

CENTRAL ELECTRICITY REGULATORY COMMISSION

NEW DELHI

Petition No.105/TT/2018

Coram :

Shri P.K. Pujari, Chairperson

Dr. M. K. Iyer, Member

Shri I.S. Jha, Member

Date of Order: 21st November, 2019

In the matter of

Approval under Regulation-86 of CERC (Conduct of Business) Regulations, 1999 and CERC (Terms and Conditions of Tariff) Regulations, 2014 for determination of Transmission tariff from DOCO to 31.3.2019 for **Asset I:** Combined assets of (a) 400 KV D/C Sasaram - Daltonganj Transmission Line alongwith 2 x 50 MVAR Line Reactors at Daltonganj Sub-station; (b) 400 /220 KV, 315 MVA ICT -I alongwith bays at Daltonganj Sub-station; (c) 400 KV 80 MVAR BR at Daltonganj Sub-station; & (d) 400 /220 KV, 315 MVA ICT -II alongwith bays at Daltonganj Sub-station; **Asset II:** 04 Nos. 220 KV Bays at Daltonganj Sub-station; **Asset III:** Provision of Circuit Breakers for making line reactors at Biharshariff Sub-station switchable; **Asset IV:** 01 No. 80 MVAR Bus Reactor At Duburi Sub station; **Asset V:** LILO of 2nd Ckt. of 400kV D/C Jamshedpur-Rourkela TL at Chaibasa S/s (non-bussed at Chaibasa); and **Asset VI:** 01 No. 500MVA, 3 phase 400/220kV, Transformer (2nd) and associated bays at Pandiabilli substation under "Eastern Region Strengthening Scheme-III (ERSS-III)" in Eastern Region.

And in the matter of

Power Grid Corporation of India Limited

"Saudamini", Plot No.2,

Sector-29, Gurgaon -122 001

....Petitioner

Versus

1. Bihar State Power (Holding) Company Ltd.
Vidyut Bhavan, Bailey Road,
Patna – 800 001



2. West Bengal State Electricity Distribution Company Limited
Bidyut Bhawan, Bidhan Nagar Block DJ, Sector-II,
Salt Lakecity Kolkatta - 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, Kolkatta - 700 054
6. Power Department,
Government of Sikkim, Gangtok - 737 101
7. Jharkhand Urja Sancharan Nigam Limited (JUSNL)
Engineering Building, H.E.C., Dhurwa,
Ranchi-834004 (Jharkhand)

...Respondents

Parties present:

For Petitioner: Shri S.K.Venkatesan, PGCIL
Shri S. S. Raju, PGCIL
Shri, S.K.Niranjan, PGCIL
Shri Amit Yadav, PGCIL

For Respondent: Shri R. B. Sharma, Advocate, BSP(H)CL
Shri Mohit Mudgal, Advocate, BSP(H)CL

ORDER

The present petition has been filed by the Petitioner, Power Grid Corporation of India Ltd. ("PGCIL") seeking approval of transmission tariff for transmission assets of "Eastern Region Strengthening Scheme-III (ERSS-III)" in Eastern Region (hereinafter referred as "transmission asset") for 2014-19 tariff period under Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2014 (hereinafter referred to as "the 2014 Tariff Regulations").

2. The Petitioner has made the following prayers:

- (i) *Approve the Transmission Tariff for the tariff block 2014-19 for the assets covered under this petition.*



- (ii) *Admit the capital cost as claimed in the petition and approve the additional capitalization projected to be incurred.*
- (iii) *Allow the Petitioner to approach Commission for suitable revision in the norms for O&M expenditure for claiming the impact of wage hike, if any, during tariff period 2014-19.*
- (iv) *Allow the Petitioner to recover the shortfall or refund the excess Annual Fixed Charges, on account of Return on Equity due to change in applicable Minimum Alternate/Corporate Income Tax rate as per the Income Tax Act, 1961 (as amended from time to time) of the respective financial year directly without making any application before the Commission as provided under clause 25 of the Tariff regulations 2014.*
- (v) *Approve the reimbursement of expenditure by the beneficiaries towards petition filing fee, and expenditure on publishing of notices in newspapers in terms of Regulation 52 Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2014, and other expenditure (if any) in relation to the filing of petition.*
- (vi) *Allow the Petitioner to bill and recover Licensee fee and RLDC fees and charges, separately from the respondents in terms of Regulation 52 Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2014.*
- (vii) *Allow the Petitioner to bill and adjust impact on Interest on Loan due to change in Interest rate on account of floating rate of interest applicable during 2014-19 period, if any, from the respondents.*
- (viii) *Allow the Petitioner to bill and recover GST on Transmission charges separately from the respondents, if GST on Transmission of electricity is withdrawn from the exempted (negative) list at any time in future. Further any taxes and duties including cess, etc. imposed by any Statutory/Govt./Municipal Authorities shall be allowed to be recovered from the beneficiaries.*
- (ix) *Allow tariff up to 90% of the Annual Fixed Charges in accordance with clause 7 (i) of Regulation 7 Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2014 for purpose of inclusion in the PoC charges.*



- (x) *Allow the Petitioner to bill Tariff from actual DOCO and also the Petitioner may be allowed to submit revised Certificate and tariff Forms (as per the Relevant Regulation) based on actual DOCO.*

and pass such other relief as Commission deems fit and appropriate under the circumstances of the case and in the interest of justice.

Background

3. The Investment Approval (hereinafter referred to as "IA") for the project "Eastern Region Strengthening Scheme-III (ERSS-III)" in Eastern Region was accorded by Board of Directors of the Petitioner in its 237th meeting held on 2.7.2010 for ₹127280 lakh including an IDC of ₹8152 lakh based on 1st Quarter, 2010 price level (communicated vide Memorandum No. C/CP/ERSS-III dated 7.7.2010). The administrative approval and expenditure sanction of Revised Cost Estimate (RCE) of the transmission project was accorded by the Board of Directors of Petitioner in its 326th meeting held on 9.3.2016 for ₹173110 lakh including an IDC of ₹15131 lakh based on October, 2015 price level (communicated vide Memorandum No. C/CP/RCE-ERSS-III dated 11.3.2016).

4. The scope of the scheme was discussed and agreed upon in meeting of Standing Committee on Power System in Eastern Region held on 8.11.2008 at Bhubaneswar. The scheme was also discussed and approved in the 8th ERPC meeting dated 21.11.2008 and special meeting of ERPC held on 30.12.2008 at Kolkata.

5. The scope of work covered under the project "Eastern Region Strengthening Scheme-III (ERSS-III)" in Eastern Region is as follows:-

Transmission Line

1. Sasaram -Daltonganj 400kV D/C Line
2. Mendhasal-Uttara* 400kV D/C Line
3. LILO of Kahalgaon -Biharsharif 400kV D/C Line (1st line) at Lakhisarai
4. LILO of Kahalgaon -Biharsharif 400kV D/C Line (2nd line) at Banka
5. LILO of Meramundali -Jeypore 400kV SIC Line at Bolangir
6. LILO of Rengali -Baripada 400kV SIC Line at Keonjhar



7. LILO of one circuit of Baripada -Mendhasal 400kV D/C Line at Duburi (OPTCL)
8. LILO of both circuits of Jamshedpur -Rourkela 400kV D/C Trans Line at Chaibasa (out of the two LILOs bussing of one LILO at Chaibasa, the 2nd LILO would be routed through Chaibasa but not bussed at Chaibasa)

Sub Station

1. New 400/220 kV sub-station at Daltonganj
 - a) 2x315 MVA, 400/220 kV Transformer with associated bays
 - b) 2 nos.of 400 kV line bays (for Sasaram -Daltonganj 400kV D/C)
 - c) 6 nos.of 220 kV line bays
2. New 400/132 kV sub-station at Lakhisarai
 - a) 2x200 MVA, 400/132 kV Transformer with associated bays
 - b) 4 nos.of 400 kVline bays (for LILO of Kahalgaon-Biharsharif 400 kV D/C - one double circuit line)
 - c) 4 nos.of 132 kV line bays
3. New 400/132 kV sub-station at Banka
 - a) 2x200 MVA, 400/132 kV Transformer with associated bays
 - b) 4 nos. of 400 kV line bays (for LILO of Kahalgaon Biharsharif 400 kV D/C - other double circuit line)
 - c) 4 nos. of 132 kV line bays
4. New 400/220 kV sub-station at Bolangir
 - a) 2x315 MVA, 400/220 kV Transformer with associated bays
 - b) 2 nos.of 400 kV line bays (for Meramundali -Jeypore 400kV S/C)
 - c) 4 nos. of 220 kV line bays
5. New 400/220 kV sub-station at Chaibasa
 - a) 2x315 MVA, 400/220 kV Transformer with associated bays
 - b) 2 nos.of 400 kV line bays (for bussing of LILO of one circuit)
 - c) 4 nos. of 220 kV line bays
6. New 400/220 kV sub-station at Keonjhar
 - a) 2x315 MVA, 400/220 kV Transformer with associated bays
 - b) 2 nos. of 400 kV line bays (for LILO of Rengali -Baripada 400kV S/C)
 - c) 4 nos. of 220 kV line bays



7. Extension at Sasaram 400kV Sub-station
 - a) 2 nos 400kV Line bays (for Sasaram -Daltonganj 400kV D/C)
8. Extension at Duburi 400kV Sub-station
 - a) 2 nos 400kV Line bays (for LILO of one ckt. of Baripada-Mendhasal line)
9. Provision of Circuit Breakers for making line reactors at Biharsharif substation switchable.

* The establishment of 2x315MVA, 400/220kV substation at Uttara in Odisha along with 400 kV Uttara-Mendhasal D/C line was approved as a part of Eastern Region Strengthening Scheme (ERSS-III) in the SCM held on 14-9-2009. As the land identified for Uttara S/S was earmarked for international airport, Petitioner along with OPTCL identified another land at Begunia. Due to land acquisition problems at Begunia, OPTCL again identified a land at Pattanaikaya between Bhubaneswar and Puri. Hence, establishment of 400/220kV, 2x315MVA GIS S/S at Pattanaikaya along with a 400kV D/C line to Mendhasal was discussed and agreed in the Standing Committee meeting held on 08-02-2012. In the meeting, it was also decided that Petitioner and OPTCL would make a joint site visit to firm up the sub-station land. Further, after the site visit, it was decided that the proposed GIS S/S at Pattanaikaya would be relocated to Pandiabilli. It was also decided to LILO Baripada Mendhasal D/C line at Pandiabilli, instead of a direct D/C line between Mendhasal and Pandiabilli. CEA vide its letter dated 29.06.2012 agreed in-principle for the same. The modified scope for establishment of new 2x315 MVA, 400/220 kV GIS at Pandiabilli would be as following, which would be implemented by Petitioner:

- i) 2x315 MVA, 400/220kV GIS sub-station at Pandiabilli
- ii) LILO of both circuits of Baripada -Mendhasal 400kV D/C line at Pandiabilli

6. Details of the assets covered in the project scope under various petitions is summarized below:-

S.N.	Asset	Petition no
1	Combined assets of: (Asset1) LILO of 400KV SIC Meramundali-Jeypore line at Bolangir and associated bays alongwith 2 nos 50 MVAR Shunt reactors and 01 nos 315 MVA ICT(ICT-II)& associated bays and 2 nos 220 KV line bays (DOCO: 01.09.2012), (Asset2) Installation of 01 no 80 MVAR Bus Reactor and associated bay at Bolangir (DOCO:	<u>2009-14</u> Petition Nos. 92/TT/2012, 202/TT/2012 & 213/TT/2012;



S.N.	Asset	Petition no
	<p>01.10.2012), (Asset3) 01 no 315 MVA ICT-I & associated bays and 2 nos 220 KV line bays at Bolangir (DOCO: 01.11.2012), (Asset 4) LILO of 400 KV SIC Baripada-Rengali Line at Keonjhar and associated bays at Keonjhar (DOCO: 01.02.2013), (Asset5) Installation of 01 No. of 400/220 KV, 315 MVA (1") ICT alongwith Associated Bays & 2 Nos. 220 KV Line Bays at Keonjhar Sis (DOCO: 01.02.2013), (Asset6) Installation of 01 No. of 400/220 KV, 315 MVA (2nd) ICT alongwith ass. Bays & 2 Nos. 220 KV Line Bays at Keonjhar Sis (DOCO: 01.03.2013), (Asset?) Installation of 01 No. 80 MVAR, 420 KV Bus Reactor and Associated Bays at Keonjhar Sis (DOCO: 01.02.2013), (Asset8) LILO of Kahalgaon-Biharshariff 400KV D/C TL (2nd Line) alongwith associated bays at Banka, 400/132 kV, 200 MVA ICT-I with associated bays at Banka Sub-Station and 2 Nos. 132 kV line bays at Banka Sub-Station (DOCO: 01.12.2012), (Asset9) 400/132KV, 200MVA ICT-II with associated bays at Banka SS (DOCO: 01.01.2013), and (Asset10) 2 x 50 MVAR Switch able line reactor at Banka SS and 400KV, 1X80 MVAR Bus Reactor with Associated bays at Banka SS (DOCO: 01.02.2013)</p>	<p>& True Up Petition No. 30/TT/2015</p>
2	<p>Asset 1: Combined assets of LILO of Ckt I of 400 kV D/C Kahalgaon -Biharsharif at Lakhisarai alongwith associated bays; 400/132 kV 200 MVA ICT I at Lakhisarai SIS alongwith associated bays; 400 kV 80 MVAR Bus Reactor alongwith associated bays at Lakhisarai SIS; and 2 nos 132 kV line bays at Lakhisarai SIS</p>	<p>Covered Under petition no. 85/TT/2015 for tariff block 2014-19</p>
3	<p>Asset 2: 400/132 kV 200 MVA IGT II alongwith 01.06.2014 associated bays at Lakhisarai S/S.</p>	
4	<p>Asset 3: LILO of Gkt II of 400 kV DIG Kahalgaon - Biharsharif at Lakhisarai alongwith associated bays with (Actual) 2 nos of 50 MVAR line reactor</p>	
5	<p>Asset 4: 2 nos 132 kV Line bays at Lakhisarai S/S</p>	
6	<p>Asset 5: LILO of one circuit of Jamshedpur -Rourkela 400kV D/C Transmission Line at Chaibasa</p>	
7	<p>Asset 6: 02 nos of 220 kV line bays at Chaibasa</p>	
8	<p>Asset 7: 80 MVAR Bus Reactor along with associated bays at Chaibasa S/S</p>	
9	<p>Asset 8: 400/220 kV 315 MVA ICT II alongwith associated bays at Chaibasa S/S</p>	



S.N.	Asset	Petition no
10	Asset 1: 01 no. 80 MVAR Bus Reactor at Duburi Sub station	Covered under Petition No. 278/TT/2015 However, tariff for Assets 1, 4 & 6(b) was not approved and Commission directed to file fresh petition for these assets
11	Asset 2: LILO of I Ckt Of 400kV D/C Baripada - Mendhasal TL at Duburi Sub station alongwith associated bays	
12	Asset 3: 315 MVA ICT-I at Chaibasa Sub station	
13	Asset 4: LILO of 2nd Ckt. of 400kV D/C Jamshedpur-Rourkela TL alongwith associated bays at Chaibasa S/S	
14	Asset 5: 02 nos 220kV line bays at Chaibasa S/S	
15	Asset 6(a): LILO of 400kV D/C Baripada-Mendhasal line and associated bays at Pandiabilli s/s; 01 no 500MVA, 3 phase 400/220kV, Transformer (1 st) and associated bays at Pandiabilli s/s alongwith 06 nos 220 kV line bays at Pandiabilli; 01 No.80MVAR, 400kV Bus Reactor and associated bay at Pandiabilli s/s; Shifting of 02 Nos. 63 MVAR, 400kV Line Reactor-I from Mendhasal end of 400kV D/C Baripada-Mendhasal TL to Pandiabilli end (Switchable) of 400kV D/C Baripada-Pandiabilli TL and associated bay at Pandiabilli GIS	
16	Asset 6(b): 01 no 500MVA, 3 phase 400/220kV, Transformer (2 nd) and associated bays at Pandiabilli s/s	Covered under instant petition
17	Asset-I: Combined asset of: (a) 400 KV D/C Sasaram -Daltonganj Transmission Line alongwith 2 x 50 MVAR LR at Daltonganj sub-station; (b) 400 1220 KV, 315 MVA ICT I alongwith bays at Daltonganj S/s; (c) 400 KV 80 MVAR Bus Reactor at Daltonganj S/s; and (d) 400 1220 KV, 315 MVA ICT II alongwith bays at Daltonganj S/s	
18	Asset-II: 04 Nos 220 KV Line Bays at Daltonganj S/S	
19	Asset-III: Provision of Circuit Breakers for making line reactors at Biharshariff S/S switchable.	
20	Asset-IV: 01 no. 80 MVAR Bus Reactor At Duburi Sub station	
21	Asset-V: LILO of 2nd Ckt. Of 400kV D/C Jamshedpur-Rourkela TL at Chaibasa S/S (non-bussed at Chaibasa)	
22	Asset-VI: 01 no 500MVA, 3 phase 400/220kV, Transformer (2nd) and associated bays at Pandiabilli s/s	

7. The instant Asset-IV, V & VI were earlier filed under petition No. 278/TT/2015, therein referred to as Asset-1, 4 & 6(b). However, the same were not approved and the Commission directed to file fresh petition for these assets vide Order dated 20.09.2017 in petition no. 278/TT/2015 due to non-availability of RLDC



charging certificates in respect of Asset-IV & V and non-commissioning of Asset-VI. Now, the RLDC charging certificates have been obtained for Assets-IV & V including Asset-VI, which has been put under commercial operation on 18.11.2017.

