtok - 737101
7. NTPC Limited
NTPC Bhawan
Core – 7, Scope Bhawan
7, Institutional Area, Lodhi Road
New Delhi- 110003

...Respondents

Parties present:

Shri Sitesh Mukherjee, Advocate, PGCIL
Shri ShriDivyanshu Bhatt, Advocate, PGCIL
Shri ArjunAgarwal, PGCIL
Shri S.S. Raju, PGCIL
Shri AmitYadav, PGCIL
Shri R.B. Sharma, Advocate, BSP(H)CL

ORDER

The Review Petitioner, Power Grid Corporation of India Limited (hereinafter referred to as ‘the Review Petitioner’) has filed the instant Review Petition under Section 94 of the Electricity Act, 2003 (hereinafter to be referred as “the Act”) seeking review of the Commission’s order dated 21.11.2017 in Petition No. 70/TT/2017 (hereinafter referred to as ‘impugned order’). The Respondents No. 1 to 6 are distribution licensees of the Northern Region. The Respondent No 7 (hereinafter to be referred as “NTPC”) is a generating company, supplying power to distribution licensees.



2. The Review Petitioner has made the following prayers:
- a) Review and modify the Impugned Order dated 21.11.2017 passed by this Hon'ble Commission in Petition No. 70/TT/2017, in terms of the submissions set out in the present petition;
 - b) Declare that the COD of the 765 kV D/C Darlipalli TPS (NTPC)-Jharsuguda (Sundergarh) Pooling Station transmission line alongwith 02 Nos. of 765 kV line Bays at Jharsuguda (Sundergarh) PS is 26.4.2017;
 - c) Declare that the Review Petitioner is entitled to full transmission charges for the 765 kV D/C Darlipalli TPS (NTPC)-Jharsuguda (Sundergarh) Pooling Station transmission line alongwith 02 Nos. of 765 kV line Bays at Jharsuguda (Sundergarh) PS from 26.4.2017 in accordance with the provisions of the Sharing Regulations and Grid Code;
 - d) Revise the transmission tariff for the transmission line and allow the pro-rated deducted amount on account of the submissions made hereinabove for cost over-run; and
 - e) Pass such other order(s) and/or direction(s) as this Hon'ble Commission may deem just and proper in the facts and circumstances of the case.

Submissions by the Review Petitioner

3. The Review Petitioner had filed the Petition No. 70/TT/2017 seeking approval of transmission tariff for 765 kV D/C Darlipalli TPS (NTPC)-Jharsuguda (Sundergarh) Pooling Station transmission line alongwith 02 Nos. of 765 kV line Bays at Jharsuguda (Sundergarh) PS (hereinafter referred to as "instant assets") under Transmission System Associated with Darlipalli TPS in Eastern for 2014-19 tariff period under Central Electricity Regulation Commission (Terms and Conditions of Tariff) Regulations, 2014 (hereinafter referred to as 'the 2014 Tariff Regulations'). The Commission in its impugned order refused to approve the date of commissioning (COD) as 26.4.2017 for the 765 kV D/C Darlipalli TPS (NTPC)-Jharsuguda (Sundergarh) line along with 02 nos.



line bays at Jharsuguda, as it was not put under regular service on account of the non-commissioning of the associated bays at the Darlipalli end by NTPC. The Commission considered 7.6.2017 as the COD of Circuit-1 along with its associated bay at Jharsuguda (Sundergarh) end and further directed NTPC to pay Interest During Construction (IDC) and Incidental Expenses During Construction (IEDC) for the period between 26.4.2017 and 7.6.2017. As regards the COD of Circuit - 2 along with its associated bay at Jharsuguda (Sundergarh), the Commission held that the COD shall be considered only after the associated bay at the Darlipalli STPP end which is under NTPC's control and scope of work is ready. Further, the Commission also restricted the capital cost of transmission line at pro-rated cost from the FR for 20.54 kms. as against 37 km as projected in FR.

4. The Review Petitioner has sought review of the impugned order on the following aspects:

- a) Refusal to declare COD of the instant assets as 26.4.2017; and
- b) Pro-rata restriction of capital cost of Transmission Line.

