

**CENTRAL ELECTRICITY REGULATORY COMMISSION  
NEW DELHI**

**Petition No. 168/TT/2020**

**Subject** : Petition for truing up of transmission tariff of 2014-19 period and determination of transmission tariff of 2019-24 period for 2 assets under "Transmission System associated with Chamera-III HEP" in Northern Region.

**Date of Hearing** : 9.6.2020

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

**Petitioner** : Power Grid Corporation of India Limited

**Respondents** : Rajasthan Rajya Vidyut Prasaran Nigam Limited  
& 16 Others

**Parties present** : Shri R.B. Sharma, Advocate, BRPL  
Shri A.K. Verma, PGCIL  
Shri B. Dash, PGCIL  
Shri V.P. Rastogi, PGCIL

**Record of Proceedings**

The matter was heard through video conferencing.

2. The representative of the Petitioner submitted that the instant petition is filed for truing up of the transmission tariff of the 2014-19 period and determination of transmission tariff of the 2019-24 period in respect of Asset-I: 400 kV D/C Chamera Pooling Station- Jalandhar Transmission Line along with bays and Line Reactor at Jalandhar Sub-Station and Asset II: 220 kV Transmission Line GIS Pooling Station Chamba-Chamera-III HEP under "Transmission System associated with Chamera-III HEP " in Northern Region. He submitted that all the instant assets were put into commercial operation during the 2009-14 period. He submitted that tariff for the 2014-19 tariff period was determined for Asset-I vide order dated 23.8.2016 in Petition No. 24/TT/2016 and for Asset-II vide order dated 23.2.2016 in Petition No. 18/TT/2015.

3. The representative of the Petitioner submitted that the capital cost allowed by the Commission for Asset-I and Asset-II earlier as on 31.3.2014 was ₹37901.07 lakh whereas the amount claimed in the true up petition is ₹37923.77 lakh as on 31.3.2014. He further submitted that there is difference of ₹22.70 lakh between the cost allowed



earlier and the cost claimed in the instant petition and the same is on account of initial spares which has now been claimed as a percentage of the total project cost as per the judgment of the Hon'ble Appellate Tribunal for Electricity dated 14.9.2019 in Appeal No. 74 of 2017. He submitted that the additional capitalization is being claimed only for Asset-I during the 2014-19 tariff period and that no additional capitalization is being claimed for Asset-II for the 2014-19 and 2019-24 periods. He submitted that against the projected add-cap of ₹193.36 lakh for Asset-I, the actual add-cap claimed in the instant petition is ₹181.89 lakh in the 2014-19 period. Hence, the add-cap claimed in the instant petition is less than the add-cap allowed in the previous order. He submitted that the cut-off date for Asset-I is 31.3.2016 and that the add-cap claimed for Asset-I during the year 2014-15 period is within the cut-off date and the reasons for the add-cap have been submitted in the instant Petition. He also submitted that the reply to the TV letter was submitted on 20.5.2020.

4. The learned counsel for BRPL submitted that adoption of Indian Accounting Standard is increasing the tariff. He submitted that the Indian Accounting Standard is meant for the purposes of Companies Act, 2013 and it has no nexus with the 2014 Tariff Regulations or 2019 Tariff Regulations. He submitted that as per Regulation 8(1) of the 2014 Tariff Regulations, re-calculation of 'Initial Spares' based on the capital cost of the 2009-14 tariff period cannot be allowed. The tariff of 2009-14 period along with its true up has attained finality. He submitted that the judgment of the Hon'ble APTEL is for truing up of the tariff for 2009-14 period and the said judgment is clearly distinguishable from the instant case as the Hon'ble Tribunal did not render any finding on the issue of true up of 2014-19 tariff period. He further submitted that the effective tax rate claimed by the Petitioner in Form 3 is Nil for the entire 2014-19 and the same is contrary to the averments made in the petition that the tax rate considered for the period 2014-15 and 2015-16 is based on assessment orders issued by Income Tax Authorities for the purpose of grossing up of RoE, the effective tax rate for the period 2016-17 and 2017-18 is based on Income Tax Returns filed and for the period 2018-19 pending filing the Income Tax Returns, the effective tax is calculated on MAT. He, however, submitted that the Petitioner should not be allowed to gross up RoE with effective tax rate.

5. In response, the representative of the Petitioner sought time to file rejoinder as BRPL filed its reply only on 6.6.2020.

6. After hearing the parties, the Commission directed the Petitioner to file rejoinder to the reply of BRPL by 23.6.2020 with advance copy to the Respondents. The Commission made it clear that if no information is submitted by the Petitioner within specified timeline, the matter shall be disposed of based on the information available on record.



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

**By order of the Commission**

sd/-  
(V. Sreenivas)  
Deputy Chief (Law)