8. However, the Petitioner vide affidavit dated 10.12.2018 has submitted that Asset-I has been split into four assets as follows:-

S.N.	Name of Asset
1	Asset-I(A)(i): Combined asset of: 400 KV D/C Sasaram - Daltonganj Transmission Line at Daltonganj Sub-station; 400 /220 KV, 315 MVA ICT-I alongwith bays at Daltonganj Sub-station; and 400 KV 80 MVAR Bus Reactor at Daltonganj Sub-station
2	Asset-I(A)(ii) : 400 kV, 50 MVAR Line Reactor-I at Daltonganj Sub-Station
3	Asset-I(A)(iii): 400 kV, 50 MVAR Line Reactor-II at Daltonganj Sub-station
4	Asset-I(B): 400/220 kV, 315 MVA ICT-II alongwith bays at Daltonganj Sub-station

9. The Commission vide Order dated 5.11.2018 directed the Petitioner to implead Jharkhand Urja Sancharan Nigam Limited (JUSNL) as a party to the proceedings and file a revised “memo of parties”, in view of the prayer of the Petitioner for approval of COD of Asset-II under proviso (ii) of Regulation 4(3) of the 2014 Tariff Regulations. The Commission further stated that the Petitioner’s prayer for grant of AFC for Asset-II shall be considered after the receipt of information from JUSNL. In reply, the Petitioner vide affidavit dated 21.1.2019 has impleaded Jharkhand Urja Sancharan Nigam Limited (JUSNL) as Respondent No.7 and has submitted the revised memo of parties.

10. The Commission Vide Order dated 5.11.2018 allowed the interim Annual Transmission Charges under the proviso (i) to Regulation 7(7) of the 2014 Tariff Regulations for inclusion in the POC charges in respect of all the assets claimed in the petition except Asset-II.

11. The details of the annual transmission charges claimed by the Petitioner are as under:-

(₹ in lakh)

Particulars	Asset-I(A)(i)	
	2017-18 (Pro-rata)	2018-19
Depreciation	6.37	2422.41
Interest on Loan	7.20	2650.45
Return on Equity	7.24	2768.44
Interest on Working Capital	0.53	200.04
O&M Expenses	1.61	618.49
Total	22.95	8659.83

Particulars	Asset-I(B)	Asset-II	Asset-III
	2018-19 (Pro-rata)	2018-19 (Pro-rata)	2018-19 (Pro-rata)
Depreciation	43.67	27.57	0.46
Interest on Loan	45.21	27.35	0.49
Return on Equity	48.66	30.72	0.52
Interest on Working Capital	5.21	6.97	0.36
O&M Expenses	47.37	104.22	6.65
Total	190.12	196.83	8.48

Particulars	Asset-IV			
	2015-16 (Pro-rata)	2016-17	2017-18	2018-19
Depreciation	28.16	47.09	50.23	52.22
Interest on Loan	32.76	51.38	50.46	48.06
Return on Equity	31.38	52.47	55.96	58.19
Interest on Working Capital	4.25	7.03	7.28	7.44
O&M Expenses	38.52	64.37	66.51	68.71
Total	135.07	222.34	230.44	234.62

Particulars	Asset-V			
	2015-16 (Pro-rata)	2016-17	2017-18	2018-19
Depreciation	38.85	95.19	110.17	123.98
Interest on Loan	44.81	103.86	112.27	118.18
Return on Equity	43.29	106.06	122.76	138.14
Interest on Working Capital	3.15	7.59	8.53	9.36
O&M Expenses	4.10	10.23	10.57	10.92
Total	134.20	322.93	364.30	400.58

Particulars	Asset-VI	
	2017-18 (Pro-rata)	2018-19
Depreciation	93.68	270.14
Interest on Loan	101.78	277.67
Return on Equity	104.38	301.00
Interest on Working Capital	8.53	24.09
O&M Expenses	38.20	106.83
Total	346.57	979.73



12. The details of the interest on working capital claimed by the Petitioner are as under:-

(₹ in lakh)

Particulars	Asset-I(A)(i)	
	2017-18 (Pro-rata)	2018-19
Maintenance Spares	89.79	92.77
O&M Expenses	49.88	51.54
Receivables	1371.35	1392.50
Total	1511.03	1536.81
Rate of Interest	12.60%	12.60%
Interest on working Capital	0.52	193.64

Particulars	Asset-I(B)	Asset-II	Asset-III
	2018-19 (Pro-rata)	2018-19 (Pro-rata)	2018-19 (Pro-rata)
Maintenance Spares	17.52	28.86	20.62
O&M Expenses	9.73	16.03	11.45
Receivables	78.13	60.56	29.23
Total	105.38	105.45	61.30
Rate of Interest	12.20%	12.20%	12.20%
Interest on working Capital	5.21	6.97	0.36

Particulars	Asset-IV			
	2015-16 (Pro-rata)	2016-17	2017-18	2018-19
Maintenance Spares	9.35	9.66	9.98	10.31
O&M Expenses	5.19	5.36	5.54	5.73
Receivables	36.41	37.06	38.41	39.10
Total	50.96	52.08	53.93	55.14
Rate of Interest	13.50%	13.50%	13.50%	13.50%
Interest on working Capital	4.26	7.03	7.28	7.44

Particulars	Asset-V			
	2015-16 (Pro-rata)	2016-17	2017-18	2018-19
Maintenance Spares	1.49	1.53	1.59	1.64
O&M Expenses	0.83	0.85	0.88	0.91
Receivables	54.04	53.82	60.72	66.76
Total	56.37	56.20	63.19	69.31
Rate of Interest	13.50%	13.50%	13.50%	13.50%
Interest on working Capital	3.15	7.59	8.53	9.36

(₹ in lakh)

Particulars	Asset-VI	
	2017-18 (Pro-rata)	2018-19
Maintenance Spares	15.51	16.02
O&M Expenses	8.62	8.90
Receivables	156.35	163.29
Total	180.48	188.21
Rate of Interest	12.80%	12.80%
Interest on working Capital	8.53	200.04

13. The Petitioner has served the copy of the petition upon the respondents and notice of this tariff application has been published in the newspapers in accordance with Section 64 of the Electricity Act, 2003. No comments or suggestions have been received from the general public in response to the notices published by the Petitioner under Section 64 of the Electricity Act, 2003. Reply to the petition has been filed by BSP(H)CL (Respondent no 1) vide their affidavit dated 30.1.2019 and the Petitioner vide its affidavit dated 11.3.2019 filed its rejoinder.

14. The Petition was last heard on 23.4.2019 and the Commission reserved the order in the Petition.

15. Having heard the representatives of the Petitioner present at the hearing and perused the material on record, we proceed to dispose of the petition.

16. This order has been issued after considering the main petition dated 7.2.2018 and Petitioner's affidavits dated 19.3.2018, 8.8.2018, 17.10.2018, 10.12.2018, 21.1.2019, 8.2.2019, 11.3.2019, 18.4.2019, 17.5.2019 and reply dated 30.1.2019 of the respondent, BSP(H)CL.

Analysis and Decision

Date of Commercial Operation (COD)

17. The Petitioner had filed the instant petition claiming anticipated COD for the asset covered in the instant petition. However, vide affidavit dated 17.5.2019, the Petitioner has claimed the actual COD for the instant asset, as per the following details:-



S. N.	Name of Asset	COD as claimed in petition	Final COD status claimed vide affidavit dated 17.5.2019
1	Asset-I(A)(i): Combined asset of: 400 KV D/C Sasaram - Daltonganj Transmission Line at Daltonganj Sub-station; 400 /220 KV, 315 MVA ICT-I alongwith bays at Daltonganj Sub-station; and 400 KV 80 MVAR Bus Reactor at Daltonganj Sub-station	20.2.2018 (Anticipated)	31.3.2018 (Actual)
2	Asset-I(A)(ii) : 400 kV, 50 MVAR Line Reactor-I at Daltonganj Sub-Station		29.9.2018 (Actual)
3	Asset-I(A)(iii): 400 kV, 50 MVAR Line Reactor-II at Daltonganj Sub-station	20.2.2018 (Anticipated)	Not yet commissioned
4	Asset-1(B): 400/220 kV, 315 MVA ICT-II alongwith bays at Daltonganj Sub-station		5.11.2018 (Actual)
5	Asset-II: 04 Nos 220 KV Line Bays at Daltonganj Sub-station.	20.02.2018 (Anticipated)	16.09.2018 (Claimed under proviso (ii) of Regulation 4(3) of 2014 Tariff Regulations)
6	Asset-III: Provision of Circuit Breakers for making line reactors at Biharshariff Sub-station switchable.	20.03.2018 (Anticipated)	14.3.2019 (Actual)
7	Asset-IV: 01 no. 80 mVAR Bus Reactor At Duburi Sub station	01.04.2014/ 19.08.2015 (shifted)	01.04.2014/ 19.08.2015 (Actual/ shifted)
8	Asset-V: LILO of 2 nd Ckt. Of 400kV D/C Jamshedpur-Rourkela TL at Chaibasa S/s (non-bussed at Chaibasa)	02.11.2015 (Actual)	02.11.2015 (Actual)
9	Asset-VI: 01 no 500MVA, 3 phase 400/220kV, Transformer (2 nd) and associated bays at Pandiabilli s/s	18.11.2017 (Actual)	18.11.2017 (Actual)

18. In support of the actual COD of the Asset-I(A)(i), I(B), II, III, IV, V & VI, the Petitioner has submitted CEA energisation certificate under Regulation 43 of CEA (Measures Related to Safety & Electricity Supply) Regulations, 2010 and RLDC charging certificate as per following details:-



Name of Asset	RLDC Charging Certificate Date	CEA Energisation Certificate Date
Asset-I(A)(i): Combined asset of: 400 KV D/C Sasaram - Daltonganj Transmission Line at Daltonganj Sub-station; 400 /220 KV, 315 MVA ICT-I alongwith bays at Daltonganj Sub-station; and 400 KV 80 MVAR Bus Reactor at Daltonganj S/S	13.4.2018	27.3.2018
Asset-I(B): 400/220 kV, 315 MVA ICT-II alongwith bays at Daltonganj Sub-station	26.12.18	31.10.2018
Asset-II: 04 Nos 220 KV Line Bays at Daltonganj S/S	3.10.2018	22.3.2018
Asset-III: Provision of Circuit Breakers for making line reactors at Biharshariff Sub-station switchable.	16.4.2019	27.1.2014
Asset-IV: 01 No. 80 MVAR Bus Reactor At Duburi Sub station	21.12.2017	27.1.2014
Asset-V: LILO of 2 nd Ckt. Of 400kV D/C Jamshedpur-Rourkela TL at Chaibasa S/s (non-bussed at Chaibasa)	29.12.2017	30.10.2014
Asset-VI: 01 no 500MVA, 3 phase 400/220kV, Transformer (2 nd) and associated bays at Pandiabilli	12.12.2017	21.4.2016

19. The Petitioner vide affidavit dated 8.2.2019 has submitted the following:-

- (a) The subject Asset- I(A)(ii) & I(A)(iii) i.e. 02 Nos. 50 MVAR Line Reactors at Daltonganj had earlier been installed at Agra substation of the Petitioner and covered under true-up petition no. 64/TT/2018 for “Transmission System Associated with System Strengthening in NR for Sasan and Mundra UMPP in Northern Region”. The true-up tariff for 2009-14 block and 2014-19 for the same has been approved by Commission vide Order dated 20.07.2018 in petition No.64/TT/2018.
- (b) Subsequently, these 2 Nos. 50 MVAR line reactors at Agra substation were replaced with 2 Nos. 80 MVAR line reactors at Agra substation and the replaced 2 Nos. 50 MVAR Line reactors were diverted to Daltonganj substation under ERSS-III and covered under instant petition as Asset-I(A)(ii) & I(A)(iii). Cost of these 2 Nos. 50 MVAR Line reactors has been decapitalised from books of accounts of its pervious scheme (*i.e. Transmission System Associated with System Strengthening in NR for Sasan*

and Mundra UMPP in Northern Region) and transferred to the subject project (i.e. ERSS-III in Eastern Region). However, the corresponding tariff for the same shall be adjusted at the time of true up of tariff of 2014-19 period allowed vide Order dated 20.7.2018 in petition No. 64/TT/2018.

- (c) The Petitioner has submitted that the Auditor Certificate for 1 No. 50 MVAR Line reactor-I at Daltonganj had already been submitted vide affidavit dated 10.12.2018 alongwith revised tariff forms based on actual COD of 29.09.2018 i.e. Asset-I(A)(ii). The completion cost as per Auditor certificate is ₹419.19 lakh wherein the accumulated depreciation amounting to ₹57.92 lakhs has been accounted for to arrive at Net gross value of the said Reactor.
- (d) Accordingly, the transmission tariff for these 02 Nos. 50 MVAR Line Reactors may be allowed to be claimed under the instant petition under ERSS-III.

20. The Commission vide order dated 25.6.2019 in petition No 242/TT/2018 has held as under:-

“17. It has been noted that shifting of 2 nos. of 50 MVAR Reactors (diverted from Agra and Utilised at Daltonganj) is covered in petition no. 105/TT/2018 under the Asset-I: Combined asset of: (a) 400 kV D/C Sasaram - Daltonganj Transmission Line along with 2 x 50 MVAR LR at Daltonganj Sub-station, (b) 400/220 kV, 315 MVA ICT-I along with bays at Daltonganj Sub-station, (c) 400 kV 80 MVAR Bus Reactor at Daltonganj Sub-station for which order has been reserved. Thus, we are of the view that the issue of accounting treatment and de-capitalization of 2 nos. 50MVAR reactors diverted from Agra to Daltonganj shall be dealt in the petition no. 105/TT/2018 on the basis of other submissions regarding shifting of 2 nos. of 50 MVAR reactor from Agra to Daltonganj and Form 10 provided by the Petitioner vide affidavit dated 25.1.2019 in the instant petition. Accordingly, we are inclined to allow tariff for new 2x80 MVAR reactors.”

