

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 260/MP/2020

Subject : Petition under Regulation 35(3)(c) of the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2019 for approval and recovery of security expenses from 1.4.2019 to 31.3.2024, as detailed in the Petition.

Date of Hearing : 6.8.2020

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

Petitioner : Power Grid Corporation of India Limited (PGCIL)

Respondents : Delhi Transco Limited and 52 Ors.

Parties present : Ms. Ranjitha Ramachandran, Advocate, PGCIL
Shri Shubham Arya, Advocate, PGCIL
Shri S. Vallinayagam, Advocate, TANGEDCO
Shri S. S. Raju, PGCIL
Shri C.S. Gupta, PGCIL
Dr. R. Kathiravan, TANGEDCO
Shri R. Ramalakshmi, TANGEDCO

Record of Proceedings

The matter was heard through video conferencing.

2. Learned counsel for the Petitioner submitted that the instant Petition has been filed, *inter-alia*, for approval and recovery of the security expenses already incurred or to be incurred in relation to the Petitioner's transmission systems during the period from 1.4.2019 to 31.3.2024. Learned counsel submitted that the Petitioner has estimated the security expenses for the control period based on the actual costs incurred for the year 2018-19 and has escalated for five years as per the escalation rates for O & M expenses provided in the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2019 (in short, '2019 Tariff Regulations'). Learned counsel requested to issue notice to the Respondents.

3. Learned counsel for the Petitioner further submitted that in 2019 Tariff Regulations, security expenses incurred/to be incurred by the transmission licensees have been excluded from the norms of O&M expenses and provided to be allowed separately after the prudence check. Accordingly, the Petitioner has not claimed the security expenses in the tariff Petitions filed/being filed for the tariff block 2019-24 and



are claiming such expenses separately on consolidated basis through the present Petition.

4. Learned counsel for the Respondent, Tamil Nadu Generation and Distribution Corporation Limited (TANGEDCO) accepted the notice and requested four weeks' time to file reply to the Petition.

5. After hearing the learned counsels for the Petitioner and the Respondent, TANGEDCO, the Commission admitted the Petition and directed to issue notice to the Respondents.

6. The Commission directed the Petitioner to serve copy of the Petition on the Respondents immediately, if not already served. The Respondents were directed to file their reply by 28.8.2020 with advance copy to the Petitioner who may file its rejoinder, if any, by 18.9.2020.

7. The Commission further directed the Petitioner to file the following information/details on affidavit by 28.8.2020:

(a) Details of general security expenses, which are shared (paid to/received from) by the Petitioner with any other entities or organisations like subsidiary or SPV companies, generating companies, NLDC/RLDCs and RPCs, etc. for the common shared facilities at sub-stations or office establishments; and

(b) Details of CISF security expenses, which are shared (paid to/received from) by the Petitioner with any other entities or organisations like subsidiary or SPV companies, generating companies, NLDC/RLDCs and RPCs, etc. for the common shared facilities at sub-stations or office establishments.

8. The due date of filing of reply, rejoinder and information should be strictly complied with.

9. The Petition shall be listed for hearing in due course for which separate notice will be issued.

By order of the Commission

**Sd/-
(T.D. Pant)
Deputy Chief (Law)**