5. The Review Petitioner has raised the following grounds against refusal to declaration of COD of the instant asset as 26.4.2017 :

- a) The Commission did not approve the COD for circuit-1 of the 765 kV D/C Darlipalli TPS (NTPC)-Jharsuguda (Sundergarh) along with its associated bay at Jharsuguda (Sundergarh) end and held that the same shall be considered only after the commissioning of associated bay at the Darlipalli STPP end which is



under the scope of generating station and the Review Petitioner is only entitled to claim IDC and IEDC charges for the period between 26.4.2017 and 6.6.2017 viz. the date which this Commission declared as the COD. The said findings of the Commission is contrary to the second proviso to clause (3) of Regulation 4 of the 2014 Tariff Regulations, which reads as under :

"4. Date of Commercial Operation: The date of commercial operation of a generating station or unit or block thereof or a transmission system or element thereof shall be determined as under:

Xxxx

(3) Date of commercial operation in relation to a transmission system shall mean the date declared by the transmission licensee from 0000 hour of which an element of the transmission system is in regular service after successful trial operation for transmitting electricity and communication signal from sending end to receiving end:

Xxxx

(ii) in case a transmission system or an element thereof is prevented from regular service for reasons not attributable to the transmission licensee or its supplier or its contractors but is on account of the delay in commissioning of the concerned generating station or in commissioning of the upstream or downstream transmission system, the transmission licensee shall approach the Commission through an appropriate application for approval of the date of commercial operation of such transmission system or an element thereof xxx".

b) The Review Petitioner had furnished the necessary documentation to make good its claim that all its transmission assets were ready. The Commission did not consider the COD of both the circuits of 765 kV D/C transmission line along with their respective bays at Jharsuguda (Sundergarh) Pooling station, even though both the said circuits had completed their run on "No load" successfully on



26.4.2017. However, due to non-commissioning of associated bays at Daripalli TPS end, which is under the scope of NTPC, power flow on both the circuits got delayed. Accordingly, the Review Petitioner is claiming the COD of both the circuits as 26.4.2017 under second proviso to clause (3) of Regulation 4 the Tariff Regulations, 2014.

c) The Commission did not consider the COD of the instant asset from 26.4.2017 despite having a specific finding that the Review Petitioner had duly furnished the CMD certificate indicating that the transmission line is capable of operation up to its full capacity, which has been clearly recognized as a key piece of documentary evidence under clause (vi) of Regulation 4 of the CERC (Indian Electricity Grid Code) Regulations, 2010 (hereinafter referred to as the 'Grid Code').

6. The Review Petitioner, with regard to pro rata restriction of capital cost of the transmission line, has submitted as under :

a) The pro-rata deduction in the capital cost of the transmission line operates on the erroneous premise that the cost incurred on the construction of transmission lines remains constant and homogeneous. However, during implementation, the cost of the transmission line varies on the basis of terrain and actual tonnage used in erecting towers etc. The average price can be considered only during the project estimation and not in actual implementation or tariff determination. As a result, this Commission has been vested with the power to adjudicate and deduct expenditures on a case-by-case basis after ascertaining the prudence of the same



and to determine tariff thereafter. Therefore, the restriction of cost based on a thumb-rule of average cost per kilometre is erroneous being without any legal basis.

b) A bare perusal of Form-5 of the tariff petition submitted by the Review Petitioner in Petition No. 70/TT/2017 makes it clear that the cost over run on account of pro-rata calculations is primarily on account of cost variations in FR and actuals. The projected cost per MT of Tower steel in the PR was Rs. 0.711 NIT, whereas the actual cost at the time of placement of award was Rs. 0.841 MT. Similarly, length of conductor per km was projected at Rs. 2.381 per km, which was actually procured at the rate of Rs. 2.74 per km. Therefore, there was a significant variation in cost of earth wire from the projected to actual.

c) While projecting the costs in the FR, the Review Petitioner relies on previous bids to prepare estimated completion cost of transmission projects. However, the actual procurement is made through a transparent process of open competitive bidding, wherein bids are placed by interested suppliers and contractors and the lowest bidder who matches the requirements of the bid is selected through bid opening and subsequently awarded the contract(s). Therefore, it is not always necessary that the actual contracts are awarded on the projected costs. It is for such uncontrollable reasons that the Review Petitioner undertakes to prepare a revised and final cost estimate to arrive at the actual spending.



