

**CENTRAL ELECTRICITY REGULATORY COMMISSION
New Delhi**

Petition No. 19/TT/2020

- Subject** : Truing up of transmission tariff for 2014-19 period and determination of transmission tariff for 2019-24 period for combined assets associated with Northern Region System Strengthening Scheme-VI in Northern Region consisting of Asset-I: LILO of 400 kV S/C Ballabgarh – Bhiwadi Transmission line at Gurgaon along with associated bays, Asset-II: 315 MVA, 400/220 KV ICT-I alongwith associated bays at GIS Sub-Station at Gurgaon and Asset-III: 315 MVA, 400/220 KV ICT-II alongwith associated bays at GIS Sub-Station at Gurgaon.
- Date of Hearing** : 26.2.2020
- Coram** : Shri P. K. Pujari, Chairperson
Shri I. S. Jha, Member
- Petitioner** : Power Grid Corporation of India Ltd. (PGCIL)
- Respondents** : Uttar Pradesh Power Corporation Ltd. (UPPCL) and 16 others
- Parties Present** : Shri R.B. Sharma, Advocate, BRPL and BYPL
Shri Mohit Mudgal, Advocate, BRPL and BYPL
Shri Ved Prakash Rastogi, PGCIL
Shri A.K. Verma, PGCIL
Shri Vipin J. Joseph, PGCIL

Record of Proceedings

The representative of the petitioner submitted that the instant petition is filed for truing up of transmission tariff for 2014-19 period and determination of transmission tariff for 2019-24 period for transmission assets under Northern Region System Strengthening Scheme-VI. The instant assets were put into commercial operation during 2009-14 period. The Commission vide order dated 25.2.2016 in Petition No. 10/TT/2015 had trued up the tariff of 2009-14 and determined the tariff for 2014-19 for the Assets-I, II and III. In order dated 25.2.2016, the cost of Asset-II was restricted to ₹86.73 lakh as against the claim of ₹351.91 lakh. The representative of the petitioner submitted that RCE-II has been submitted in the instant petition and requested to allow cost as per the RCE. The representative of the petitioner submitted that the petitioner has furnished the information sought by the Commission, vide affidavit dated 25.2.2020 and the rejoinder to the reply filed by the BRPL has also been filed. He further submitted that BRPL has filed additional affidavit dated 25.2.2020 for which rejoinder will be filed by the petitioner.



2. In response to a query of the Commission regarding date of allotment of land and add-cap claimed towards payment of stamp duty paid to Haryana Urban Development Authority (HUDA), the representative of the petitioner submitted that the land was allotted in 2014-19 period but the same was acquired later. He submitted that details of the same have been submitted vide affidavit dated 25.2.2020

3. In response to another query of the Commission regarding the claim of O&M Expenses of conventional bays (AIS) instead of GIS bays in the Petition No. 10/TT/2015, the representative of the petitioner submitted that the petitioner had inadvertently claimed the same which has been corrected and claimed in the instant petition.

4. Learned counsel for BRPL submitted that the petitioner has submitted the RCE-II without any justification for increase in the cost and the cost should be restricted to the cost approved in Investment Approval. He further submitted that add-cap of ₹184.07 lakh pertaining to allotment of land by HUDA should not be allowed since it is in compliance of existing law and not a change in law. The Commission directed the petitioner to submit as to why the same was not included in the IA/FR.

5. Learned counsel for BRPL submitted that the petitioner has claimed effective tax rate based on the consolidated income of the company, whereas the income from other business activities of the petitioner like consulting, communication, planning and design of projects etc. are required to be excluded from the computation of effective rate. The deferred tax liability relevant to the aforesaid other business should not be considered for computation of effective tax rate.

6. The Commission directed the petitioner to submit the following information on affidavit with an advance copy to the respondents by 13.3.2020:-

- a. Reasons as to why the claim payable towards stamp duty to HUDA on land allotment could not have been envisaged at COD/within cut-off date as per law was prevailing at the time.
- b. Documentary evidence in the form of work orders of the GIS sub-stations.

7. The Commission directed the respondents to file their reply by 16.3.2020 and the petitioner to file rejoinder, if any, by 23.3.2020. The Commission also directed the parties to comply with the above directions within the specified timeline and further observed that no extension of time shall be granted.

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

By order of the Commission

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(V. Sreenivas)
Dy. Chief (Law)