21. We have considered the submissions of the Petitioner. The Petitioner has replaced the 50 MVAR Line Reactor at Agra with the 80 MVAR Line reactor and utilised the replaced 50 MVAR Line reactor at Daltonganj Substation. The 50 MVAR Line reactor at Agra which is sought to be replaced, was put into commercial



operation on 1.8.2013 as part of the “Transmission System Associated with System Strengthening in NR for Sasan and Mundra UMPP in Northern Region” project and hence it is transfer from one transmission project to another. In case of shifting of assets from one transmission project to another transmission project, we are of the view that the replaced asset should be decapitalised in the books of the account of the transmission system from where it is transferred and should be capitalised in the books of accounts of the transmission system where it is shifted.

22. Allowing tariff for 50 MVAR Bus Reactor at Daltonganj without decapitalisation of the existing 50 MVAR Line Reactor at Agra would tantamount to servicing two assets for the same purpose. Therefore, tariff for Asset-I(A)(ii) shall be allowed only after decapitalisation of old asset i.e. 50 MVAR Line Reactor at Agra and associated cost of bays and adjustment of cumulative depreciation etc. The Petitioner is directed to file a separate petition claiming tariff for 50 MVAR Line Reactor at Daltonganj along with the details of decapitalisation within three months of issue of this order.

23. Further, the Petitioner has submitted that Asset-I(A)(iii) is yet to be commissioned. Therefore, the Petitioner is directed to submit the fresh petition after actual commissioning of the Asset. Accordingly, we are not proceeding with the tariff determination in respect of Asset-I(A)(ii) & I(A)(iii) as of now.

24. The Petitioner has submitted that COD of Asset-II is proposed as 16.9.2018 under proviso (ii) of Regulations 4 (3) of 2014 Tariff Regulations as the associated downstream lines under the scope of work of JUSNL are not ready.

25. The Respondent, BSP(H)CL vide affidavit dated 30.1.2019 has submitted that Asset-II at present is not in use and is merely stranded asset. The assets although forming part of the project but not in use shall be excluded or removed from the capital cost for the existing as well as the new project. Whereas, the Petitioner is responsible for not discharging all functions of planning and co-ordination relating to the construction of the transmission system to match with the downstream system as per Section 38(2) of the Electricity Act, 2003 as the CTU, the JUVNL lapses are for not completing the downstream transmission project their project in the timeline prescribed. Thus, the IDC for the delayed portion of the non



completion of the downstream transmission project be shared between the Petitioner and the JUVNL.

26. In response, the Petitioner vide affidavit dated 11.03.2019 has submitted that the Asset-II has been completed by 16.9.2018 and the COD for the same has been invoked by the Petitioner as per relevant provisions of the current Tariff Regulations. The Asset-II has been charged on no-load, as also certified by ERLDC, owing to non-completion of associated 02 Nos. 220kV D/C downstream lines of JUSNL.

27. Regulation 4(3) of the 2014 Tariff Regulations, provides as under:-

"(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 sub-station is dedicated for evacuation of power from a particular generating station, the generating company and transmission licensee shall endeavor 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."

28. Regulation 6.3A (4)(iv) of Indian Electricity Grid Code Regulations, 2016 is as follows:-

"6.3A Commercial operation of Central generating stations and inter-State Generating Stations 4. Date of commercial operation in relation to an inter-State Transmission System or an element thereof 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 the sending end to the receiving end:



(iv) In case a transmission system or an element thereof is prevented from regular service on or before the Scheduled COD 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 of other transmission licensee, 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.”

29. In support of the COD of the Asset-II, the Petitioner has submitted self declaration COD certificate, CEA Energisation Certificate, ‘No-load’ RLDC charging certificate and CMD certificate as required under Grid Code. Taking into consideration of the above, the COD of the Asset-II has been approved under proviso (ii) of Regulation 4(3) of the 2014 Tariff Regulations. However, the transmission charges shall be borne by JUSNL from COD of the Asset-II i.e. 16.9.2018 to till COD of the downstream transmission system under the scope of JUSNL.

30. Taking into consideration of CEA Energisation Certificate, RLDC Charging Certificate and CMD Certificate as required under Grid Code, the COD of the following assets covered in the instant petition is approved as follows:

S.N.	Asset Name	COD Approved
1	Asset-I(A)(i): Combined asset of: 400 KV D/C Sasaram - Daltonganj Transmission Line at Daltonganj Sub-station; 400 /220 KV, 315 MVA ICT-I alongwith bays at Daltonganj Sub-station; and 400 KV 80 MVAR Bus Reactor at Daltonganj S/S	31.3.2018 (Actual)
2	Asset-I(B): 400/220 kV, 315 MVA ICT-II alongwith bays at Daltonganj Sub-station	5.11.2018 (Actual)
3	Asset-II: 04 Nos 220 KV Line Bays at Daltonganj S/S	16.9.2018 (under proviso (ii) of Regulation 4(3) of 2014 Tariff Regulations)
4	Asset-III: Provision of Circuit Breakers for making line reactors at Biharshariff Sub-station switchable.	14.3.2019 (Actual)



S.N.	Asset Name	COD Approved
5	Asset-IV: 01 No. 80 MVAR Bus Reactor at Duburi Substation	19.8.2015 (Actual)
6	Asset-V: LILO of 2 nd Ckt. Of 400kV D/C Jamshedpur-Rourkela TL at Chaibasa S/s (non-bussed at Chaibasa)	2.11.2015 (Actual)
7	Asset-VI: 01 no 500MVA, 3 phase 400/220kV, Transformer (2 nd) and associated bays at Pandiabilli	18.11.2017 (Actual)

Optical Ground Wire

31. The Respondent, BSP(H)CL vide affidavit dated 06.02.2019 has submitted that OPGW is being used by the Petitioner in the newly constructed transmission besides replacing the earth wire with the OPGW in the existing lines. Nothing has been submitted on this issue in the petition. In this regard, the Petitioner vide Rejoinder reply dated 11.03.2019 has submitted that among the subject assets the main transmission line is 400kV D/C Sasaram – Daltonganj {i.e. subject Asset-I(A)(i)}, and the scope of OPGW laying works for the said transmission line alongwith associated capital cost and corresponding transmission for these works has been separately carried out and claimed under the project “Central sector Fibre Optic communication system in ER under Expansion of wide-band communication network” in petition no. 53/TT/2018. The respondent-01 has also been made party to the petition under said project with copies of the same duly served.

Capital Cost

32. Clause (1) and (2) of Regulation 9 of the 2014 Tariff Regulations provide as follows:-

“(1) The Capital cost as determined by the Commission after prudence check in accordance with this regulation shall form the basis of determination of tariff for existing and new projects”

(2) The Capital Cost of a new project shall include the following:

(a) The expenditure incurred or projected to be incurred up to the date of commercial operation of the project;

(b) Interest during construction and financing charges, on the loans (i) being equal to 70% of the funds deployed, in the event of the actual equity in excess of



30% of the funds deployed, by treating the excess equity as normative loan, or (ii) being equal to the actual amount of loan in the event of the actual equity less than 30% of the funds deployed;

(c) Increase in cost in contract packages as approved by the Commission;

(d) Interest during construction and incidental expenditure during construction as computed in accordance with Regulation 11 of these regulations;

(e) Capitalised Initial spares subject to the ceiling rates specified in Regulation 13 of these regulations;

(f) Expenditure on account of additional capitalization and de-capitalisation determined in accordance with Regulation 14 of these regulations;

(g) Adjustment of revenue due to sale of infirm power in excess of fuel cost prior to the COD as specified under Regulation 18 of these regulations; and

(h) Adjustment of any revenue earned by the transmission licensee by using the assets before COD.”

33. The Petitioner has initially submitted the apportioned approved cost as per Investment Approval and as per approved Revised Cost Estimate (RCE) and has submitted Form-5B for the instant assets. The Petitioner has also submitted Auditor Certificates dated 22.6.2018, 31.1.2019, 6.5.2019, 6.5.2019, 3.1.2018, 18.12.2017 & 3.1.2018 in respect of the Assets- I(A)(i), I(B), II, III, IV, V & VI respectively, claiming capital cost incurred as on COD as well as additional capitalization projected to be incurred during 2014-19 period, as follows:-

Asset	Apportioned Approved Cost (FR)	Apportioned Approved Cost (RCE)	Cost upto COD	Proposed Expenditure				Estimated Completion Cost as on 31.3.2019
				2015-16	2016-17	2017-18	2018-19	
Asset-I(A)(i)	33296.71*	53788.39*	46715.45	-	-	-	1608.58	48324.03
Asset-I(B)			1988.70	-	-	-	138.49	2127.19
Asset-II	1486.37	1197.21	932.13	-	-	-	84.63	1016.76
Asset-III	-	206.27	184.61	-	-	-	-	184.61
Asset-IV	946.62	1035.96	868.59	5.32	39.53	75.63	-	989.07
Asset-V	2532.54	2444.41	1776.25	5.60	43.33	522.86	-	2348.04
Asset-VI	2191.50	5655.39	4758.78	-	-	265.24	250.00	5274.03

* Petitioner has submitted in the original petition, the approved FR cost and RCE for Asset-I as a whole, i.e. Asset-I(A)(i), I(A)(ii), I(A)(iii) & I(B) combined together. The



Petitioner is directed to submit the segregated cost as per FR and RCE for Asset-I(A)(i) & Asset-I(B) at the time of true up.

Cost Over-run

34. It is observed from the above table that the estimated completion cost of instant assets are beyond FR, however, the same is within the RCE. Hence, there is no cost overrun with respect to RCE.

35. The Petitioner has submitted that the variation is due to Price Variation, Land & Compensation, Quantity Variation etc. and has submitted the following details:-

a) Price Variation (PV):

Price variation has incurred on the basis of provision of respective contracts. There were inflationary trends prevalent during execution of project from March, 2010 (FR Price level) to March 2015, due to the trend of variation in indices of major raw materials. Thus the price variation observed during execution of the project is attributable to the inflationary trend prevailing during execution of project and also market forces prevailing at the time of bidding process of various packages awarded for execution of project.

b) Land & Compensation:

In the approved FR, the cost of substation land and R&R compensation was considered on estimated basis and also the Crop, Tree & PTCC compensation was considered on normative basis @ ₹1 lakh per km whereas, the provision in the RCE is on the basis of actual expenditure incurred.

c) Variation in Quantities of Approved Items:

The line length, type of various towers and foundations in the FR were estimated on the basis of walk-over/preliminary survey. However, the same has been considered as per actual requirement on the basis of detailed survey during execution of project. Further, route length of Sasaram-Daltonganj transmission line has increased from about 176 km (envisaged in FR) to 196 km as per actual. Hence there is cost variation as compared to FR.



36. The Respondent, BSP(H)CL vide affidavit dated 30.1.2019 has submitted that there are huge cost overruns of more than 50% on an average in all the six assets. It is further observed that the Petitioner has also filed the Revised Cost Estimates (RCE) for the subject assets approved by the Board of Director of Petitioner at a cost of ₹173110 lakh. The perusal of the RCE would show that it is merely an indication of revision of cost of various assets without furnishing any justification for increase in cost approved. It may further be stated that the power delegated to the Board of Directors of Petitioner by the Department of Public Enterprise (DPE), Ministry of Heavy Industries and Public Enterprises, Government of India through its OM No. 26(3)/2005-GM-GL-92 dated 1st May, 2008 and OM No. DPE/11(2)/97-Fin dated 22nd July, 1997 cannot be exercised in an arbitrary manner without furnishing its justification of time and cost overrun. Thus, the cost overrun may not be allowed by the Commission in the instant case.

37. We have considered the submissions of the Petitioner and Respondent. The Petitioner has submitted justification for variation between FR and RCE which has been duly approved by the Board of Directors of the Petitioner. The estimated completion cost of the instant assets is within the apportioned approved cost as per RCE. Accordingly, the capital cost claimed by the Petitioner as on COD and additional capitalization upto 31.3.2019 has been considered for tariff calculation, subject to scrutiny of IDC/ IEDC and Initial spares, hereinafter. However, the estimated additional capital expenditure claimed by the Petitioner during 2019-20 and beyond is not allowed as of now as the same is beyond the 2014-19 tariff period.

Time over-run

38. As per the Investment Approval (IA), the transmission scheme was scheduled to be commissioned within 28 months from the date of investment approval i.e. 2.7.2010. Accordingly, the Commissioning Schedule comes to 2.11.2012. The Petitioner has submitted the details of COD claimed and delay occurred in commissioning of the instant assets as per following:-

Asset	Scheduled COD	Actual COD (claimed)	Delay
Asset-I(A)(i)	2.11.2012	31.3.2018	1975 days
Asset-I(B)		5.11.2018	2194 days
Asset-II		16.9.2018	2144 days
Asset-III		14.3.2019	2323 days



Asset	Scheduled COD	Actual COD (claimed)	Delay
Asset-IV		19.8.2015	1020 days
Asset-V		2.11.2015	1095 days
Asset-VI		18.11.2017	1842 days

Asset-I(A)(i), Asset-I(B) and Asset-II

39. The Petitioner has submitted that Asset-I(A)(i), Asset-I(B) and Asset-II is delayed due to delay in acquisition of land, retendering of LOA due to delay in land acquisition, law and order problems and obstruction from JUSNL transmission line. The detailed reasons for Asset-I and Asset-II are summarized below:-

(a) Delay due to acquisition of Land

(i) The proposal of acquisition of land was submitted to DC, Palamu by PGCIL on 27.5.2009 based on the Standing Committee approval on 08th Nov 2008, one year prior of investment approval seeing the delay in taking the land due to Chotanagpur Tenancy Act (CNT Act) in the State of Jharkhand. The Request was made for acquisition of 40.10 acre land located at Mauza Rajhara, Block Lesliganj & Lahlahe Block Daltonganj Sadar, which is about 1 Km from Ranchi-Daltonganj NH Road. The land comprised of 7.60 acre Government land and 32.50 acre private land. The process of land acquisition for the land identified was taken up by the State Authorities and notified in respect of private land under Section 4 & 6 of Land Acquisition Act, 1894 (LA Act) that was published in January, 2012-February, 2012. Thereafter, the proposal for land acquisition was approved under Section 7/17 of LA Act in November, 2012 & further notification under Section (9) of LA Act was issued to all concerned land owners for 15.41 acre and 17.09 acre on 30.4.2012 and 14.11.2012 respectively. PGCIL pursued matter with all levels of Government of Jharkhand for expeditious acquisition of land.

(ii) The process for land acquisition was delayed due to Vidhan Sabha election in Jharkhand in December, 2014. In-spite of regular follow-up at different levels of State Government of Jharkhand, the final possession of 35.45 acre of land was handed over to Petitioner in July 2015.

(iii) The breakup of land for Daltonganj Sub-station is tabulated below:



Daltonganj sub-station Land (Total Area : 40.10 acre)		
Private Land (32.50 acre)		Government Land (7.60 acre)
Village : Rajhara	Village : Lahlahe	Village : Lahlahe
Area: 22.48 acre	Area : 10.02 acre	Area: 7.60 acre

(iv) The Petitioner has submitted chronology of events and documents in support of key events between 27.5.2009 to 31.7.2015 of about 74 months, leading to delay in land acquisition of Daltonganj substation. The 1st application for 40.0 acre of land requirement was submitted on 27.5.2009 and proposal for acquisition of 40.33 acre land was submitted on 14.9.2009 to DC, Palamu. The 1st demand note was raised by District Land Acquisition Officer (DLAO), Palamu on 13.3.2010 and payment was made on 20.3.2010. After various processes and follow up the physical possession of 22.48 acre and 10.02 acre private land parcels were finally obtained on 7.7.2015 and 31.7.2015, respectively.