Submission by Respondents

7. The Respondent No. 1 i.e. Bihar State Power (Holding) Company vide its affidavit dated 12.6.2018 has mainly submitted as under :

a) The RLDC certificate is of no consequence as it clearly states that charging is on 'No Load' basis which means that certificate does not comply with the provisions of the trial run and trial operation as mentioned in clause (2) of Regulation 5 of the 2014 Tariff Regulations.

b) The CMD certificate filed by the Review Petitioner is in complete disregard to the statutory function on the subject.

c) The Review Petitioner is merely trying to re-argue his case, which is not permissible.

d) The pro- rata restriction of capital cost of the Transmission Line has been done on account of decrease in length from 37 km as considered in Investment Approval compared to 20.54 km in actual terms. Therefore, there is no apparent error on the face of record as the entire O &M norms for AC and HVDC lines are on per km basis.

8. The Respondent No. 7 i.e. NTPC vide its affidavit has mainly submitted as under:

a) As per the second proviso to clause (3) of Regulation 4 of the 2014 Tariff Regulations, the transmission line at first should be ready for regular



service for its commercial operation and then if the COD is delayed on account of any reason not attributable to transmission licensee the COD will be decided by the Commission.

b) Since IDC and IEDC has been allowed by the Commission for Circuit-1 from the period 26.4.2017 to 6.6.2017, there is no error apparent on the face of the record in the order dated 21.11.2017 passed by this Commission. The impugned order has been passed in accordance with the 2014 Tariff Regulations.

c) The Hon'ble Appellate Tribunal in its judgement dated 2.7.2012 in Appeal No. 123/2011 and the Commission's order dated 5.10.2017 in Petition No. 203/TT/2016 make it clear that the transmission line can be commercialized only if it is ready at both the ends, even if, the other end work is not within the scope of transmission licensee.

d) The Review Petitioner must have done its proper study of costs and terrain before making estimate for investment approval, even if there were some surprise during the execution, the same needs to be examined by the Commission at the time of true up as per the liberty granted by the Commission by its order dated 21.11.2017.

Analysis & Decision

9. We have considered the submissions made by the Review Petitioner and Respondents. Following issues have arisen for our consideration, which have been dealt in succeeding paragraphs:



(A) Consideration of COD of the instant assets as 26.4.2017 and full transmission charges to be borne by NTPC:

10. The Commission vide impugned order dated 21.11.2017 has approved COD of Ckt-1 of the instant assets as 7.6.2017, instead of the claimed COD as 26.4.2017 and has directed reimbursement of only IDC & IEDC for period 26.4.2017 to 7.6.2017 from NTPC for Ckt-1. The relevant extract of the said order is described below:

“15. We are of the view that the COD of the 765 kV Sundergarh-NTPC Darlipalli line alongwith line bays at Jharsuguda cannot be considered as 26.4.2017 as it was not put to regular service from the said date because of non-commissioning of the associated bays at Darlipalli end under the scope of NTPC. Only Circuit-I of the instant transmission line was put to regular service from 7.6.2017 i.e date on which the associated bay at Darlipalli end was commissioned. Accordingly, the COD of the Circuit-I, along with one bay associated with Circuit-I at Jharsuguda (Sundergarh), has been considered as 7.6.2017. However, considering the fact that the petitioner has completed its scope of work with respect to Circuit-I along with one bay at Jharsuguda (Sundergarh) by 26.4.2017, the IDC and IEDC from 26.4.2017 till 6.6.2017 shall be borne by NTPC. The COD of the Circuit 2 along with the associated bay at Jharsuguda (Sundergarh) shall be considered only after the commissioning of associated bay at the Darlipalli STPP end which is under the scope of NTPC. Accordingly, tariff is allowed for Circuit 1 of the 765 kV D/C Darlipalli TPS (NTPC)-Jharsuguda (Sundergarh) Pooling Station transmission line alongwith one 765 kV line Bays at Jharsuguda (Sundergarh) Pooling Station.”

