

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 290/TT/2020

Subject : Petition for revision of the tariff of the 2004-09 and 2009-14 period, truing up of the tariff of the 2014-19 period and determination of the tariff of the 2019-24 period for assets under “Transmission System associated with Tala HEP East-North Inter connector and Northern Region Transmission System” an inter-regional asset between Northern Region and Eastern Region.

Date of Hearing : 28.7.2020

Coram : Shri I. S. Jha, Member
Shri Arun Goyal, Member

Petitioner : Power Grid Corporation of India Limited

Respondents : Rajasthan Rajya Vidyut Prasaran Nigam Ltd.
& 22 Others

Parties present : Shri R.B. Sharma, Advocate, BRPL
Shri S.S. Raju, PGCIL
Shri A.K. Verma, PGCIL

Record of Proceedings

The matter was heard through video conference.

2. The representative of the Petitioner submitted that the instant petition has been filed for the revision of the transmission tariff of the 2004-09 and 2009-14 period, truing up of transmission tariff of the 2014-19 period and determination of the transmission tariff of the 2019-24 period in respect of the following assets under “Transmission System associated with Tala HEP East-North Inter connector and Northern Region Transmission System” an inter-regional asset between Northern Region and Eastern Region.:-

- (i) Asset-i: 400 kV Siliguri Sub-Station (Ext), 400 kV Purnea Sub-station (ext),
- (ii) Asset-ii: 400/220 kV, 315 MVA ICT at Purnea Sub-station,



- (iii) Asset-iii: 400/220 kV Muzaffarpur Sub-Station excluding 2 nos 400 kV bays at Muzaffarpur with line reactor for Muzaffarpur Gorakhpur transmission line and ICT-II and extension of Muzaffarpur Sub-station (BSES) in Eastern Region,
- (iv) Asset-iv: ICT-II Muzaffarpur,
- (v) Asset-v: 400 kV Bareilly Sub-station and 400 kV Mandaula Sub-station,
- (vi) Asset-vi: 400 kV D/C Lucknow (Powergrid)-Unnao (UPPCL) line with associated bays at both end, 400 kV D/C Gorakhpur (Powergrid)-Gorakhpur (UPPCL) line with bays at both end, 2 Nos. 400 kV bays at Gorakhpur (Powergrid) and 2 nos. 400 kV Lucknow (Powergrid) for 400 kV D/C Gorakhpur- Lucknow line of Powerlinks, 400/220 kV 315 MVA ICT at Lucknow with associated bays and 400/220 kV 315 MVA ICT-I at Gorakhpur (Powergrid) with associated bays,
- (vii) Asset-vii: LILO of one circuit of 400 kV D/C Ballabgarh-Dadri Transmission Line at Maharaniabagh GIS alongwith associated bays and 315 MVA 400/220/33 KV ICT-I at Maharaniabagh GIS alongwith associated bays,
- (viii) Asset-viii: 315 MVA 400/220/33 kV ICT-II at Maharaniabagh GIS alongwith associated bays,
- (ix) Asset-ix: TCSC and 2 nos. of 400 kV bays at Gorakhpur Sub-station associated with 400 kV Muzaffarpur – Gorakhpur line of Powerlinks,
- (x) Asset-x: 2 nos. of 400 kV bays at Muzaffarpur with line reactor associated with 400 kV Muzaffarpur Gorakhpur line of Powerlinks

3. The representative of the Petitioner submitted that the tariff of the instant assets for the 2014-19 period was allowed vide order dated 30.12.2015 in Petition No. 38/TT/2015. Vide order dated 21.6.2011 in Petition No. 328/2010, the subject assets were categorized and combined as Assets (i) to (iv) as Combined Asset-I and Assets (v) to (x) as Combined Asset-II with notional COD as 1.6.2007 and 1.10.2007 respectively. The Commission vide order dated 18.1.2019 in Petition No. 121/2007 granted liberty to the Petitioner to separately submits its claim in view of APTEL's judgments dated 22.1.2007 and 13.6.2007 in Appeal Nos. 81/2005 and 139/2006, respectively alongwith the truing up petitions wherever applicable for the 2014-19 tariff period. The subject assets were declared under commercial operation during 2004-09 tariff period, hence the revised tariff for the 2004-09 and 2009-14 period has also been claimed in the instant petition in view of the said judgments of APTEL on account of depreciation as deemed repayment and Maintenance Spares. The capital cost as on 31.3.2014, allowed vide order dated 21.6.2011 in Petition No. 328/2010 was ₹19750.72 lakh for Combined Asset-I (Assets i-iv) and ₹58876.05 lakh for Combined Asset-II



(Asset-v to x) and the same has been considered as capital cost as on 1.4.2014. The actual capital cost claimed in the instant true up petition is ₹18872.09 lakh and ₹57877.89 lakh as on 31.3.2019 for Combined Assets-I and II respectively due to de-capitalization of three assets, namely, (i) 400/220 kV 315 MVA ICT at Purnea, (ii) 50 MVAR line reactor at Mandola, and (iii) 400/220 kV 315 MVA ICT at Lucknow Sub-station and their re-capitalization in different petitions. The date of decapitalization, original gross block and accumulated depreciation on the date of decapitalization has been submitted. Reply to the Technical Validation letter has been submitted. The representative of the Petitioner sought time to file rejoinder to the reply of BRPL as it was recently submitted.

4. The learned counsel for BRPL submitted that an Appeal has been filed by BRPL against the Commission's order dated 6.11.2019 in Petition Nos. 288/TT/2019, 300/TT/2019, 301/TT/2019 and 305/TT/2019 against the Commission's directions regarding the revision of tariff for 2004-09 and 2009-14 tariff periods. He submitted that the revision of tariff of the 2004-09 and 2009-14 period may be kept pending whereas true up of 2014-19 and determination of tariff for 2019-24 may be allowed. In case, revision of tariff for the 2004-09 and 2009-14 periods is done, the Petitioner may be directed to pay back extra tax collected from the beneficiaries for the said period. On the issues of deferred tax, OPGW, de-capitalization and floating rate of interest, he submitted that his reply may be considered. On the issue of decapitalization of assets, he submitted that the Petitioner may be directed to submit the date of decapitalization and recapitalization, and other documents to examine the matter.

5. The Commission directed the Petitioner to submit rejoinder to reply of BRPL by 18.8.2020 with advance copy to the Respondents and submit the following information, on affidavit, by 18.8.2020 with an advance copy to the Respondents:-

- (i) Date of decapitalization and recapitalization of three elements decapitalized during 2014-19 tariff period.
- (ii) Details of carrying cost between the date of de-capitalization and date of re-capitalization.

6. The Commission directed the Petitioner to submit the above information within the specified time and observed that no extension of time shall be granted.

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

By order of the Commission

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(V. Sreenivas)
Deputy Chief (Law)