(b) Delay due to Retendering of LOA due to delayed Land Acquisition

(i) The packages which were generally required for the Pre-Project preparations viz. contour survey, soil investigation, barbed wire fencing, site leveling, boundary wall , Main Package (supply & erection) etc., were cancelled & retendering had to be done because of withdrawal by the contractor. The contractor withdrew mainly due to delay in the possession of the sub-station land at Daltonganj. There were persistent hindrances during the soil investigation work (which was awarded to M/s Shambhavi Tecno Solution, Patna). Due to high resistance by local villagers & Maoist, the contractor had expressed inability to execute the soil investigation work. Therefore, the contract was cancelled in the month of June, 2015 and a fresh LOA for balance works had to be awarded to M/s Geotech Technical Associates Pvt. Ltd. The technical bids for construction of boundary wall at 400/220Kv Daltonganj Substation was opened after the land was acquired as the work of boundary wall could be started only after the acquisition of entire land. The party to which LOA for boundary wall construction was awarded was not willing to work at awarded price. The Petitioner cancelled LOA of Sachchidanand Singh for construction of boundary wall at 400/220Kv Daltonganj Substation on 27.7.2015 and it had to re-award the same on 8.3.2016 to Shahabad Engineers Pvt. Ltd.

(ii) The Petitioner had awarded the contract to Alstom Limited for Main supply and services work at 400/220kV Daltonganj Substation on 14th March 2012 (just



after receiving the approval of Section 4 & 5 of LA Act on 2.1.2012 in anticipation for early possession of land). The contractual completion schedule for these works was kept as 14.12.2013. Till March, 2015, Petitioner had physical possession of only 7.60 acre of Government land but was not able to provide remaining 32.50 acre land to the contractor M/s Alstom Limited due to delay in the acquisition of land and it was solely attributed to Government of Jharkhand and local villagers/ land owners/ Maoist during transfer of land. M/s Alstom Limited vide various letters dated 20.6.2014, 18.9.2014, 22.9.2014, 31.12.2014 and 7.10.2015 requested Petitioner for short closure of the contract. The Petitioner discussed the issues with M/s Alstom Limited regarding execution of balance supply and total civil and erection work at Daltonganj substation. But the same could not materialize as M/s Alstom Limited was taking time in responding and requesting for short closure. Hence, Petitioner short closed the contract CC-CS/5-ER-I/SS-1429/3/CA-I/4197 & 4198 awarded to M/s Alstom Limited. After short closing the contract, fresh bid evaluation started and thereafter NIT was floated. Finally Contract was awarded to M/s Alstom T&D Limited vide LOA no. CC-CS/723-ER1/SS-3316/03/G3/CA-I/5775 dated 1.7.2016 for balance supply and total civil and erection work. The process for short closing the contract and re-tendering took around 8-9 months which is also attributable to non-availability of land during execution of first contract.

(iii) The details of re-tendering/ re-awarding are tabulated below:

S. N.	Name of Work	Old LOA Date	New LOA Date
01	Contour Survey & Soil Investigation work	30.08.2011	14.08.2015
02	Main package(Supply & Erection)	16.03.2012	01.07.2016
03	Barbed wire fencing	08.04.2013	20.08.2016
04	Site Leveling	06.05.2015	28.08.2015
05	Boundary	06.05.2015	10.12.2015

(iv) Therefore, the delay in possession of land of 72-75 months, delayed the commissioning by 59-60 months from the date of schedule commission as per investment approval and is within the force majeure conditions and not attributable to Petitioner.

(c) Delay due to Law and Order situation

(i) After getting possession of land at Daltonganj, the work was hampered for about 2 months due to severe Law & order/ ROW issues between 18.9.2015 to



26.11.2015 for which the Petitioner has submitted documentary evidence in the shape of various letters. During mid-September, 2015, some anti-social elements armed with weapons had forcefully entered the sub-station site and had forced the workers / laborers to stop the construction work. The workers and supervisors were beaten up when the anti-socials were opposed. The letters to DC/SP were written in this regard to normalize the situation. The threats and beating up of laborers had a negative effect on the psychology of the labor gangs and construction supervisors who had to flee the sub-station site. The time was lost in garnering the confidence of laborers to re-mobilize. Therefore, no substantial works could be done during these 3 months due to Law and Order issues.

(d) Delay due to Obstruction from JUSNL T/L

(i) The 220kV D/C Latehar - Daltonganj Transmission line of JUSNL, which is presently charged at 132kV, was passing over switchyard area of Petitioner's Daltonganj Sub-station. This created a lot of issues during construction works at Sub-station site. The work on the following fronts was not viable for erection/commissioning of Daltonganj (PGCIL) S/S due to this hindrance:

132kV	1 Switchyard panel room/AC Kiosk
	9 towers
	7 beams
220kV	1 tower
	2 beams

(ii) The Petitioner has made efforts for diversion of this JUSNL's 220kVD/C Latehar - Daltonganj Transmission line including joint survey, inspection, proposing alternate routes, etc along with JUSNL. The Petitioner brought this issue to the knowledge of JUSNL as early as April, 2014 and had made multiple request in this matter vide letters dated 21.4.2015, 18.9.2015, 2.9.2016, 7.10.2016, 8.1.2017 and 17.3.2017. The issue was raised with the higher official of JUSNL as well as in ERPC/TCC/OCC forums but no immediate respite was there. JUSNL has committed that the line will be completed by October'17. The delay due to this issue has been more than 24 months.

Asset-III

(i) The Petitioner has submitted that it awarded LOA to M/s GET for extension of 400 kV Biharsharif Substation consisting of erection and commissioning of 2 sets of



400 kV Circuit Breakers for making 50 MVAR line reactor of Biharsharif – Kahalgaon line I & II switchable. The contract of GET was terminated by the Petitioner vide Notice dated 13.2.2014 due to non-performance by M/s GET. Hence the balance supply/ balance work and procurement of power & control cable was awarded to different agencies. The Petitioner has awarded the LOA for supply of power & control cables for Biharsharif Substation to M/s Laser Power & Infra Private Limited on 28.4.17.

Asset-IV

(i) The Petitioner has submitted that the works associated with 01 No. 80 MVAR Bus Reactor at Duburi S/S was completed by December, 2013 but the same could not be charged in absence of non-completion of OPTCL's 400 kV network at Duburi. In order to charge the reactor in absence of OPTCL's 400 kV network, the Petitioner vide letters dated 09.12.2013, 31.12.2013, 14.01.2014 and 18.03.2014 requested OPTCL to provide necessary shutdown from their operational 220 kV System for making physical electrical connections in absence of non-readiness of their (OPTCL's) 400 kV system so as to charge the said Bus Reactor. Despite persistent requests to OPTCL to expedite their 400kV works and subsequently to obtain the shutdown for making these electrical connections from 220 kV end, the same could not be materialized on time and the Petitioner commissioned the said Bus reactor on 1.4.2014 and prayed the Commission for approval of COD by invoking provision 3(12)(c) of Tariff Regulations 2009.

(ii) The Petitioner has submitted chronology of events and documents in support of key events between 7.7.2010 (IA) to 1.4.2014 (Charging date) of about 45 months, leading to delay in commissioning of Asset-IV. The LOA was placed on 30.8.2010 and the date of start of work was scheduled as 01.5.2011 as per LOA. The Petitioner submitted the letter to OPTCL for approval of permission to carry out works at Duburi SS on 27.4.2011. Subsequently, land at Duburi was handed over on 5.9.2011 to carry out civil works. The handing over of land took about 4.5 months. Similarly, the letter seeking permission for requirement for construction power from OPTCL S/S was forwarded on 5.7.2011 but the corresponding permission was provided by OPTCL on 22.3.2012. This activity took about 8.5 months. The foundation works at the Duburi S/S could be initiated only after 22.3.2012. The permission for erection was sought from OPTCL after substantial amount of



foundation works got completed. The permission to execute electrical and civil works was sought on 27.5.2013 and the same was granted on 11.6.2013. This further delayed the work progress which had a cascading effect on activities planned in advance. The prayer of Petitioner for COD approval (as 1.4.2014) was not approved by the Commission vide order dated 20.09.2017 in petition no. 278/TT/205 and further, directed to shift the same from 1.4.2014 to August 2015 matching with LILO of Ckt.-I of 400kV D/C Baripada – Mendhasal transmission line at Duburi Sub station alongwith associated bays at Duburi S/S.

(iii) The revised/ shifted COD for the subject Asset-IV was considered as 19.08.2015, and therefore, the apparent delay in commissioning for the said Bus Reactor was 32.5 months. Since, the COD of this 01 no. 80 MVar Bus Reactor at Duburi S/S had to match with the LILO of Ckt.-I of 400kV D/C Baripada – Mendhasal transmission line at Duburi Sub station alongwith associated bays at Duburi S/S, therefore, the condonation of delay of 32.5 months for this LILO by the Commission vide order dated 20.9.2017 in petition no. 278/TT/2015 shall apply for the subject Asset-IV as well. The delay of 32.5 months for LILO of Ckt.-I of 400kV D/C Baripada – Mendhasal transmission line at Duburi Sub station alongwith associated bays at Duburi S/S was acknowledged and condoned by the Commission in paras 17 to 25 of order dated 20.09.2017 in petition no. 278/TT/2015.

Asset-V

(i) The Petitioner has submitted that about 35 months delay occurred in commissioning of subject Asset-V which is associated with Chaibasa S/S and the reason for the delay is mainly attributable to the acquisition of land for substation. The details are elaborated as below:

(a) Delay due to acquisition of Land

(i) The Request for acquisition of around 40 acre land (around 22 acre Government land and around 18 acre private land) near Mauza Anchu on the Chaibasa - Saraikela road was submitted to Deputy Commissioner, Chaibasa on 31.08.2009, almost one year prior to Investment Approval to facilitate timely completion of the Project. However, the process of land acquisition, for the land initially identified by the Petitioner near village Anchu, could not be taken up by the Government Authority due to objection and stiff resistance of local villagers. As a result, an alternate land near village Ulijharee was suggested by the concerned



Authority and suitability of the land was sought from the Petitioner vide letter 12.8.2010, which was communicated vide Petitioner's letter dated 19.9.2010. However, acquisition of this alternate land was also delayed, since as per the records of the revenue authority, this land was reserved as per some earlier proposal for M/s Rungata Mines Limited.

(ii) Later a meeting was held in the office of Principal Secretary (Revenue) Government of Jharkhand on 2.6.2011, wherein it was informed to the Petitioner that since the subject land was already identified for M/s Rungata Mines Limited, district authorities were to expedite the process of acquisition of the 2nd alternative land. The Petitioner sent a fresh request for acquisition for 2nd alternate land which was adjacent to the earlier proposed land vide its letter dated 21.05.2011. This alternate land comprised of 8.44 acre Government land and 38.86 acre private land. The procedure for acquisition of private land under Jharkhand Voluntary Land Acquisition Rule 2010 required agreement with Land Acquisition office of Jharkhand and with the individual land owners also. This acquisition process inter alia required preparation of latest land holding details for entering into agreement as per requirement of the Rule. For Government land, the proposal was initially started for transferring of land to the Petitioner as free hold land. Later on the government land was transferred to PGCIL on lease basis and lease amount was required to be paid yearly. The process for both these lands (Government and Private) was initiated simultaneously by Revenue Authority. In spite of regular follow-up at different levels of State Government, the possession of private land could be handed over to Petitioner in April, 2013 and the lease agreement for the Government land between Petitioner and Government of Jharkhand could be made in June, 2013.

(iii) The Petitioner has submitted chronology of events and documents in support of key events between 31.8.2009 to 22.4.2013 for private land and between 31.8.2009 to 18.6.2013 for Government land of about 44-45 months, leading to delay in commissioning of Asset-V. The Petitioner followed up with the concerned land authorities for expediting the process and various other intermittent developments, related to land acquisition process, which have been corroborated through various letters dated 25.6.2010, 4.8.2010, 16.8.2010, 23.9.2010, 29.9.2010, 7.10.2010, 9.10.2010, 22.10.2010, 30.5.2011, 7.6.2011, 1.7.2011, 16.6.2011, 27.7.2011, 5.9.2011, 31.1.2012, 4.6.2012, 8.6.2012, 30.6.2012, 7.9.2012,



6.10.2012, 31.1.2013 and 20.4.2013. In order to expedite the commissioning of the project, after getting the possession of land, the Petitioner expedited the activities of soil investigation, site development, site leveling, design & engineering, procurement of equipment/materials, civil works, installation of equipment/materials, testing and commissioning and completed them by compressing the completion schedules to the maximum extent possible. Time period of execution of various activities was reduced by arranging work progress through extended hours and deploying additional manpower wherever possible and critical issues related to supply and erection were resolved expeditiously to save time. Even after prioritizing the commissioning of different elements, it was not possible to commission all the elements at a time. Therefore, the commissioning of various elements was staggered and declaration of commercial operation upon completion of the elements/assets was done in a progressive manner.

(iv) The process of land acquisition took around 44-45 months for Chaibsasa Sub-station. The delay reasons which include land acquisition delay and subsequent condonation of delay in respect of other assets at Chaibasa S/S, under the scope of ERSS-III, were filed in Petition No. 278/TT/2015 and tariff was approved vide order dated 20.09.2017 as follows:-

Asset name	COD	Delay period	Delay Reasons	Remarks
315 MVA ICT-I at Chaibasa S/S (therein referred to as "Asset-3")	22.1.2015	25 months	Land acquisition (delay period 44-45 months)	Entire delay condoned
02 Nos. 220kV line bays (3&4) at Chaibasa S/S (therein referred to as "Asset-5")	5.11.2015	39 months	Land acquisition (delay period 44-45 months) and; Delay in diversion of JUSNL Transmission Line (delay period 24 months)	Entire delay condoned

Asset-VI

(i) There is a delay of about 60 months in commissioning of subject Asset-VI which is associated with Pandiabili Substation. The assets commissioned at Pandiabili s/s under the scope of ERSS-III project are as follows:

- a. LILO of 400kV D/C Baripada-Mendhasal line and associated bays at Pandiabili s/s (COD: 31.07.2016)



- b. 1 no 500MVA, 3 phase 400/220kV, Transformer(1st) and associated bays at Pandiabilli s/s alongwith 3 nos 220 kV line bays at Pandiabilli (COD: 31.07.2016)
 - c. 1 No.80MVAR, 400kV Bus Reactor and associated bay at Pandiabilli s/s (COD: 31.07.2016)
 - d. Shifting of 02 No.63MVAR, 400kV Line Reactor from Mendhasal end of 400kV D/C Baripada-Mendhasal TL to Pandiabilli end (Switchable) of 400kV D/C Duburi-Pandiabilli TL and associated bay at Pandiabilli s/s (COD: 31.07.2016)
 - e. 1 no. 500MVA, 3 phase 400/220kV, Transformer(2nd) and associated bays at Pandiabilli s/s alongwith 3 nos. 220 kV line bays at Pandiabilli (COD: 18.11.2017)
- (ii) The main reasons attributable for delay in commissioning of assets at Pandiabilli s/s alongwith associated LILo line are a) Change in Scope of the Project, b) Land Acquisition by Government of Odisha, c) Change in Tower Design and Configuration, d) ROW constraints, e) Forest Clearance and f) Shut Down Clearance.
- (iii) The Petitioner has submitted that Pandiabilli GIS substation was commissioned on 31.7.2016 with the commissioning of LILo, ICT-I and Bus & Line reactors with the exception of ICT-II i.e. subject Asset-VI. The delay till 31.7.2016 was common delay for all the assets to be commissioned at Pandiabilli including subject Asset-VI. The delay reasons as mentioned above for assets at Pandiabilli were taken into cognizance by the Commission and the same was condoned vide order dated 20.9.2017 in petition no. 278/TT/2015.
- (iv) The Petitioner has submitted that the works (completion & charging) associated with subject Asset-VI, i.e. 01 No. 500MVA, 3 phase 400/220kV, Transformer (2nd) were completed by April 2016 along with the other assets at Pandiabilli GIS (*other assets had been commissioned w.e.f. 31.07.2016*). The CEA clearance certificate dated 21.4.2016 in this regard approving the energization of this 2nd ICT at Pandiabilli after detailed inspection has been submitted. However, the said ICT, supplied by BHEL, was charged on 12.07.2016 but failed while in service on 21.09.2016 due to technical problems. The inordinate delay was there in repair & replacement by BHEL. Notwithstanding any more delay in supply, as alternate arrangement was adopted wherein a CGL make ICT was diverted and subsequently commissioned on 18.11.2017.