11. The Commission vide the impugned order did not grant the COD of Ckt-2 of the instant assets as 26.4.2017, which had successfully completed its trial run on No Load condition on 26.4.2017. The relevant extract of the said order is described below:

“14. An element of transmission system can be declared as having attained commercial operation only if it has been charged successfully, after successful trial operation and is in regular service. In the instant case the petitioner has submitted the RLDC charging certificate dated 31.5.2017 on “no load condition”, the certificate from CEA dated 20.4.2017 and its CMD’s certificate in support of its claim for COD. As per RLDC charging certificate dated 31.5.2017, 765 kV Sundergarh-NTPC Darlipalli was antitheft charged for full length of line upto gantry of NTPC Darlipalli and successfully completed trial run for ckt 1 and ckt 2 on 24.4.2017. Due to non-



commissioning of associated bays at the Darlipalli end under the scope of NTPC, the instant assets were charged on “no load condition”. Circuit 1 of the instant transmission line was put into regular service on 7.6.2017 when the bay corresponding to Circuit 1 was put into regular service by NTPC on 7.6.2017 and Circuit 2 is yet to be put into regular service for want of the corresponding bays at Darlipalli STPP under the scope of NTPC.”

12. The Review Petitioner has filed the instant Review Petition claiming COD of the instant assets as 26.4.2017 for both the circuits of 765 kV D/C Darlipalli TPS (NTPC) - Jharsuguda (Sundergarh) line under second proviso of Clause (3) of Regulation 4 of the 2014 Tariff Regulations. Review Petitioner has submitted that it was not able to commission the instant assets i.e. 765 kV D/C transmission line along with its bays at Jharsuguda (Sundergarh) PS, due to non-commissioning of the associated 765 kV bay at Daripalli TPS, which was under the scope of NTPC. Accordingly, the Review Petitioner submits that it was not its failure for delay in the commissioning of the instant assets but was that of NTPC. The said second proviso of Regulation 4(3) of the 2014 Tariff Regulations is extracted below:

“4. Date of Commercial Operation:

The date of commercial operation of a generating station or unit or block thereof or a transmission system or element thereof shall be determined as under:
xxxxxxxxx

(3) Date of commercial operation in relation to a transmission system shall mean the date declared by the transmission licensee from 0000 hour of which an element of the transmission system is in regular service after successful trial operation for transmitting electricity and communication signal from sending end to receiving end:

Provided that:



(i) where the transmission line or substation is dedicated for evacuation of power from a particular generating station, the generating company and transmission licensee shall endeavour to commission the generating station and the transmission system simultaneously as far as practicable and shall ensure the same through appropriate Implementation Agreement in accordance with Regulation 12(2) of these Regulations:

(ii) in case a transmission system or an element thereof is prevented from regular service for reasons not attributable to the transmission licensee or its supplier or its contractors but is on account of the delay in commissioning of the concerned generating station or in commissioning of the upstream or downstream transmission system, the transmission licensee shall approach the Commission through an appropriate application for approval of the date of commercial operation of such transmission system or an element thereof.”

13. The Review Petitioner and NTPC had signed an Indemnification Agreement dated 15.03.2002. Vide Annexure-XVII to the said agreement dated 19.02.2014, the NTPC had requested PGCIL to expedite the commissioning of the 765 kV D/C Darlipalli TPS (NTPC) - Jharsuguda (Sundergarh) line along with its bays at Jharsuguda (Sundergarh) end, to provide start-up power for NTPC's thermal power station at Darlipalli end. Also, NTPC had agreed to bear transmission charges of the said line along with its associated bays from March, 2016 or actual date of commissioning of the said line & bays, whichever is later, till commissioning of 1st generating unit of NTPC. The relevant extract from the Indemnification Agreement dated 19.02.2014 is reproduced below:

“4. NTPC has requested that start-up power shall be required by March, 2016 through Darlipalli TPS (NTPC)-Jharsuguda(Sundergarh) Pooling station 765 kV D/c line. In this regard, POWERGRID has agreed to make its best efforts to expedite implementation of Darlipalli TPS (NTPC)-Jharsuguda (Sundergarh) Pooling Station 765 kV D/c line and its associated bays by March, 2016.

