

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 305/TT/2020

Subject : Petition for truing of tariff of the 2014-19 period and determination of tariff of 3 ISTS lines owned by HPPTCL for the 2019-24 period

Date of Hearing : 13.7.2020

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

Petitioner : H.P. Power Transmission Corporation Limited

Respondents : Himachal Pradesh State Electricity Board
& 6 Others

Parties present : Ms. Swapna Sheshadri, Advocate, HPTCL
Shri Anand K Ganeshan, Advocate, HPTCL
Shri Amal Nair, Advocate, HPTCL
Shri Bhupesh Uppal, HPTCL
Shri Sandeep Kumar, HPTCL
Shri Sanjeev Singh, HPTCL
Shri Vikas Sharma, PTCUL
Shri S. P. Arya, PTCUL

Record of Proceedings

The matter was heard through video conference.

2. Learned counsel for Petitioner submitted that the instant petition is filed for truing up of the tariff of the 2014-19 period and determination of tariff of the 2019-24 period in respect of the following assets:-

- (a) Asset-I: 220 kV S/C Jassure-Ranjitsagar T/L, transmission line connecting the States of Himachal Pradesh and Punjab executed in March 2001.
- (b) Asset-II: 220 kV D/C Majri-Khodri T/L, transmission line connecting the States of Himachal Pradesh and Uttarakhand executed in September 1989, and
- (c) Asset III: 220 kV D/C Kunihar-Panchkula T/L, Panchkula transmission line connecting the States of Himachal Pradesh and Haryana executed in May 1989.



3. The learned counsel for the Petitioner submitted that final tariff for the instant assets was granted by the Commission vide order dated 16.5.2016 in Petition No. 119/TT/2014 wherein the Commission allowed only O & M Expenses and IWC. She submitted that at the time of passing of the said order, the balance sheet for 2014-15 was not notified as the State Government had not finalized the Transfer Scheme. The audited accounts for the period 2014-15 were finalized only on 18.6.2016, due to which certain components of the tariff for the instant assets were not allowed in the said order. She submitted that the certified audited accounts have now been submitted in respect of the instant assets and prayed that the tariff may accordingly be revised taking into consideration the audited accounts.

4. The learned counsel for the Petitioner submitted that the Commission, vide order dated 16.5.2016 in Petition No. 119/TT/2014, approved gross fixed assets for all the three assets as ₹8308.99 lakh and accumulated depreciation as ₹4486.31 lakh. She further submitted that in Petition No. 119/TT/2014, the Petitioner did not claim the normative interest on loan and return on equity for the instant assets. However, the liabilities have been transferred and corresponding equity shares will be issued in terms of the Transfer Scheme. Accordingly, the Petitioner has proposed to claim normative interest on loan and return on equity corresponding to the liability transferred in the instant Petition. She submitted that the Petitioner is in the process of issuing equity shares to the Government of Himachal Pradesh and as such they propose normative loan and equity in the ratio of 70:30 respectively for the instant assets for true-up of tariff for the 2014-19 period. She further submitted that the equity liability is outstanding from the period 2014-15 and in terms of the Transfer Scheme. She prayed that the normative debt:equity ratio as proposed by the Petitioner may be approved.

5. In response to a query of the Commission regarding the status of the subject lines and the payment of transmission charges, learned counsel for the Petitioner clarified that the lines are ISTS and they are supplying power to Uttarakhand, Haryana and Punjab and that the transmission charges shall be recovered through POC mechanism. She further clarified that the tariff order dated 16.5.2016 in Petition No. 119/TT/2014 for the subject assets was passed after NRPC certified the instant lines as ISTS.

6. In response to an observation of the Commission that audited accounts by CAG would be required for determination of tariff, learned counsel for the Petitioner submitted that they have filed the audited accounts pursuant to Transfer Scheme of HPPTCL and they have sent the accounts for certification of CAG.

7. The representative of PTCUL, submitted that the Petitioner has inadvertently made them a party in the present petition as the subject Asset-II is connected with UJVNL Sub-station (switch-yard) and it is not directly connected with the PTCUL System.



8. The Commission directed the Respondents to file their reply to the petition by 17.8.2020 and Petitioner to file its rejoinder, if any, by 28.8.2020. The Commission also directed the parties to comply with the directions with the specified timeline and observed that no extension of time shall be granted.

9. Matter shall be listed in due course for which separate notice will be issued to the parties.

By order of the Commission

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