40. The Commission vide ROP for hearing on 5.11.2018 had directed the Petitioner to submit the details of time over-run and chronology of activities along with documentary evidence as per the prescribed format. In response, the Petitioner vide affidavits dated 10.12.2018 and 8.2.2019 has submitted the following:-

Asset-I(A)(i)

Activity	Period of activity				Reasons for delay
	Schedule		Actual		
	From	to	From	to	
Land Acquisition	4.1.2010	9.7.2010	27.5.2009	31.7.2015	The reasons for delay predominantly include the delay in land acquisition for the Daltonganj (G) sub-station which took more than 6 years of time. Further, there was delay due to Retendering of LOAs as Delay in and acquisition had led to the termination of initial LOAs. Other reasons include ROW issues and Obstruction in construction by existing line of JUSNL.
LOA	13.7.2010	13.7.2010	24.3.2011	17.5.2016	
Supplies	12.10.2010	13.8.2012	1.8.2011	30.11.2016	
Foundation/ Civil works	15.9.2010	10.7.2012	1.6.2011	1.12.2017	
Tower erection	30.11.2010	10.08.2012	1.10.2011	25.12.2017	
Stringing	15.2.2011	1.11.2012	01.2.2012	25.2.2018	
Testing & commissioning	25.10.2012	1.11.2012	25.2.2018	31.3.2018	

Asset-I(B)

Activity	Period of activity				Reasons for delay
	Schedule		Actual		
	From	to	From	to	
Land Acquisition	4.1.2010	9.7. 2010	27.5. 2009	31.7. 2015	The reasons for delay predominantly include the delay in land acquisition for the Daltonganj (G) sub-station which took more than 6 years of time. Further, there was delay due to Retendering of LOAs as Delay in Land acquisition had led to the termination of initial LOAs.
LOA	13.10. 2010	13.10. 2010	24.3. 2011	17.5. 2016	
Supplies	14.6. 2011	11.7. 2012	1.8. 2011	30.11. 2016	
Civil works & Erection	10.12. 2010	13.9. 2012	1.6. 2011/ 3.10. 2016	1.12. 2017/ 25.7.2018	
Testing & commissioning	14.9. 2012	1.11. 2012	25.7. 2018	31.10. 2018	

Asset-II

Activity	Period of activity				Reasons for delay
	Schedule		Actual		
	From	to	From	to	
Land Acquisition	4.1.2010	9.7. 2010	27.5. 2009	31.7. 2015	The reasons for delay predominantly include the delay in land acquisition for the Daltonganj (G) sub-station which took more than 6 years of time. Further, there was delay due to Retendering of LOAs as Delay in and
LOA	13.10. 2010	13.10. 2010	24.3. 2011	17.5. 2016	
Supplies	14.6. 2011	11.7. 2012	1.8. 2011	30.11. 2016	
Civil works & Erection	10.12. 2010	13.9. 2012	1.6. 2011/ 3.10. 2016	1.12. 2017/ 25.7.2018	
Testing & commissioning	14.9. 2012	1.11. 2012	25.7. 2018	16.9.2018	



Activity	Period of activity				Reasons for delay
	Schedule		Actual		
	From	to	From	to	
					acquisition had led to the termination of initial LOAs.

Asset-IV

Activity	Period of activity				Reasons for delay
	Schedule		Actual		
	From	to	From	to	
Land Acquisition	N/A	N/A	N/A	N/A	The reasons for delay predominantly include the delay in land acquisition for the Daltonganj (G) sub-station which took more than 6 years of time. Further, there was delay due to Retendering of LOAs as Delay in and acquisition had led to the termination of initial LOAs.
LOA	13.10.2010	13.10.2010	16.8.2010	30.8.2010	
Supplies	14.6.2011	11.7.2012	18.11.2011	18.10.2012	
Civil works & Erection	10.12.2010	13.9.2012	1.6.2011/ 3.10.2016	1.12.2017/ 25.7.2018	
Testing & commissioning	14.9.2012	1.11.2012	25.7.2018	16.9.2018	

Asset-V

Activity	Period of activity				Reasons for delay
	Schedule		Actual		
	From	to	From	to	
Land Acquisition	4.1.2010	9.7.2010	31.8.2009	18.6.2013	The reasons for delay predominantly include the delay in land acquisition for the Chaibasa (G) sub-station which took around 4 years of time.
LOA	13.7.2010/ 13.10.2010	13.7.2010/ 13.10.2010	24.3.2011	24.3.2011	
Supplies	12.10.2010/ 14.6.2011	13.8.2012/ 11.7.2012	1.9.2011	30.8.2012	
Foundation/ Civil works	15.9.2010/ 10.12.2010	10.7.2012/ 13.9.2012	1.7.2011	1.8.2015	
Tower erection	30.11.2010	10.08.2012	1.12.2011	25.9.2015	
Stringing	15.2.2011	1.11.2012	1.4.2012	2.10.2015	
Testing & commissioning	25.10.2012	1.11.2012	2.10.2015	2.11.2015	

Asset-VI

Activity	Period of activity				Reasons for delay
	Schedule		Actual		
	From	to	From	to	
Approval of Scope	2.7.2010 (IA)	2.7.2010 (IA)	26.8.2013 (MOP)	26.8.2013 (MOP)	Main reason for delay is change in scope and subsequent approval
Land Acquisition	4.1.2010	9.7.2010	22.12.2012	11.2.2013	The reasons for delay after revised scope approval predominantly included delay in land acquisition, ROW issues, Forest clearances, change in tower design and configuration, etc.
LOA	13.10.2010	13.10.2010	26.3.2010	29.9.2014	
Supplies	14.6.2011	11.7.2012	1.6.2015	19.1.2016	
Civil works & Erection	10.12.2010	13.9.2012	25.1.2015	29.2.2016	



Activity	Period of activity				Reasons for delay
	Schedule		Actual		
	From	to	From	to	
Testing & commissioning	14.9.2012	1.11.2012	21.4.2016	12.7.2016/ 18.11.2017	The ICT-II, supplied by M/s BHEL, was initially completed and charged on 12.07.2016 but failed while in service on 21.09.2016 due to technical problems.

41. The Respondent, BSP(H)CL, vide affidavit dated 30.1.2019 has submitted that the Petitioner has claimed the delay on account of the following:

- a. Delay in acquisition of Land;
- b. Delay due to re-tendering of LOA due to delay in Land acquisition;
- c. Delay due to Law and Order situation; and
- d. Delay due to obstruction from JUSNL T/L.

42. BSP(H)CL has further submitted that problems narrated by the Petitioner are only an excuse for delay which is entirely attributable to the slackness in project management for which Petitioner is solely responsible. The Petitioner has also not submitted the Detailed Project Report/ CPM Analysis/ PERT Chart and Bar Chart. In response, the Petitioner vide affidavit dated 11.03.2019 has submitted that the documents highlighting the schedule along with scope of works e.g. Investment approval, RCE and DPR has already been submitted in the instant petition. In addition to these, the CPM/PERT charts depicting the schedule implementation and actual implementation have been submitted in subsequent affidavits dated 8.8.2018, 10.12.2018 & 8.2.2019.

43. We have considered the submissions of Petitioner and Respondent. As per the Investment Approval, the scheduled COD of the project was within 28 months from the date of Investment Approval i.e. 2.7.2010. Hence the assets were scheduled to be put into commercial operation on 2.11.2012, against which the Asset-I(A)(i), Asset-1(B), Asset-II, Asset-III, Asset-IV, Asset-V and Asset-VI were put into commercial operation on 31.3.2018, 5.11.2018, 16.9.2018, 14.3.2019, 19.8.2015, 2.11.2015 and 18.11.2017 with a time overrun of 1975 days, 2194 days, 2144 days, 2323 days, 1020 days, 1095 days and 1842 days, respectively.



Asset-I(A)(i), Asset-I(B) and Asset-II

44. The Petitioner has bifurcated Asset-I into Asset-I(A)(i), Asset-I(A)(ii), Asset-I(A)(iii) and Asset-I (B) out of which Asset-I(A)(ii) and Asset-I(A)(iii) are not being considered for tariff in this petition as per the reasons deliberated in the aforementioned relevant para. The Petitioner has claimed COD of Asset-I(A)(i) and Asset-I(B) as 31.3.2018 and 5.11.2018 with a time delay of 1975 days and 2194 days. The COD of the Asset-II has been considered as 16.9.2018 with a time delay of 2144 days.

45. The Petitioner has attributed the time overrun in case of Asset-I and Asset-II to delay in getting land acquisition for the Daltonganj Substation, delay due to retendering of LOA and delay due to obstruction from JUSNL transmission line. The Petitioner had made application for 40.10 acre of land on 27.5.2009 much before i.e. about one year prior to the Investment Approval of 2.7.2010. Thereafter, the Petitioner vide letter dated 20.3.2010, deposited ₹ 4 crore towards land acquisition. The Petitioner, followed it up with letters dated 14.5.2010, 8.6.2010, 4.8.2010, 19.10.2010, 28.10.2010, 3.11.2010, 14.12.2010, 15.12.2010, 23.3.2011, 18.3.2011, 27.6.2011, 12.9.2011, 9.11.2011, 23.11.2011, 20.1.2012, 19.3.2012 and 10.4.2012. The Petitioner obtained certificate of possession of land on 31.7.2015. The time period prior to Investment Approval date of 2.7.2010 is not condonable as the same is considered under normal scheduled activity. Normal time in land acquisition is about one year from date of IA. However, the time taken for obtaining land was from 2.7.2010 to 31.7.2015 (1855 days). Therefore the time delay of about 1490 days (1855-365) due to acquisition of land is beyond the control of the Petitioner and the same has been condoned.

46. The Petitioner has submitted that due to delay in land acquisition, the Petitioner has retendered various letters of Award (LOA). The Petitioner awarded the contour survey & soil investigation work on 30.8.2011 and main substation supply and erection work on 16.3.2012. However, the Petitioner had to retender the above contracts and accordingly, the new LOA for contour survey & soil investigation work was placed on 14.8.2015 and that of main substation supply and erection work on 1.7.2016. It is observed from the letters dated 20.6.2014, 18.9.2014, 22.9.2014, 31.12.2014 and 7.10.2015 written by the main agency



(Alstom), requesting the Petitioner to short-close the contract. On receiving the possession of land on 1.7.2015, the Petitioner continued to discuss the issue with M/s Alstom Limited regarding execution of balance supply and total civil and erection work at Daltonganj substation. But the same could not materialize as M/s Alstom Limited was taking time in responding and requesting for short closure as evident from the letter dated 7.10.2015 of Alstom. Hence, Petitioner short closed the contract and started fresh bidding process and NIT was floated. Finally contract was awarded to M/s Alstom T&D Limited on 1.7.2016.

47. The Petitioner has submitted that after possession of land at Daltonganj, the work was hampered due to severe law & order and ROW problems. The Petitioner has submitted letters dated 18.9.2015, 26.11.2015 to substantiate its claim. We have gone through the submissions of the Petitioner and observe that the time delay from 18.9.2015 to 26.11.2015 (69 days) due to ROW problem is beyond the control of the Petitioner and the same has been condoned.

48. The Petitioner has submitted that delay in diversion of 220 KV Latehar-Daltonganj D/C line of JUSNL led to delay in construction of Daltonganj Substation. The Petitioner has submitted that it took up the issue with JUSNL in the month of April, 2014 and also sent various letters dated 21.4.2015, 18.9.2015, 2.9.2016, 7.10.2016, 8.1.2017 and 17.3.2017. The Petitioner has submitted that the issue was discussed in 37th ERPC meeting held on 3.8.2017 and finally the said diversion work was completed by JUSNL on December, 2017. The issue was resolved on 9.3.2018 and the Petitioner, thereafter, commissioned the 400/220 kV Daltonganj Sub-station on 31.3.2018.

49. We have gone through the submissions of the Petitioner and the supporting documentary evidence. However, we note that the time delay from April 2014 to 31.7.2015 is subsumed in the activities of land acquisition while that from 18.9.2015 to 26.11.2015 is subsumed in delay due to law & order and ROW problems. The delay on account of this is not attributable to the Petitioner. Therefore, the period from 26.11.2015 to 31.12.2017 of 765 days was beyond the control of the Petitioner and, therefore, condoned.



50. In view of the above, the delay due to Land acquisition of 1490 days, ROW issues of 69 days and obstruction of JUSNL line of 765 days totaling to 2324 days was beyond the control of the Petitioner. However, the Petitioner compressed the execution time and commissioned the Asset-I(A)(i), Asset-I(B) and Asset-II with an overall delay of 1975 days, 2194 days and 2144 days, respectively. Therefore, the total time delay of 1975 days, 2194 days and 2144 days in commissioning of Asset-I(A)(i), Asset-I(B) and Asset-II is condoned.

Asset-III

51. The Petitioner has awarded LOA to M/S GET for supply and erection works at 400 kV Biharsharif substation but due to non performance of GET, the Petitioner has terminated the contract on 13.2.2014 and awarded to Larsen Power & Infra Private Ltd on 28.4.2017.

52. The APTEL vide order dated 27.4.2011 in appeal no 72 of 2010 has held as under:-

“7.4. The delay in execution of a generating project could occur due to following reasons: i) due to factors entirely attributable to the generating company, e.g., imprudence in selecting the contractors/suppliers and in executing contractual agreements including terms and conditions of the contracts, delay in award of contracts, delay in providing inputs like making land available to the contractors, delay in payments to contractors/suppliers as per the terms of contract, mismanagement of finances, slackness in project management like improper co-ordination between the various contractors, etc.

ii) due to factors beyond the control of the generating company e.g. delay caused due to force majeure like natural calamity or any other reasons which clearly establish, beyond any doubt, that there has been no imprudence on the part of the generating company in executing the project.

iii) situation not covered by (i) & (ii) above.

In our opinion in the first case the entire cost due to time over run has to be borne by the generating company. However, the Liquidated Damages (LDs) and insurance proceeds on account of delay, if any, received by the generating company could be retained by the generating company. In the second case the generating company could be given benefit of the additional cost incurred due to time over-run. However, the consumers should get full benefit of the LDs recovered from the contractors/suppliers of the generating company and the insurance proceeds, if any, to reduce the capital cost. In the third case the additional cost due to time overrun including the LDs and insurance proceeds could be shared between the generating company and the consumer. It would also be prudent to consider the delay with respect to some benchmarks rather than depending on the provisions



13.1. *The first issue is regarding disallowance of time over run related costs attributable to the Appellant. According to the Regulations the actual expenditure incurred on completion of project, subject to prudence check shall form the basis for determination of the original capital cost of the Page 47 of 55 Appeal No. 72 of 2010 Project. The Tariff Regulations of the State Commission do not specify any benchmark norms for prudence check of the capital cost. However, the State Commission has not gone into the reasons for the delay in commissioning of the project and attributed the entire time overrun cost of the Appellant. In our opinion, this is not prudence check. In the absence of the benchmark norms for prudence check, we have laid down the principles of prudence check of time overrun related costs in para 7.4 above. After detailed examination we have come to conclusion that though it is evident that there was delay on part of the BHEL in supply and execution of main plant but it is not established beyond doubt that the entire delay was for reasons beyond the control of the Appellant. Accordingly, it is held that the 50% of the excessive cost due to time overrun, in overheads and IDC, has to be disallowed to the generating company.”*

53. As per the above, in the instant case the impact of delay is due to the contractor and can not be considered as beyond the control of the Petitioner. Also, as per clause 12(1)(c) of the 2014 Tariff Regulations, the delay due to contractor is within the control of the Petitioner and the same is not condonable. Accordingly, we disallow the delay of 2323 days for Asset-III. The Petitioner has not mentioned the liquidated damages (LD) claimed from the contractor. The Petitioner can retain the claimed LD and is directed to submit the details of liquidated damages recovered, at the time of truing up of the petition.