5. NTPC has agreed to bear transmission charges as determined by CERC for Darlipalli TPS (NTPC)-Jharsuguda (Sundergarh) Pooling Station 765 kV D/C line and its associated bays from March, 2016 or actual date of commissioning of said line and bays, whichever is later, till commissioning of 1st generating unit.



6. This shall form an integral part of the Agreement for Indemnification dated 15.03.2002.”

14. On 31.3.2017, the NTPC informed the Review Petitioner, about requirement of start-up power for commissioning of its Unit-1 auxiliary equipment through the 765 kV D/C Darlipalli TPS (NTPC) - Jharsuguda (Sundergarh) line. Further, NTPC also gave the tentative schedule of power requirement starting from the test charging of 765 kV Bus-2 on 24.4.2017.. It is evident that the Review Petitioner had preponed the commissioning of the transmission line based on request of NTPC and based upon commitment of NTPC to pay the transmission charges.

15. The Review Petitioner had also completed the works related to erection and commissioning of PLCC equipment at Jharsuguda (Sundergarh) on 24.4.2017 and charged the instant assets i.e. 765 kV D/C Darlipalli TPS (NTPC) - Jharsuguda (Sundergarh) line along with its bays at Jharsuguda (Sundergarh) end on 'No Load' condition. However, there was delay in installation of PLCC equipment at Darlipalli on account of non completion of bays by NTPC. The Commission in impugned order has considered the same. Relevant para is extracted below:

“12. The petitioner in its rejoinder has submitted that PLCC at Jharsuguda (Sundergarh) Sub-station was installed on 24.4.2017. However, there was delay in installing PLCC at Darlipalli end as essential under the scope of NTPC were not completed. The petitioner has submitted that it completed all the works (including PLCC installation at Jharsuguda (Sundergarh) Sub-station) by 24.4.2017 in its scope except PLCC work at Darlipalli TPS end due to nonreadiness of works in the scope of NTPC. The petitioner has submitted that for installation and commissioning of PLCC, the transmission line should be ready and the terminal equipment i.e. CVT should be connected with transmission Line at both ends. PLCC panels were installed in Switchyard Panel



Room (KIOSK) and also cable trench for laying of HF cable from CVT to PLCC Panel in KIOSK should also be ready. The petitioner has submitted that the petitioner requested NTPC through mail dated 17.3.2017, 27.3.2017, 10.5.2017 and 9.5.2017 to expedite the work at Darlipalli end to complete the PLCC work. The petitioner has completed all its scope and PLCC alongwith OPGW cable network at the petitioner's end. However, the petitioner was not able to charge the line due to non-readiness of bays at Darlipalli TPS on 26.4.2017. Accordingly, the petitioner prayed for approval of the COD under the second proviso of Regulation 4(3) of the 2014 Tariff Regulations.”

16. The Review Petitioner had test charged both the circuits of the instant line i.e. 765 kV D/C Darlipalli TPS (NTPC) - Jharsuguda (Sundergarh) line along with its bays at Jharsuguda (Sundergarh) on 'No Load' condition on 24.4.2017, but could not declare COD due to delay in the commissioning of associated 765 kV bays at Darlipalli TPS (NTPC), which was under the scope of NTPC. Relevant para of our Order dated 21.11.2017 in petition no. 70/TT/2017 is extracted below:

“14. XXXXXXXXXXXXX

In the instant case the petitioner has submitted the RLDC charging certificate dated 31.5.2017 on “no load condition”, the certificate from CEA dated 20.4.2017 and its CMD's certificate in support of its claim for COD. As per RLDC charging certificate dated 31.5.2017, 765 kV Sundergarh-NTPC Darlipalli was antitheft charged for full length of line upto gantry of NTPC Darlipalli and successfully completed trial run for ckt 1 and ckt 2 on 24.4.2017. Due to non-commissioning of associated bays at the Darlipalli end under the scope of NTPC, the instant assets were charged on “no load condition”. Circuit 1 of the instant transmission line was put into regular service on 7.6.2017 when the bay corresponding to Circuit 1 was put into regular service by NTPC on 7.6.2017 and Circuit 2 is yet to be put into regular service for want of the corresponding bays at Darlipalli STPP under the scope of NTPC.

