

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No.182/MP/2017

Subject : Petition for revision in tariff under Section 79 (1) (c) of the Electricity Act, 2003 read with Regulations 92 & 94 of the Central Electricity Regulatory Commission (conduct of Business) Regulations, 1999 in the matter of Transmission Tariff of 500 MVA, 400/220 kV ICT II at Moga (COD: 1.3.2014) under Augmentation of transformation capacity in Northern Region-Part A in Northern Region for tariff block 2009-14.

Petitioner : Power Grid Corporation of India Limited

Respondents : Himachal Pradesh State Electricity Board Limited and Others

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Petitioner : Power grid Corporation of India Limited

Respondents : Himachal Pradesh State Electricity Board Limited and Others

Date of hearing : 6.3.2018

Coram : Shri P. K. Pujari, Chairperson
Shri A. K. Singhal, Member
Shri A. S. Bakshi, Member
Dr. M. K. Iyer, Member

Parties Present : Ms. Swapna Seshadri, Advocate, PGCIL
Ms. Rhea Luthra, Advocate, PGCIL
Ms. Parichita Chowdhary, Advocate, PGCIL
Shri P. P. Padhi, PGCIL
Shri S.K. Venkateshan, PGCIL

Record of Proceedings

Learned counsel for the Petitioner submitted that present petitions have been filed for seeking revision in transmission tariff for 500 MVA, 400/220 kV ICT II at Moga and for 500 MVA, 400/220 kV ICT at Moga under augmentation of transformation

capacity in Northern Region-Part A in Northern Region for tariff block 2009-14. Learned counsel further submitted as under:

a) The Petitioner had filed the Petition No. 26/TT/2014 before the Commission for determination of transmission tariff of 500 MVA, 400/220 kV ICT II at Moga under augmentation of transformation capacity in Northern Region-Part A. The Commission vide order dated 27.11.2015 held that as per proviso to Regulation 7(1) of Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2009, the assets forming part of the project, but not in use should be taken out of the capital cost. Therefore, the cost of the existing 250 MVA ICTs at Moga sub-station which is being replaced has to be de-capitalized by reducing the net value of replaced asset from the capital cost of new asset.

b) Aggrieved by the Commission's order dated 27.11.2015, the Petitioner filed Appeal No. 47 of 2016 before Appellate Tribunal for Electricity (APTEL). Subsequently, the Commission by its orders dated 22.8.2016 and 17.12.2015 in Petitions No. 69/TT/2016 and 232/TT/2015 respectively had accepted the principle that since the costs of old assets have not been fully recovered and the petitioner has had to replace the said assets due to the demand from the beneficiaries, the petitioner will continue to get the recovery of the original capital cost. Since, the view taken by the Commission was in favour of the Petitioner, the Petitioner withdrew the appeal filed in APTEL and filed the present petition for seeking revision in tariff.

c) Learned counsel relied upon the judgment of the Hon'ble Supreme Court in the case of Uttar Pradesh Power Corporation Limited versus NTPC Limited [(2009) 6 SCC 235] and submitted that revision of tariff is different from the review of tariff order. Further, Regulation 92 of Central Electricity Regulatory Commission (Conduct of Business) Regulations, 1999 provides for revision of tariff. Regulations 92 and 94 do not restrict the power of the Commission to make addition or alteration in tariff. Making of a tariff is a continuous process. It can be amended or altered by the Commission, if any occasion arises therefor. The said power can be exercised not only on an application filed by the generating companies but by the Commission also on its own motion.

d) Learned counsel requested the Commission to admit the petition and to allow the transmission tariff as per the original petition in which the old ICT of 250 MVA at Moga was not de-capitalized and used as spare ICT.

2. After hearing the learned counsel for the Petitioner, the Commission reserved the order on admissibility of the petition.

By order of the Commission

Sd/-
T. Rout
Chief (Law)