Asset-IV

54. The Petitioner has submitted that the works associated with 01 No. 80 MVAR Bus Reactor at Duburi S/S was completed by December, 2013 but the same could not be charged in absence of non-completion of OPTCL's 400 kV network at Duburi. In order to charge the reactor in absence of OPTCL's 400 kV network, the Petitioner vide letters dated 09.12.2013, 31.12.2013, 14.01.2014 and 18.03.2014 requested OPTCL to provide necessary shutdown from their operational 220 kV System for making physical electrical connections in absence of non-readiness of their (OPTCL's) 400 kV system so as to charge the said Bus Reactor. Despite persistent requests to OPTCL to expedite their 400kV works and subsequently to obtain the shutdown for making these electrical connections from 220 kV end, the same could not be materialized on time and the Petitioner commissioned the said Bus reactor on



1.4.2014 and prayed the Commission for approval of COD by invoking provision 3(12)(c) of Tariff Regulations 2009.

55. The Petitioner has submitted chronology of events and documents in support of key events between 7.7.2010 (IA) to 1.4.2014 (Charging date) of about 45 months, leading to delay in commissioning of Asset-IV. The LOA was placed on 30.8.2010 and the date of start of work was scheduled as 01.5.2011 as per LOA. The Petitioner submitted the letter to OPTCL for approval of permission to carry out works at Duburi SS on 27.4.2011. Subsequently, land at Duburi was handed over on 5.9.2011 to carry out civil works. The handing over of land took about 4.5 months. Similarly, the letter seeking permission for requirement for construction power from OPTCL S/S was forwarded on 5.7.2011 but the corresponding permission was provided by OPTCL on 22.3.2012. This activity took about 8.5 months. The foundation works at the Duburi S/S could be initiated only after 22.3.2012. The permission for erection was sought from OPTCL after substantial amount of foundation works got completed. The permission to execute electrical and civil works was sought on 27.5.2013 and the same was granted on 11.6.2013. This further delayed the work progress which had a cascading effect on activities planned in advance. The prayer of Petitioner for COD approval (as 1.4.2014) was not approved by the Commission vide order dated 20.09.2017 in petition no. 278/TT/205 and further, directed to shift the same from 1.4.2014 to August 2015 matching with LILO of Ckt.-I of 400kV D/C Baripada – Mendhasal transmission line at Duburi Sub station alongwith associated bays at Duburi S/S.

56. The revised/ shifted COD for the subject Asset-IV was considered as 19.08.2015, and therefore, the apparent delay in commissioning for the said Bus Reactor was 32.5 months. Since, the COD of this 01 no. 80 MVAR Bus Reactor at Duburi S/S had to match with the LILO of Ckt.-I of 400kV D/C Baripada – Mendhasal transmission line at Duburi Sub station alongwith associated bays at Duburi S/S, therefore, the condonation of delay of 32.5 months for this LILO by the Commission vide order dated 20.9.2017 in petition no. 278/TT/205 shall apply for the subject Asset-IV as well. The delay of 32.5 months for LILO of Ckt.-I of 400kV D/C Baripada – Mendhasal transmission line at Duburi Sub station alongwith associated bays at Duburi S/S was acknowledged and condoned by the Commission in paras 17 to 25



of order dated 20.09.2017 in petition no. 278/TT/2015. Accordingly, the time overrun of 1020 days is beyond the control of the Petitioner and the same is condoned.

Asset-V

57. As regards Asset-V, the Petitioner has attributed the time delay due to delay in land acquisition, at Chaibasa Substation. The Petitioner has also submitted that the Commission vide order dated 20.9.2017 in Petition No. 278/TT/2015 has already condoned the time delay pertaining to Chiabasa Substation and the same is as follows:

“31. We have considered the Petitioner's submission with regard to Assets 3 and 5. As regards to the land acquisition problems, the Petitioner has submitted chronological tabulation of events/correspondences along with documentary evidence to substantiate its claim. Having perused the available documents, we are of the view that the delay on account of land acquisition i.e. period from investment Approval (2.7.2010) to lease agreement with Government of Jharkhand (25.6.2011) is not attributable to the Petitioner. This delay is to the tune of 1082 days.

32. With respect to the delay due to commissioning of the downstream system of JSEC/JUSNL. The Petitioner has submitted that in order to match the commissioning of the subject asset with the commissioning of the corresponding downstream asset the commissioning of the subject asset got delayed. The Petitioner has submitted downstream asset status to substantiate its claim.

33. In view of the above deliberations, it is to conclude that the time overrun due to land acquisition problems, non-readiness of the downstream asset of JSEB and diversion of JUSNL transmission line were beyond the control of the Petitioner. The Petitioner has claimed delay to the tune of 782 days and 1188 days in commissioning of Assets 3 and 5 respectively. Thus, the entire time overrun is being condoned due to the reasons that cannot be attributed to the Petitioner.”

58. In view of above, it is observed that the Commission has already taken into cognizance the time overrun of about 1188 days in commissioning of assets associated with Chaibasa Substation. Accordingly the time overrun to the tune of



1095 days in commissioning of Assets –V is also considered beyond the control of the Petitioner and therefore condoned.

Asset-VI

59. As regards delay in Asset-VI, the Petitioner has attributed this to delay due to change in scope of project, delay due to Land acquisition by Government of Odisha, delay due to change in tower Design, delay due to ROW problems, delay in forest clearance and delay due to shut down clearance. The Petitioner has submitted that Pandiabilli GIS substation is delayed due to delay of associated transmission line owing to reasons like ROW and forest clearance which delayed the commissioning of ICT's and reactors. The Petitioner has also submitted that the Commission vide order dated 20.9.2017 in Petition No. 278/TT/2015 has already condoned the time delay up to 31.7.2016 on the above mentioned grounds.

60. The Commission vide order dated 20.9.2017 in Petition No 278/TT/2015 has held as under:-

“35. We have considered the submissions of the Petitioner with respect to Asset 6a. The Petitioner has attributed the delay on account of change in scope, land acquisition, change in tower design and configuration, ROW issues and Forest Clearance.

36. First issue is with regard to change in scope of work. It is observed that the proposed GIS at Pattanaikaya was relocated to Pandiabil and the original scope of direct D/C line between Mendhasal and Pandiabil was changed to LILO of Baripada-Mendhasal D/C line at Pandiabil. The Petitioner received the MoP, GOI approval for change in scope in 26.8.2013. Having perused the documents, we are of the view that delay of 1151 days from the date of Investment Approval (2.7.2010) to the GOI approval (26.8.2013) (1151 days) is not attributable to the Petitioner.

37. Second issue is related to land acquisition. It is observed that the Petitioner had started the process of Land Acquisition well before the Investment Approval. However, the required land was allotted on 22.12.2012 at Pandiabilli and the same was handed over to the Petitioner on 11.02.2013. The time delay due to land acquisition is subsumed in the change in the scope of the project and the GOI approved modified scope of the project on 28.6.2013 Therefore, the delay of 955 days from the date of Investment Approval (2.7.2010) to handing over of land is attributable to the Petitioner and the same has not been condoned.

38. Third issue is with regard to change in tower design and configuration. The tower design and configuration was changed from Double Circuit to Multi



Circuit and retendering was initiated. Additionally, the land allotted at Pandiabili required diversion of OPTCL line. The Petitioner has submitted its letter to OPTCL dated 16.7.2013, 12.7.2014 and 13.3.2015 to substantiate its claim. From the submissions of the Petitioner it is not clear how the change in tower design and configuration affected the commissioning of the 500 MVA ICT at 400 kV Pandiabili GIS. Therefore the delay of 605 days due to this issue is not being condoned.

39. Fourth issue is related to ROW constraints. The Petitioner has submitted various letters to substantiate its claim. The first letter reporting ROW issues is dated 29.9.2014 and the last such letter is dated 8.6.2015. The Petitioner has also submitted multiple letters reporting ROW issues in between this period. We are of the view that the time over-run due to ROW issues is not attributable to the Petitioner. Considering the first and last ROW instance letters, the delay is of the tune of 252 days is condoned.

40. Fifth issue is related to delay in forest clearance. The Petitioner had applied for the forest clearance through its letter dated 8.8.2013 and obtained the tree cutting order vide letter dated 7.7.2015. Thus it took 698 days to obtain the forest clearance. Having perused the documents on record, we are of the view that the time over-run on account of delay in forest clearance is not attributable to the Petitioner.”

41. In view of the above deliberations, we conclude that the time overrun due the reasons mentioned above was beyond the control of the Petitioner. The Petitioner has claimed delay to the tune of 1308 days. Entire time overrun is being condoned as the causes for the time overrun cannot be attributed to the Petitioner. The corresponding IDC/IEDC is being capitalised.

61. In view of above, it is observed that time delay of about 1308 days is taken into cognizance and the time delay upto 31.7.2016 (date of commissioning of Pandiabili GIS) is condoned. The Petitioner has submitted that the Petitioner has charged the ICT on 12.7.2016 and the charged ICT failed on 21.9.2016 due to technical problems. The Petitioner has not submitted any documentary evidence that the asset has been charged on 12.7.2016.

62. As regards the time delay beyond 31.7.2016, the reasons submitted by the Petitioner have not supported with any valid documentary evidence and the technical problems cannot be treated as beyond the control of the Petitioner. Therefore, the time delay beyond 31.7.2016 is not beyond the control of the Petitioner and the same has been not condoned. Accordingly out of the total time



delay of 1842 days, 1308 days is beyond the control of the Petitioner and the same has been condoned and remaining time over-run of 534 days is not condoned.

63. In view of the above the time over-run condoned/not condoned in respect of the instant assets is summarized as below:-

Assets	Time over-run in commissioning of asset (days)	Time over-run condoned (days)	Time over-run not condoned (days)
Asset-1(A)(i)	1975	1975	0
Asset-1(B)	2194	2194	0
Asset-II	2144	2144	0
Asset-III	2323	0	2323
Asset-IV	1020	1020	0
Asset-V	1095	1095	0
Asset-VI	1842	1308	534

Interest During Construction (IDC)

64. The Petitioner has claimed Interest During Construction (IDC) for the instant assets and has submitted the Auditor Certificate in support of the same. The Petitioner has submitted computation of IDC alongwith the year-wise details of the IDC discharged which is summarized as under:-

Asset	IDC as per Auditor Certificate	IDC discharged upto COD	IDC discharged year-wise				IDC discharged/ to be discharged after 2018-19
			2015-16	2016-17	2017-18	2018-19	
Asset-1(A)(i)	10752.38	9829.62	-	-	-	922.76	-
Asset-1(B)	302.63	283.41	-	-	-	1.15	18.07
Asset-II	115.93	97.75	-	-	-	-	18.18
Asset-III	38.07	35.44	-	-	-	-	2.63
Asset-IV	128.07	114.27	10.35	3.45	-	-	-
Asset-V	243.95	242.73	-	1.22	-	-	-
Asset-VI	727.38	615.05	-	-	47.02	65.31	-

65. The allowable IDC as on COD has been worked out considering the information submitted by the Petitioner. IDC, up to the allowable date, has been worked out based on the loans deployed for the assets as per Form-9C of the



original petition and statement showing IDC calculations on cash basis submitted by the Petitioner. Petitioner has not made any default in the payment of interest. The statement showing IDC consist of the name of the loan, drawl date, loan amount, interest rate and Interest claimed. While going through these documents discrepancies have been observed in case of Asset-I(A)(i), Asset-I(B) and Asset-IV, as the Petitioner has not specified the interest rate for SBI loans but has mentioned as floating rate. The Petitioner has not furnished the computation of floating interest rate and in this regard the documentary proof given are not reconcilable. Therefore, for the purpose of determination of allowable IDC, the interest rate as mentioned in Form 9C against these loans have been considered.

66. Further, the loan portfolio as mentioned in IDC statements and as mentioned in Form 9C are not matching. Hence, for the purpose of determination of allowable IDC, the loan amount as mentioned in Form 9C has been considered. The Petitioner is directed to submit the detailed IDC statement by rectifying the above mentioned deviation, at the time of true up of 2014-19.

67. Based on the available information, IDC is being worked out for the purpose of tariff determination, subject to revision at the time of true up is as below:-

Assets	(₹ in lakh)					
	IDC claimed as per Auditor certificates	IDC Disallowed due to Excess claim & Time overrun not allowed, if any.	IDC Allowed on accrual basis	IDC Allowed on cash basis as on COD	Un-discharged IDC liability as on COD	IDC liability allowable as Add. Cap. from COD to 31.03.2019
	1	2	3=(1-2)	4	5=(3-4)	6
Asset-I(A)(i)	10752.38	470.26	10282.12	9218.25	1063.87	922.76
Asset-I(B)	302.63	0.00	302.63	283.41	19.22	1.15
Asset-II	115.93	0.00	115.93	97.75	18.18	0.00
Asset-III	38.07	37.90	0.17	0.17	0.00	0.00
Asset-IV	128.07	0.17	127.90	114.19	13.71	13.71
Asset-V	243.95	0.00	243.95	242.73	1.22	1.22
Asset-VI	727.38	374.79	352.59	208.39	144.20	144.20

Incidental Expenditure During Construction (IEDC)

68. Petitioner has claimed Incidental Expenditure during Construction (IEDC) of ₹2904.09 lakh, ₹208.46 lakh, ₹91.37 lakh, ₹11.15 lakh, ₹30.85 lakh, ₹87.51 lakh and ₹154.09 lakh for Assets-I(A)(i), Asset-I(B), Asset-II, Asset-III, Asset-IV, Asset-V, and Asset-VI, respectively.



69. The Commission, vide order dated 20.05.2015 in petition no. 109/TT/2013, has approved the ceiling limit of Incidental Expenditure during Construction (IEDC) as the percentage on Hard Cost as indicated in the Abstract Cost Estimate. In the current petition, 5% of Hard Cost is indicated as IEDC in the Abstract Cost Estimate. Further, the Petitioner has not submitted the discharge statement of the IEDC. Hence, it is being assumed that the liability pertaining to IEDC allowed were discharged as on COD. The Petitioner is directed to submit the details of discharge of liability pertaining to IEDC, if any, at the time of truing up.

70. Accordingly, the amount of IEDC claimed, disallowed on account of Excess claim / Time overrun not condoned, if any, and allowed accordingly, in the instant petition, are as below:-

(₹ in lakh)

Asset	IEDC Claimed	IEDC disallowed (on account of Excess Claim / Time overrun not condoned, if any)	IEDC Allowed (as on COD)
Asset-I(A)(i)	2904.09	1170.71	1733.38
Asset-I(B)	208.46	127.66	80.80
Asset-II	91.37	50.90	40.47
Asset-III	11.15	9.33	1.82
Asset-IV	30.85	0.00	30.85
Asset-V	87.51	0.00	87.51
Asset-VI	154.09	30.51	123.58

Initial Spares

71. This has been dealt in line with Regulation 13 of the 2014 Tariff Regulations. The Initial Spares claimed by Petitioner in respect of Assets-I(A)(i), Asset-I(B), Asset-II, Asset-III, Asset-IV and Asset-VI corresponding to sub-station and in respect of Assets-V corresponding to transmission line are within the ceiling as prescribed by the commission, hence, no adjustment of initial spares is required as on COD. However, excess Initial Spares claimed by the Petitioner in respect of Asset-I(A)(i) corresponding to transmission line is being adjusted as on COD while determining tariff of the Assets.

