

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

**Review Petition No. 38/RP/2018
in Petition No. 116/TT/2017
alongwith IA No. 93/IA/2018**

Coram:

**Shri P.K. Pujari, Chairperson
Dr. M.K. Iyer, Member**

Date of Order : 07.02.2019

In the matter of:

Review petition under Section 94(1)(f) of the Electricity Act, 2003 read with Regulation 103 of the Central Electricity Regulatory Commission (Conduct of Business) Regulations, 1999, seeking review of order dated 20.7.2018 in Petition No. 116/TT/2017.

And in the matter of:

Power Grid Corporation of India Limited
"Saudamini", Plot No. 2,
Sector-29, Gurgaon -122 001

.... Review Petitioner

Vs

1. Rajasthan Rajya Vidyut Prasaran Nigam Limited
Vidyut Bhawan, Vidyut Marg, Jaipur - 302 005
2. Ajmer Vidyut Vitran Nigam Ltd
400 KV GSS Building (Ground Floor), Ajmer Road,
Heerapura, Jaipur.
3. Jaipur Vidyut Vitran Nigam Ltd
400 KV GSS Building (Ground Floor), Ajmer Road,
Heerapura, Jaipur
4. Jodhpur Vidyut Vitran Nigam Ltd
400 KV GSS Building (Ground Floor), Ajmer Road,
Heerapura, Jaipur.
5. Himachal Pradesh State Electricity Board
Vidyut Bhawan
Kumar House Complex Building li
Shimla-171 004



6. Punjab State Electricity Board
Thermal Shed Tia, Near 22 Phatak
Patiala-147001
7. Haryana Power Purchase Centre
Shakti Bhawan, Sector-6
Panchkula (Haryana) 134 109
8. Power Development Deptt.
Govt. Of Jammu & Kashmir
Mini Secretariat, Jammu
9. Uttar Pradesh Power Corporation Ltd.
(Formerly Uttar Pradesh State Electricity Board)
Shakti Bhawan, 14, Ashok Marg, Lucknow - 226 001
10. Delhi Transco Ltd
Shakti Sadan, Kotla Road,
New Delhi-110 002
11. BSES Yamuna Power Ltd,
Bses Bhawan, Nehru Plakhe ,
New Delhi.
12. BSES Rajdhani Power Ltd,
BSES Bhawan, Nehru Place,
New Delhi
13. Tata Power Delhi Distribution Limited,
33 kV Sub-station Building,
Hudson Lane, Kingsway Camp
New Delhi-110 009.
14. Chandigarh Administration
Sector -9, Chandigarh.
15. Uttarakhand Power Corporation Ltd.
Urja Bhawan, Kanwali Road
Dehradun
16. North Central Railway
Allahabad.
17. New Delhi Municipal Council
Palika Kendra, Sansad Marg,
New Delhi-110002
18. Himachal Pradesh Power Transmission Corporation Limited
HIMFED Bhawan, Panjari,
Shimla – 171005

...Respondents



For petitioner : Shri Sitiesh Mukherjee, Advocate, PGCIL
Shri Divyanshu Bhatt, Advocate, PGCIL
Shri Deep Rao, Advocate, PGCIL
Shri Abhay Choudhary, PGCIL
Shri S. S. Raju, PGCIL
Shri S. K. Venkatesan, PGCIL

For respondents : None

ORDER

The instant review petition is filed by Power Grid Corporation of India Limited (hereinafter referred to as "Review Petitioner") seeking review of the order date 20.7.2018 in Petition No.116/TT/2017, where in the tariff for Asset-I: 400 kV Lucknow-Kanpur (New) D/C transmission line alongwith associated bays at both end; Asset-II: Augmentation of transformation capacity at 400/220 kV Ballabgarh Sub-station by installing 500 MVA ICT-III; Asset-III: Augmentation of transformation capacity at 400/220 kV Ballabgarh Sub-station by installing 500 MVA ICT-IV; Asset-IV: Augmentation of transformation capacity by 500 MVA ICT(3rd) at 400/220 kV GIS Gurgaon under NRSS-XXXII in Northern Region was allowed.

2. The Review Petitioner has contended that there are apparent errors in order dated 20.7.2018 and has sought review of the said order dated 20.7.2018 on the following grounds:-

- a. The Commission has erroneously permitted recovery of tariff of the Assets II and III subject to the discontinuation of tariff allowed vide orders dated 28.1.2016 and 15.2.2016 in Petition Nos. 133/TT/2015 and 189/TT/2014 respectively and at the same time the Commission has de-capitalized the value of these transmission elements in the impugned order. As a result, the



capital cost of the said 315 MVA ICTs has been deducted twice and the Review Petitioner is not recovering any charges for the new 500 MVA ICTs.

- b. The Commission has disallowed the Interest during Construction (“IDC”) by computing the IDC from the date of infusion of fund and up to SCOD plus the period of delay condoned. This has led to the Review Petitioner being denied the recovery of IDC for the debt fund that has already been invested in the Project. The Review Petitioner was prudent in the utilization of the loans by phasing out the infusion of funds. Phased manner of infusion of funds was undertaken in accordance with the progress of the Project and such phased infusion of funds leads to lesser total IDC in comparison to a situation wherein all funds are infused at the start of the Project. Such prudent phasing by the Review Petitioner leads to comparatively lesser burden on the beneficiaries.
- c. The recovery of capital cost of Asset-V has been erroneously denied, which has been energised and kept as “Hot-standby” for maintaining the system’s reliability, as agreed upon by the beneficiaries and the date of commercial operation of the asset was approved as 31.12.2017 instead of 30.12.2017, which is prejudicial to the Review Petitioner.

3. The Review Petitioner has filed an Interlocutory Application No.93/IA/2018 contending that the book value of Assets-II and III has been erroneously decapitalised in the impugned order. The Review Petitioner has sought continuation of billing of the assets in accordance with the directions in orders dated 28.1.2016 and 15.2.2016 in Petition No.133/TT/2015 and 189/TT/2014 respectively.



4. Heard the learned counsel for the Review Petitioner and perused the record. Allowing the IA would amount to granting the relief sought in the review petition. Therefore, we are not inclined to allow the IA and accordingly it is disposed of.

5. The Review Petition is admitted. Issue notice to the respondents.

6. The Review Petitioner is directed to serve a copy of the review petition on the respondents by 12.2.2019. The respondents shall file their reply by 28.2.2019, with advance copy to the Review Petitioner, who shall file its rejoinder, if any, by 11.3.2019. The parties shall ensure completion of pleadings within the due date as mentioned above.

7. Matter shall be listed for hearing in due course for which separate notices shall be issued to the parties.

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

sd/-
(P.K. Pujari)
Chairperson

