

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 51/TT/2020

Subject : Petition for truing up of transmission tariff of the 2014-19 period and determination of transmission tariff of the 2019-24 period for assets associated with “Inter-Regional system strengthening scheme for Western Region and Northern Region (Part-A)”.

Date of Hearing : 24.8.2020

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

Petitioner : Power Grid Corporation of India Limited

Respondents : Madhya Pradesh Power Management Company Ltd.
& 10 Others

Parties present : Shri S.S. Raju, PGCIL
Shri Ved Prakash Rastogi, PGCIL

Record of Proceedings

The matter was heard through video conference.

2. The representative of the Petitioner submitted that the instant petition is filed for truing up of the transmission tariff allowed for the period from COD to 31.3.2019 of the 2014-19 tariff period and determination of tariff of the 2019-24 tariff period in respect of following assets:

Asset-I: 765 kV D/C Solapur–Aurangabad Transmission Line along with 2 x 240 MVAR Switchable Line Reactor with associated bays at Solapur Sub-station and

Asset-II: 2 x 240 MVAR Switchable Line Reactor along with associated bays at Aurangabad Sub-station associated with “Inter-Regional system strengthening scheme for Western Region and Northern Region (Part-A)”.

The instant Assets-I and II were put into commercial operation on 7.10.2015 and 25.8.2017 respectively. Tariff for Assets-I and II for the period from COD to 31.3.2019 was allowed vide order dated 30.5.2016 in Petition No. 248/TT/2015 and vide order dated 8.10.2018 in Petition No. 103/TT/2018 respectively. He submitted that though the Commission vide order dated 30.5.2016 in Petition No. 248/TT/2015 did not allow additional RoE of 0.5% for Asset-I, the same was allowed vide order dated 27.10.2016



in the Review Petition No. 49/RP/2016. Accordingly, the Petitioner has now claimed the additional RoE of 0.5% in the instant petition. He further submitted that time over-run of 10 months and 2 days in case of Asset-II was disallowed by the Commission vide order dated 8.10.2018 in Petition No. 103/TT/2018 and as such, the Petitioner has deducted IDC and IEDC for the period of time over-run with regard to Asset-II. He submitted that the cut-off dates for Assets-I and II were 31.3.2018 and 31.3.2020 respectively. For Asset-1, the Additional Capital Expenditure (ACE) incurred during 2015-16, 2016-17 and 2017-18 is within the cut-off date, while ACE incurred during 2018-19 is beyond the cut-off date (31.3.2018). For Asset-II, the entire ACE is within the cut-off date (31.3.2020).

3. The representative of the Petitioner submitted that reply to the Technical Validation letter has been filed by the Petitioner wherein details of IDC statement, details of spares and Form-5 etc. have been submitted. Further, the Petitioner has submitted the rejoinder to the reply of MPPMCL.

4. The Commission directed the Petitioner to submit the following information, on affidavit, by 14.9.2020 with an advance copy to the Respondents:-

- i. Asset names of both the assets in the instant petition do not match with the element description given in the tariff forms. Clarify the same.
- ii. Legible copy of the Auditor's certificate showing element wise cost of Asset-I.
- iii. For Asset-I, undischarged IDC of ₹1001.06 lakh is not claimed separately in Form 7 and is included in the value of ACE to the extent of unexecuted work. Submit justification for the same.
- iv. Whether the ACE claimed for the year 2019-20 is within the original scope of work? If so, provide details of the same.
- v. O&M Expenses claimed for Asset-I are not as per norms of the 2014-19 Tariff Regulations. Provide justification for the same.
- vi. Base rate for ROE in Form 8 is 15.5% and it does not include additional ROE of 0.5% which was allowed vide order dated 27.10.2016 in Review Petition No. 49/RP/2016 in Petition No. 248/TT/2015.

5. The Commission directed the Petitioner to submit the above information within timeline mentioned above and observed that no extension of time shall be entertained.

6. Subject to above, the Commission reserved the order in the matter.

By order of the Commission

Sd/
(V. Sreenivas)
Deputy Chief (Law)