72. We have considered the submissions made by the Petitioner. Petitioner has not submitted the details of year-wise discharge of initial spare. Hence, it is being assumed that the liabilities pertaining to Initial Spare allowed were discharged as on COD. The Petitioner is directed to submit the details of discharge of liability



pertaining to Initial Spare, if any, at the time of truing up. The initial spares allowed for the purpose of tariff calculation after considering the Plant and Machinery cost excluding IDC, IEDC and Land expenses up to cut off date, subject to true-up are as under:-

(₹ in lakh)

Asset	Particulars	Plant and Machinery Cost excluding IDC, IEDC and Land expenditure up to cut-off date (31.3.2019)	Initial spares claimed	Initial spares allowed as on COD	Initial spares disallowed on account of un-discharged/ excess
Asset-I(A)(i)	Substation	5434.43	217.38	217.38	-
Asset-I(A)(i)	TL	27000.57	270.82	270.00	0.82
Asset-I(B)	Substation	1939.22	77.57	77.57	-
Asset-II	Substation	1075.92	43.04	43.04	-
Asset-III	Substation	192.39	7.00	7.00	-
Asset-IV	Substation	830.15	26.02	26.02	-
Asset-V	TL	2016.58	20.17	20.17	-
Asset-VI	Substation	4392.55	189.95	189.95	-

Capital cost as on COD

73. Accordingly, the capital cost allowed as on COD under Regulation 9(2) of the 2014 Tariff Regulations is summarized as under:-

(₹ in lakh)

Asset	Capital Cost claimed as on COD as per Auditor Certificate	IDC Disallowed due to Excess claim & Time Overrun not allowed, if any.	Undischarged IDC liability worked out as on COD	Disallowed IEDC (Excess claim/ time overrun)	Disallowed/ un-discharged Initial spares	Capital Cost as on COD considered for tariff calculation
	1	2	3	4	5	6=(1-2-3-4-5)
Asset-I(A)(i)	46715.45	470.26	1063.87	1170.71	0.82	44009.80
Asset-I(B)	1988.70	0.00	19.22	127.66	-	1841.82
Asset-II	932.13	0.00	18.18	50.90	-	863.05
Asset-III	184.61	37.90	0.00	9.33	-	137.38
Asset-IV	868.59	0.17	13.71	0.00	-	854.71
Asset-V	1776.25	0.00	1.22	0.00	-	1775.03
Asset-VI	4758.78	374.79	144.20	30.51	-	4209.28

Additional Capital Expenditure (ACE)

74. As per Clause (13) of Regulation 3 of the 2014 Tariff Regulations, the cut-off date for instant assets is 31.3.2021. The Petitioner has submitted Auditor Certificates in support of the additional capitalisation. In addition, the Petitioner has also claimed the discharge of IDC liability as ACE. The Petitioner vide form 7 has



claimed both these cost as ACE under Regulation 14(1)(i) and 14(1)(ii), which has been summarized upto 31.3.2019 as under:-

Asset	Additional Capital expenditure claimed				Total
	2015-16	2016-17	2017-18	2018-19	
Asset-I(A)(i)	-	-	-	1608.58	1608.58
Asset-I(B)	-	-	-	138.49	138.49
Asset-II	-	-	-	84.63	84.63
Asset-III	-	-	-	-	-
Asset-IV	5.32	39.53	75.63	-	120.48
Asset-V	5.60	43.33	522.86	-	571.79
Asset-VI	-	-	265.24	250.00	514.24

75. Since, FY 2019-20 & 2020-21 falls beyond the tariff period 2014-19 and is not covered under the 2014 Tariff Regulation, the projected ACE claimed by the Petitioner for FY 2019-20 & 2020-21 has been ignored for the purpose of tariff and shall be dealt during the next tariff period as per extant tariff Regulations.

76. The Petitioner has claimed additional capital expenditure towards Balance and Retention payments. The admissible un-discharged IDC liability as on COD has been allowed as ACE during the year of its discharge. The allowed Additional Capital expenditure are summarized below which is subject to true up:-

Particulars	Regulation	Asset-I(A)(i)		Asset-I(B)	
		2017-18	2018-19	2017-18	2018-19
ACE to the extent of Balance & Retention Payment & ACE to the extent of unexecuted work	14 (1)(i) & 14 (1)(ii)	-	1608.58	-	138.49
IDC Discharged	14 (1)(i)	-	922.76	-	1.15
Total Add-Cap allowed for tariff		-	2531.34	-	139.64

Particulars	Regulation	Asset-II		Asset-III	
		2017-18	2018-19	2017-18	2018-19
ACE to the extent of Balance & Retention Payment & ACE to the extent of unexecuted work	14 (1)(i) & 14 (1)(ii)	-	84.63	-	-
IDC Discharged	14 (1)(i)	-	-	-	-
Total Add-Cap allowed for tariff		-	84.63	-	-



(₹ in lakh)

Particulars	Regulation	Asset-IV			
		2015-16	2016-17	2017-18	2018-19
ACE to the extent of Balance & Retention Payment & ACE to the extent of unexecuted work	14 (1)(i) & 14 (1)(ii)	5.32	39.53	75.63	-
IDC Discharged	14 (1)(i)	10.35	3.36	-	-
Total Add-Cap allowed for tariff		15.67	42.89	75.63	-

Particulars	Regulation	Asset-V			
		2015-16	2016-17	2017-18	2018-19
ACE to the extent of Balance & Retention Payment & ACE to the extent of unexecuted work	14 (1)(i) & 14 (1)(ii)	5.60	43.33	522.86	-
IDC Discharged	14 (1)(i)	-	1.22	-	-
Total Add-Cap allowed for tariff		5.60	44.55	522.86	-

Particulars	Regulation	Asset-VI			
		2015-16	2016-17	2017-18	2018-19
ACE to the extent of Balance & Retention Payment & ACE to the extent of unexecuted work	14 (1)(i) & 14 (1)(ii)	-	-	265.24	250.00
IDC Discharged	14 (1)(i)	-	-	140.74	3.46
Total Add-Cap allowed for tariff		-	-	405.98	253.46

Capital cost for the tariff period 2014-19

77. Accordingly, the capital cost considered for the tariff period 2014-19, subject to truing up, is as follows:-

(₹ in lakh)

Asset	Capital Cost allowed as on COD	Add Cap allowed from COD to 31.03.2019	Total Estimated Completion Cost up to 31.3.2019
Asset-I(A)(i)	44009.80	2531.34	46541.14
Asset-I(B)	1841.82	139.64	1981.46
Asset-II	863.05	84.63	947.68
Asset-III	137.38	-	137.38
Asset-IV	854.71	134.19	988.90
Asset-V	1775.03	573.01	2348.04
Asset-VI	4209.28	659.44	4868.72



Debt-Equity Ratio

78. Debt-Equity Ratio is considered as per Regulation 19 of the 2014 tariff Regulations. The financial package up to COD as submitted in form 6 has been considered to determine the debt-equity Ratio. The capital cost allowed as on the date of commercial operation arrived at as above and additional capitalization allowed have been considered in the debt-equity ratio of 70:30. The debt-equity as on dates of commercial operation and 31.3.2019 considered on normative basis are as under:-

(₹ in lakh)

Asset-I(A)(i)	As on COD		As on 31.03.2019	
Debt	30,806.86	70.00%	32578.80	70.00%
Equity	13,202.94	30.00%	13962.34	30.00%
Total	44009.80	100.00%	46541.14	100.00%

Asset-I(B)	As on COD		As on 31.03.2019	
Debt	1,289.28	70.00%	1387.03	70.00%
Equity	552.55	30.00%	594.44	30.00%
Total	1841.82	100.00%	1981.46	100.00%

Asset-II	As on COD		As on 31.03.2019	
Debt	604.14	70.00%	663.38	70.00%
Equity	258.92	30.00%	284.30	30.00%
Total	863.05	100.00%	947.68	100.00%

Asset-III	As on COD		As on 31.03.2019	
Debt	96.17	70.00%	96.17	70.00%
Equity	41.21	30.00%	41.21	30.00%
Total	137.38	100.00%	137.38	100.00%

Asset-IV	As on COD		As on 31.03.2019	
Debt	598.29	70.00%	692.23	70.00%
Equity	256.41	30.00%	296.67	30.00%
Total	854.71	100.00%	988.90	100.00%

Asset-V	As on COD		As on 31.03.2019	
Debt	1,242.52	70.00%	1643.63	70.00%
Equity	532.51	30.00%	704.41	30.00%
Total	1775.03	100.00%	2348.04	100.00%

Asset-VI	As on COD		As on 31.03.2019	
Debt	2,946.50	70.00%	3408.10	70.00%
Equity	1,262.78	30.00%	1460.62	30.00%
Total	4209.28	100.00%	4868.72	100.00%



Return on Equity (ROE)

79. The Petitioner has submitted that ROE has been calculated at the rate of 19.61% after grossing up the ROE with MAT rate of 20.961% as per the above Regulations. The Petitioner has further submitted that the grossed up ROE is subject to truing up based on the effective tax rate of respective financial year applicable to the Petitioner Company.

80. We have considered the submissions made by the Petitioner and Regulation 24 read with Regulation 25 of the 2014 Tariff Regulations provides for grossing up of return on equity with the effective tax rate for the purpose of return on equity. It further provides that in case the generating company or transmission licensee is paying Minimum Alternative Tax (MAT), the MAT rate including surcharge and cess will be considered for the grossing up of return on equity. Accordingly, the MAT rate applicable during 2013-14 has been considered for the purpose of return on equity, which shall be trued up with actual tax rate in accordance with Regulation 25 (3) of the 2014 Tariff Regulations.

81. Accordingly, the ROE allowed is as follows:-

Particulars	(₹ in lakh)				
	Asset-I(A)(i)		Asset-I(B)	Asset-II	Asset-III
	2017-18 (Pro-rata)	2018-19	2018-19 (Pro-rata)	2018-19 (Pro-rata)	2018-19 (Pro-rata)
Opening Equity	13202.94	13202.94	552.55	258.92	41.21
Addition due to Additional Capitalization	0.00	759.40	41.89	25.39	0.00
Closing Equity	13202.94	13962.34	594.44	284.30	41.21
Average Equity	13202.94	13582.64	573.49	271.61	41.21
Return on Equity (Base Rate)	15.50%	15.50%	15.50%	15.50%	15.50%
MAT rate for the Financial year 2013-14	20.961%	20.961%	20.961%	20.961%	20.961%
Rate of Return on Equity (Pre-tax)	19.610%	19.610%	19.610%	19.610%	19.610%
Return on Equity (Pre-tax)	7.09	2663.56	45.29	28.75	0.40

Particulars	Asset-IV			
	2015-16 (Pro-rata)	2016-17	2017-18	2018-19
Opening Equity	256.41	261.11	273.98	296.67
Addition due to Additional	4.70	12.87	22.69	0.00



Particulars	Asset-IV			
	2015-16 (Pro-rata)	2016-17	2017-18	2018-19
Capitalization				
Closing Equity	261.11	273.98	296.67	296.67
Average Equity	258.76	267.55	285.32	296.67
Return on Equity (Base Rate)	15.50%	15.50%	15.50%	15.50%
MAT rate for the Financial year 2013-14	20.961%	20.961%	20.961%	20.961%
Rate of Return on Equity (Pre-tax)	19.610%	19.610%	19.610%	19.610%
Return on Equity (Pre-tax)	31.42	52.47	55.95	58.18

(₹ in lakh)

Particulars	Asset-V			
	2015-16 (Pro-rata)	2016-17	2017-18	2018-19
Opening Equity	532.51	534.19	547.55	704.41
Addition due to Additional Capitalization	1.68	13.37	156.86	0.00
Closing Equity	534.19	547.55	704.41	704.41
Average Equity	533.35	540.87	625.98	704.41
Return on Equity (Base Rate)	15.50%	15.50%	15.50%	15.50%
MAT rate for the Financial year 2013-14	20.961%	20.961%	20.961%	20.961%
Rate of Return on Equity (Pre-tax)	19.610%	19.610%	19.610%	19.610%
Return on Equity (Pre-tax)	43.27	106.06	122.76	138.14

Particulars	Asset-VI	
	2017-18 (Pro-rata)	2018-19
Opening Equity	1262.78	1384.58
Addition due to Additional Capitalization	121.79	76.04
Closing Equity	1384.58	1460.62
Average Equity	1323.68	1422.60
Return on Equity (Base Rate)	15.50%	15.50%
MAT rate for the Financial year 2013-14	20.961%	20.961%
Rate of Return on Equity (Pre-tax)	19.610%	19.610%
Return on Equity (Pre-tax)	95.30	278.97

Interest on Loan (IOL)

82. The IOL has been calculated as per the provisions of Regulation 26 of the 2014 Tariff Regulations as detailed below:-

- a) The Gross Normative loan has been considered as per the Loan amount determined based on the debt equity ratio applied on the allowed capital cost.



- b) The depreciation of every year has been considered as Normative repayment of loan of concerned year;
- c) The weighted average rate of interest on actual loan portfolio has been worked out by considering the Gross amount of loan, repayment & rate of interest as mentioned in the petition, which has been applied on the normative average loan during the year to arrive at the interest on loan.

83. The Petitioner has submitted that the IOL has been claimed on the basis of rate prevailing as on COD and the change in interest due to floating rate of interest applicable, if any, needs to be claimed/ adjusted over the tariff block 2014-19. We have calculated IOL on the basis of rate prevailing as on the date of commercial operation. Any change in rate of interest subsequent to the date of commercial operation will be considered at the time of truing-up. The IOL is allowed considering all the loans submitted in Form-9C. The Petitioner is directed to reconcile the total Gross Loan for the calculation of weighted average Rate of Interest and for the calculation of IDC, which would be reviewed at the time of truing-up.

