

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 165/TT/2020

Subject : Petition for truing up of transmission tariff of 2014-19 period and determination of transmission tariff of 2019-24 period for 4 assets under "Northern Region System Strengthening Scheme-XIV (NRSS-XIV)" in Northern Region.

Date of Hearing : 9.6.2020

Coram : Shri P.K. Pujari, Chairperson
Shri I. S. Jha, Member
Shri Arun Goyal, Member

Petitioner : Power Grid Corporation of India Limited

Respondents : Rajasthan Rajya Vidyut Prasaran Nigam Limited
& 16 Others

Parties present : Shri R.B. Sharma, Advocate, BRPL
Shri A.K. Verma, PGCIL
Shri B. Dash, PGCIL
Shri V.P. Rastogi, PGCIL

Record of Proceedings

The matter was heard through video conferencing.

2. The representative of the Petitioner submitted that the instant petition is filed for truing up of tariff of the 2014-19 period and determination of tariff of the 2019-24 period for Asset 1: LILO of Nalagarh-Kaithal Line at Patiala along with associated bays, Asset 2: 400/220 KV 500 MVA ICT-III at Patiala Sub-station, Asset 3: 400 KV 125 MVAR Bus Reactor at Patiala Sub-station along with associated bays at Patiala Sub-station and Asset 4: 400/220 KV 500 MVA ICT-III at Malerkotla Sub-station under "Northern Region System Strengthening Scheme-XIV (NRSS-XIV)" in Northern Region. He submitted that all the instant assets were put into commercial operation during the 2009-14 tariff period.

3. The representative of the Petitioner submitted that tariff of the aforesaid assets for the 2014-19 tariff period was determined vide order dated 29.2.2016 in Petition No. 565/TT/2014. He submitted that the Commission vide order dated 29.2.2016 allowed the capital cost as on 31.3.2014 as ₹8451.19 lakh and ₹25 lakh as add-cap for the 2014-19 tariff period. He submitted that the capital cost claimed in the true up petition



as on 31.3.2014 is ₹8451.19 lakh and add-cap claimed during the 2014-19 period is ₹25 lakh . Thus, there is no variation in the capital cost and add-cap as allowed by the Commission vide order dated 29.2.2016 and as claimed in the instant petition. He further submitted that they have filed rejoinder to the reply of BRPL and UPPCL vide affidavit dated 5.6.2020. He prayed that the tariff as claimed may be allowed.

4. The learned counsel for BRPL submitted that he has made elaborate submissions in the reply filed vide affidavit dated 12.3.2020 on the issues of deferred tax liabilities and effective tax rate during the 2014-19 period and the same may be taken into consideration. He submitted that the effective tax rate claimed by the Petitioner in Form 3 is Nil for the entire 2014-19 tariff period which is contrary to the averments made in the petition that the tax rate considered for the period 2014-15 and 2015-16 is based on assessment orders issued by Income Tax Authorities for the purpose of grossing up of RoE, the effective tax rate for the period 2016-17 and 2017-18 is based on Income Tax Returns filed and for the period 2018-19 pending filing the Income Tax Returns, the effective tax is calculated on MAT. He, however, submitted that the Petitioner should not be allowed to gross up the RoE by effective tax rate.

5. The representative of the Petitioner submitted that they have filed rejoinder to the reply of BRPL vide affidavit dated 5.6.2020 wherein the issues raised by BRPL have been addressed.

6. After hearing the parties, the Commission reserved order in the matter.

By order of the Commission

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