17. In light of the above discussion, it appears that while disallowing the claim of COD of the Review petitioner, the Commission was guided by the issue of non commissioning of PLCC & CVT at Daripalli end. But it is a fact that the early



commissioning of transmission line, including PLCC & CVT, was undertaken by the Review Petitioner on the express request and commitment to pay the transmission charges by the NTPC under the Indemnification Agreement (IA) dated 19.2.2014. Therefore, the non-commissioning of PLCC & CVT is to be seen in context of primary obligations laid down under the IA. Therefore, there is a merit in the case of the Review Petitioner and non consideration of transmission charges as per Indemnification Agreement is an error apparent on record.

18. After perusal of the provisions of IA and the letter dated 31.3.2017 reaffirming the obligations of the NTPC under IA, we are of the view that the Review Petitioner has completed the work covered under the scope as evidenced from the “No Load Certificate” and “CMD Certificate”. The Review petitioner was prevented to declared COD on account of the delay in commissioning of bays at Daripalli end by the NTPC. Accordingly, the COD of the instant assets i.e. 765 kV D/C Darlipalli TPS (NTPC) - Jharsuguda (Sundergarh) line along with its bays at Jharsuguda (Sundergarh) is approved as 26.4.2017 under second proviso of Regulation 4(3) of the 2014 Tariff Regulations.

19. As per the Indemnification Agreement dated 19.2.2014, the NTPC has obligations to pay the transmission charges of the instant assets till the declaration of commercial operation of its 1st generating unit. After declaration of COD of the 1st generating unit of NTPC, the transmission charges of the instant assets shall be in accordance with Regulation 43 of the 2014 Tariff Regulations and shall be shared by the beneficiaries and long term transmission customers in terms of the 2010 Sharing Regulations.



(B) Pro- rata restriction in the capital cost of the instant asset due to reduction in the line length by the Review Petitioner from 37 Km to 20.54 Km.

20. Now, we proceed to consider on the second issue i.e. pro-rata reduction in the capital cost of the instant asset due to reduction in the line length by the Review Petitioner from 37 Kms to 20.54 Kms.

21. The Commission in its impugned order restricted the capital cost of transmission line at pro-rated cost for 20.54 kms from the FR for 37 kms. The Commission, in its impugned order, had directed the Review Petitioner to submit the actual capital cost details of the instant asset at the time of true- up based on which the tariff would be reviewed at that time. The relevant portions of the impugned order is reproduced below:

“19. We have considered the submission of the petitioner regarding capital cost. It is observed that the investment approval was for line length of 37 km but the actual line length is reduced to 20.54 km. The approved apportioned cost of the instant asset is `18704.00 lakh which is inclusive of `16234.65 lakh and `2469.35 lakh of transmission line and sub-station cost respectively. Thus, the apportioned approved cost of 37 km of transmission line is `16234.65 lakh. Accordingly, the apportioned approved cost for 20.54 km of transmission line works out to `9012.43 lakh on pro-rata basis. Against this, the petitioner has incurred `9961.50 lakh on construction of transmission line as per Auditor certificate dated 22.6.2017. Accordingly, there is cost over-run of `949.07 lakh in construction of 20.54 km of transmission line. The petitioner has not explained this increase in the cost of the transmission line. Accordingly, the cost of 20.54 km of the instant transmission line is restricted to `9012.43 lakh. The capital cost allowed for the instant transmission will be reviewed at the time of truing up on submission of the reasons for increase in the cost of per km cost of the instant transmission line.

20. The capital cost of Circuit-I is considered as 50% of the claimed capital cost of the said line for the purpose of computation of tariff. Since separate capital cost for one circuit is not available, the petitioner is directed to submit the actual details at the time of truing up.”

22. In the impugned order, the Commission has observed that the capital cost allowed for the instant transmission assets will be reviewed at the time of truing up on submission of the reasons for increase in per km cost of the instant transmission line. Therefore, we are not inclined to interfere with the capital cost of the instant asset at this stage, as the same would be dealt at the stage of true up.

23. The Review Petition No. 5/RP/2018 is disposed of in terms of the above.

**Sd/-
(Dr. M. K. Iyer)
Member**

**Sd/-
(P.K. Pujari)
Chairperson**