84. The details of IOL calculated are as follows:-

Particulars	(₹ in lakh)				
	Asset-I(A)(i)		Asset-I(B)	Asset-II	Asset-III
	2017-18 (Pro-rata)	2018-19	2018-19 (Pro-rata)	2018-19 (Pro-rata)	2018-19 (Pro-rata)
Gross Normative Loan	30806.86	30806.86	1289.28	604.14	96.17
Cumulative Repayment upto previous Year	0.00	6.23	0.00	0.00	0.00
Net Loan-Opening	30806.86	30800.63	1289.28	604.14	96.17
Addition due to Additional Capitalization	0.00	1771.94	97.75	59.24	0.00
Repayment during the year	6.23	2329.22	40.65	25.80	0.36
Net Loan-Closing	30800.63	30243.34	1346.38	637.58	95.81
Average Loan	30803.74	30521.99	1317.83	620.86	95.99
Weighted Average Rate of Interest on Loan	8.3607%	8.3549%	7.9313%	7.6389%	8.0389%
Interest on Loan	7.06	2550.09	42.09	25.60	0.38

Particulars	Asset-IV			
	2015-16 (Pro-rata)	2016-17	2017-18	2018-19
Gross Normative Loan	598.29	609.26	639.29	692.23
Cumulative Repayment upto previous Year	0.00	28.20	75.29	125.50
Net Loan-Opening	598.29	581.06	564.00	566.72



Particulars	Asset-IV			
	2015-16 (Pro-rata)	2016-17	2017-18	2018-19
Addition due to Additional Capitalization	10.97	30.02	52.94	0.00
Repayment during the year	28.20	47.09	50.22	52.21
Net Loan-Closing	581.06	564.00	566.72	514.51
Average Loan	589.68	572.53	565.36	540.62
Weighted Average Rate of Interest on Loan	8.9848%	8.9727%	8.9237%	8.8874%
Interest on Loan	32.81	51.37	50.45	48.05

(₹ in lakh)

Particulars	Asset-V			
	2015-16 (Pro-rata)	2016-17	2017-18	2018-19
Gross Normative Loan	1242.52	1246.44	1277.63	1643.63
Cumulative Repayment upto previous Year	0.00	38.83	134.03	244.20
Net Loan-Opening	1242.52	1207.61	1143.60	1399.43
Addition due to Additional Capitalization	3.92	31.19	366.00	0.00
Repayment during the year	38.83	95.19	110.17	123.98
Net Loan-Closing	1207.61	1143.60	1399.43	1275.45
Average Loan	1225.06	1175.60	1271.51	1337.44
Weighted Average Rate of Interest on Loan	8.8369%	8.8344%	8.8297%	8.8365%
Interest on Loan	44.79	103.86	112.27	118.18

Particulars	Asset-VI	
	2017-18 (Pro-rata)	2018-19
Gross Normative Loan	2946.50	3230.68
Cumulative Repayment upto previous Year	0.00	85.53
Net Loan-Opening	2946.50	3145.15
Addition due to Additional Capitalization	284.19	177.42
Repayment during the year	85.53	250.38
Net Loan-Closing	3145.15	3072.20
Average Loan	3045.82	3108.68
Weighted Average Rate of Interest on Loan	8.3104%	8.2820%
Interest on Loan	92.93	257.46

Depreciation

85. Depreciation has been dealt with in line of Regulation 27 of 2014 Tariff Regulations. The instant assets were put under commercial operation during 2017-18 & 2018-19. Accordingly, it will complete 12 years beyond the tariff period 2014-19 and depreciation has been calculated annually based on Straight Line Method at the



rates specified in Appendix-II to the 2014 Tariff Regulations. Details of the depreciation allowed are as under:-

(₹ in lakh)

Particulars	Asset-I(A)(i)		Asset-I(B)	Asset-II	Asset-III
	2017-18 (Pro-rata)	2018-19	2018-19 (Pro-rata)	2018-19 (Pro-rata)	2018-19 (Pro-rata)
Opening Gross Block	44009.80	44009.80	1841.82	863.05	137.38
Additional Capital expenditure	0.00	2531.34	139.64	84.63	0.00
Closing Gross Block	44009.80	46541.14	1981.46	947.68	137.38
Average Gross Block	44009.80	45275.47	1911.64	905.37	137.38
Rate of Depreciation	5.1685%	5.1446%	5.2800%	5.2800%	5.2800%
Depreciable Value	39101.74	40155.31	1720.48	814.83	123.64
Remaining Depreciable Value	39101.74	40149.08	1720.48	814.83	123.64
Depreciation	6.23	2329.22	40.65	25.80	0.36

Particulars	Asset-IV			
	2015-16 (Pro-rata)	2016-17	2017-18	2018-19
Opening Gross Block	854.71	870.38	913.27	988.90
Additional Capital expenditure	15.67	42.89	75.63	0.00
Closing Gross Block	870.38	913.27	988.90	988.90
Average Gross Block	862.54	891.82	951.08	988.90
Rate of Depreciation	5.2800%	5.2800%	5.2800%	5.2800%
Depreciable Value	776.29	802.64	855.97	890.01
Remaining Depreciable Value	776.29	774.44	780.69	764.50
Depreciation	28.20	47.09	50.22	52.21

Particulars	Asset-V			
	2015-16 (Pro-rata)	2016-17	2017-18	2018-19
Opening Gross Block	1775.03	1780.63	1825.18	2348.04
Additional Capital expenditure	5.60	44.55	522.86	0.00
Closing Gross Block	1780.63	1825.18	2348.04	2348.04
Average Gross Block	1777.83	1802.91	2086.61	2348.04
Rate of Depreciation	5.2800%	5.2800%	5.2800%	5.2800%
Depreciable Value	1600.05	1622.61	1877.95	2113.24
Remaining Depreciable Value	1600.05	1583.78	1743.92	1869.04
Depreciation	38.83	95.19	110.17	123.98

Particulars	Asset-VI	
	2017-18 (Pro-rata)	2018-19
Opening Gross Block	4209.28	4615.26
Additional Capital expenditure	405.98	253.46
Closing Gross Block	4615.26	4868.72
Average Gross Block	4412.27	4741.99
Rate of Depreciation	5.2800%	5.2800%
Depreciable Value	3971.04	4267.79
Remaining Depreciable Value	3971.04	4182.26
Depreciation	85.53	250.38



Operation and Maintenance Expenses (O&M Expenses)

86. The Petitioner has claimed the O&M expenses for assets covered in the instant petition as per following details:-

(₹ in lakh)			
Asset	Particulars	2017-18	2018-19
Asset-I(A)(i)	O&M Expenses	1.61	618.49
Asset-I(B)		-	47.37
Asset-II		-	104.22
Asset-III		-	6.65
Asset-IV		-	68.71
Asset-V		-	10.92
Asset-VI		-	106.83

87. The Petitioner has submitted that norms for O&M Expenses for the tariff period 2014-19 have been arrived on the basis of normalized actual O&M Expenses during the period 2008-13. The Petitioner has further submitted that the wage revision of the employees of the Petitioner is due during the 2014-19 tariff period and actual impact of wage hike, which will be effective at a future date, has not been factored in fixation of the normative O&M rate specified for the tariff period 2014-19. The Petitioner has submitted that it would approach the Commission for suitable revision in norms for O&M Expenses for claiming the impact of wage hike during 2014-19, if any.

88. The Respondent, BSP(H)CL vide affidavit dated 30.1.2019 has submitted that the increase in the employee cost, if any, due to wage revision must be taken care by improvement in their productivity levels by the Petitioner company so that the beneficiaries are not unduly burdened over and above the provisions made in the Tariff Regulations, 2014. In response, the Petitioner vide affidavit dated 11.3.2019 in Rejoinder reply has submitted that the wage revision of the employees of the Petitioner company w.e.f. 1.1.2017 and actual impact of wage hike which will be effective from 01.01.2017 has also not been factored in fixation of the normative O&M rates prescribed for the tariff block 2014-19. The scheme of wage revision applicable to CPSUs being binding on the Petitioner, the Petitioner reserves the right to approach the Commission for suitable revision in the norms for O&M expenditure for claiming the impact of wage hike from 1.1.2017 onwards.



89. Norms for O&M expenditure for Transmission System have been specified under section 29 (4) of Tariff Regulation are as follows:-

Element	2017-18	2018-19
Sub-Station: 132 kV bay (₹ in lakh per bay)	33.25	34.36
Transmission Line: (₹ in lakh per Km) Single Circuit (Single conductor)	0.223	0.230
Transmission Line: (₹ in lakh per Km) Double Circuit (Single conductor)	0.334	0.346

90. We have considered the submissions made by the Petitioner. The O&M Expenses have been worked out as per the norms of O&M Expenses specified in the 2014 Tariff Regulations. Accordingly, the allowed O&M Expenses for the year 2017-18 & 2018-19 is given below:-

(₹ in lakh)					
Asset	Details	2015-16	2016-17	2017-18	2018-19
Asset-I(A)(i)	6 Nos. 400 kV & 1 No. 220 kV Bays at Daltonganj S/S	-	-	1.22	460.36
	Sasaram – Daltonganj 400 kV D/C transmission line (Line Length – 196.19 km)	-	-	0.42	158.13
	Total	-	-	1.64	618.49
Asset-I(B)	1 No. 400 kV & 220 kV ICT Bays each at Daltonganj S/S	-	-	-	47.04
Asset-II	4 Nos. 220 kV Bays at Daltonganj S/S	-	-	-	103.84
Asset-III	2 Nos. 400 kV L/R Bays at Daltonganj S/S	-	-	-	6.78
Asset-IV	1 No. 400 kV B/R Bay at Duburi S/S	38.47	64.37	66.51	68.71
Asset-V	LILO of 2 nd Ckt. of 400kV D/C Jamshedpur-Rourkela TL at Chaibasa S/s (Line Length – 13.55 km)	4.09	10.23	10.57	10.92
Asset-VI	400/220kV ICT bays at Pandiabilli GIS	-	-	37.96	106.83

Interest on Working Capital (IWC)

91. As per the 2014 Tariff Regulations the components of the working capital and the interest thereon are discussed hereinafter:-



a) Maintenance spares:

Maintenance spares @ 15% Operation and maintenance expenses specified in Regulation 28.

b) O & M expenses:

Operation and maintenance expenses have been considered for one month of the O&M expenses.

c) Receivables:

The receivables have been worked out on the basis of 2 months' of annual fixed cost as worked out above.

d) Rate of interest on working capital:

As per Clause 28 (3) of the 2014 Tariff Regulations, SBI Base Rate (8.70%) as on 01.04.2018 Plus 350 Bps i.e. 12.20% have been considered as the rate of interest on working capital for the Assets.

92. Accordingly, the interest on working capital is summarized as under:-

(₹ in lakh)

Particulars	Asset-I(A)(i)	
	2017-18 (Pro-rata)	2018-19
Maintenance Spares	89.79	92.77
O&M Expenses	49.88	51.54
Receivables	1371.35	1392.50
Total	1,511.03	1,536.81
Rate of Interest	12.60%	12.60%
Interest on working Capital	0.52	193.64

Particulars	Asset-I(B)	Asset-II	Asset-III
	2018-19 (Pro-rata)	2018-19 (Pro-rata)	2018-19 (Pro-rata)
Maintenance Spares	17.52	28.86	20.62
O&M Expenses	9.73	16.03	11.46
Receivables	74.52	58.93	27.98
Total	101.78	103.82	60.06
Rate of Interest	12.20%	12.20%	12.20%
Interest on working Capital	5.00	6.84	0.36

Particulars	Asset-IV			
	2015-16 (Pro-rata)	2016-17	2017-18	2018-19
Maintenance Spares	9.32	9.66	9.98	10.31
O&M Expenses	5.18	5.36	5.54	5.73
Receivables	36.38	37.05	38.40	39.10



Total	50.87	52.07	53.92	55.13
Rate of Interest	13.50%	13.50%	13.50%	13.50%
Interest on working Capital	4.25	7.03	7.28	7.44

(₹ in lakh)

Particulars	Asset-V			
	2015-16 (Pro-rata)	2016-17	2017-18	2018-19
Maintenance Spares	1.48	1.53	1.59	1.64
O&M Expenses	0.82	0.85	0.88	0.91
Receivables	54.03	53.82	60.72	66.76
Total	56.34	56.21	63.18	69.31
Rate of Interest	13.50%	13.50%	13.50%	13.50%
Interest on working Capital	3.15	7.59	8.53	9.36

Particulars	Asset-VI	
	2017-18 (Pro-rata)	2018-19
Maintenance Spares	15.51	16.02
O&M Expenses	8.62	8.90
Receivables	145.06	152.67
Total	169.19	177.60
Rate of Interest	12.60%	12.60%
Interest on working Capital	7.83	22.38

Annual Transmission charges

93. Accordingly, the annual transmission charges being allowed for the instant assets are as under:-

(₹ in lakh)

Particulars	Asset-I(A)(i)	
	2017-18 (Pro-rata)	2018-19
Depreciation	6.23	2329.22
Interest on Loan	7.06	2550.09
Return on Equity	7.09	2663.56
Interest on Working Capital	0.52	193.64
O&M Expenses	1.64	618.49
Total	22.54	8355.00

Particulars	Asset-I(B)	Asset-II	Asset-III
	2018-19 (Pro-rata)	2018-19 (Pro-rata)	2018-19 (Pro-rata)
Depreciation	40.65	25.80	0.36
Interest on Loan	42.09	25.60	0.38
Return on Equity	45.29	28.75	0.40
Interest on Working Capital	5.00	6.84	0.36
O&M Expenses	47.04	103.84	6.78
Total	180.08	190.82	8.28



(₹ in lakh)

Particulars	Asset-IV			
	2015-16 (Pro-rata)	2016-17	2017-18	2018-19
Depreciation	28.20	47.09	50.22	52.21
Interest on Loan	32.81	51.37	50.45	48.05
Return on Equity	31.42	52.47	55.95	58.18
Interest on Working Capital	4.25	7.03	7.28	7.44
O&M Expenses	38.47	64.37	66.51	68.71
Total	135.15	222.33	230.41	234.59

Particulars	Asset-V			
	2015-16 (Pro-rata)	2016-17	2017-18	2018-19
Depreciation	38.83	95.19	110.17	123.98
Interest on Loan	44.79	103.86	112.27	118.18
Return on Equity	43.27	106.06	122.76	138.14
Interest on Working Capital	3.15	7.59	8.53	9.36
O&M Expenses	4.09	10.23	10.57	10.92
Total	134.12	322.93	364.30	400.57

Particulars	Asset-VI	
	2017-18 (Pro-rata)	2018-19
Depreciation	85.53	250.38
Interest on Loan	92.93	257.46
Return on Equity	95.30	278.97
Interest on Working Capital	7.83	22.38
O&M Expenses	37.96	106.83
Total	319.54	916.02

Filing fee and the publication expenses

94. The Petitioner has sought reimbursement of fee paid by it for filing the petition and publication expenses, in terms of Regulation 52 of the 2014 Tariff Regulations. The Petitioner shall be entitled for reimbursement of the filing fees and publication expenses in connection with the present petition, directly from the beneficiaries on pro-rata basis in accordance with clause (1) of Regulation 52 of the 2014 Tariff Regulations.

License fee and RLDC Fees and Charges

95. The Petitioner has prayed to allow the Petitioner to bill and recover License fee and RLDC fees and charges, separately from the respondents. We are of the



view that the Petitioner shall be entitled for reimbursement of license fee and RLDC fees and charges in accordance with Clause (2)(b) and (2)(a) of Regulation 52 in the 2014 Tariff Regulations.

Goods and Services Tax

96. The Petitioner has prayed for reimbursement of tax, if any, on account of implementation of GST. GST is not levied on transmission service at present and we are of the view that Petitioner's prayer is premature.

Sharing of Transmission Charges

97. The transmission Charges for Asset-1(A)(i), Asset-1(B), Asset-III, Asset-IV, Asset-V and Asset-VI covered in the instant petition shall be recovered on monthly basis in accordance with Regulation 43 of the 2014 Tariff Regulations. The billing, collection and disbursement of the transmission charges approved shall be governed by the provisions of Central Electricity Regulatory Commission (Sharing of Inter-State Transmission Charges and Losses) Regulations, 2010, as amended from time to time.

98. As regards Asset-II, the COD has been approved under proviso (ii) of Regulation 4(3) (ii) of 2014 Tariff Regulations. The asset has not been put to regular use as the associated downstream transmission system, under the scope of JUSNL, is not ready. Accordingly, the transmission charges of Asset-II, from the COD till the commissioning of downstream network shall be borne by JUSNL. Thereafter, the transmission charges approved in the instant petition in respect of Asset-II shall be recovered on monthly basis in accordance with Regulation 43 of the 2014 Tariff Regulations. The billing, collection and disbursement of the transmission charges approved shall be governed by the provisions of Central Electricity Regulatory Commission (Sharing of Inter-State Transmission Charges and Losses) Regulations, 2010, as amended from time to time.

99. This order disposes of Petition No.105/TT/2018.

Sd/-
(I. S. Jha)
Member

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

Sd/-
(P. K. Pujari)
Chairperson

