

CENTRAL ELECTRICITY REGULATORY COMMISSION

NEW DELHI

Petition No. 375/TT/2018

Coram :

Shri P.K. Pujari, Chairperson

Dr. M. K. Iyer, Member

Shri I.S. Jha, Member

Date of Order: 22nd of January, 2020

In the matter of:

Approval under regulation-86 of CERC (Conduct of Business) Regulations,1999 and CERC (Terms and Conditions of Tariff) Regulations, 2014 for determination of Transmission Tariff from anticipated COD to 31.03.2019 for **Asset-I:** 1x63MVAR, 400kV Bus Reactor-I at 400/220kV Sohawal Sub-station, **Asset-II:** 1x63 MVAR, 400kV Bus Reactor-II at 400/220kV Sohawal Sub-station, **Asset-III:** 2 nos. 220kV bays of 220kV (PG)-Sohawal(UP) TL at 400/220kV Sohawal (PG) Substation, **Asset-IV:** 2 nos. 220kV bays No. 208 & 209 (Barabanki-I &II of UPPTCL) at 400/220kV Sohawal (PG) Substation, **Asset-V:** 2 nos. 220 kV Line Bays of Sohawal (PG)-Tanda (UP) TL at 400/220kV Sohawal (PG) Substation, **Asset-VI:** 2 nos. 220kV bays No. 206 & 207 of Shahjahanpur (PG) –Shahjahanpur (UPPTCL) at 400/220kV Shahjahanpur Sub-Station, **Asset-VII:**1 No, 220kV line bays No. 210 of Shahjahanpur (PG) –Shahjahanpur (UPPTCL) at 400/220kV Shahjahanpur Sub-Station, **Asset-VIII:** 1 No, 220kV line bays No. 211 of Shahjahanpur(PG)-Shahjahanpur (UPPTCL) at 400/220kV Shahjahanpur Sub-Station, **Asset-IX:** 2 Nos. 220kV Line bays (Vatika-I and Vatika-II) at 400/220kV Jaipur (South) Substation, **Asset-X:** 2 Nos. 220kV line bays(211 and 212) at 400/220kV Jaipur (South) Substation under “Northern Regional Transmission Strengthening Scheme” in Northern Region.

And in the matter of:

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

.....Petitioner

Versus



1. Rajasthan Rajya Vidyut Prasaran Nigam Ltd.
Vidyut Bhawan, Vidyut Marg,
Jaipur-302005
2. Ajmer Vidyut Vitran Nigam Ltd.
132 kV, GSS RVPNL Sub- Station Building,
Caligiri Road, Malviya Nagar, Jaipur-302017
3. Jaipur Vidyut Vitran Nigam Ltd.
132 kV, GSS RVPNL Sub- Station Building,
Caligiri Road, Malviya Nagar, Jaipur-302017
4. Jodhpur Vidyut Vitran Nigam Ltd.
132 kV, GSS RVPNL Sub- Station Building,
Caligiri Road, Malviya Nagar, Jaipur-302017
5. Himachal Pradesh State Electricity Board
Vidyut Bhawan, Kumar House Complex Building II
Shimla-171 004
6. Punjab State Power Corporation Ltd.
Thermal Shed TIA, Near 22 Phatak,
Patiala - 147 001
7. Haryana Power Purchase Centre
2nd Floor, Shakti Bhawan, Sector-6
Panchkula-134 109
8. Power Development Deptt., J&K
Janipura Grid Station,
Jammu (Tawi)-180 007
9. Uttar Pradesh Power Corporation Ltd.
10th Floor, Shakti Bhawan Extn,
14, Ashok Marg, Lucknow - 226 001
10. Delhi Transco Ltd.
Shakti Sadan, Kotla Road (Near ITO),
New Delhi-110 002



11. BSES Yamuna Power Ltd. (BYPL),
Shakti Kiran Building, Karkardooma,
Delhi-110 092.
12. BSES Rajdhani Power Ltd. (BRPL) ,
BSES Bhawan, Nehru Place,
New Delhi
13. Tata Power Delhi Distribution Limited (TPDDL),
33 kV Substation Bldg., Hudson Lane, Kingsway Camp
Delhi – 110009
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. U.P. Power Transmission Corporation Limited,
11th Floor, Shakti Bhawan, 14-Ashok Marg,
Lucknow-226001.

...Respondents

Parties present:

For Petitioner:

Shri S. S.Raju, PGCIL
Shri A.K.Verma, PGCIL
Shri Ved Prakash Rastogi, PGCIL
Shri B.Dash, PGCIL

For Respondent:

Shri R.B Sharma, Advocate, BRPL and BYPL
Shri Mohit Mudgal, Advocate, BRPL and BYPL
Ms. Sanya Sood, Advocate, BRPL and BYPL

ORDER



The present petition has been filed by Power Grid Corporation of India Ltd. (“the Petitioner”) for determination of tariff for **Asset-I:** 1x63MVAR,400kV Bus Reactor-I at 400/220kV Sohawal Sub-station, **Asset-II:** 1x63MVAR,400kV Bus Reactor-II at 400/220kV Sohawal Sub-station, **Asset-III:** 2 nos. 220kV bays of 220kV(PG)-Sohawal (UP) TL at 400/220kV Sohawal (PG) Substation, **Asset-IV:** 2 nos. 220kV bays No. 208 & 209 (Barabanki-I &II of UPPTCL) at 400/220kV Sohawal (PG) Substation, **Asset-V:** 02 nos. 220 kV Line Bays of Sohawal (PG)-Tanda (UP) TL at 400/220kV Sohawal(PG) Substation, **Asset-VI:** 2 nos. 220kV bays No. 206 & 207 of Shahjahanpur(PG)- Shahjahanpur(UPPTCL) at 400/220kV Shahjahanpur Sub-Station, **Asset-VII:** 1 no. 220kV line bays No. 210 of Shahjahanpur(PG)- Shahjahanpur(UPPTCL) at 400/220kV Shahjahanpur Sub-Station, **Asset-VIII:** 1 no. 220kV line bays No. 211 of Shahjahanpur(PG)-Shahjahanpur(UPPTCL) at 400/220kV Shahjahanpur Sub-Station, **Asset-IX:** 2 nos. 220kV Line bays (Vatika-I and Vatika-II) at 400/220kV Jaipur(South) Substation, **Asset-X:** 2 nos. 220kV line bays (211 and 212) at 400/220kV Jaipur (South) Substation under “Northern Regional Transmission Strengthening Scheme” in Northern Region for 2014-19 tariff period under Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2014 (hereinafter referred to as “the 2014 Tariff Regulations”).

2. The Petitioner has made the following prayers:

- i. Approve the Transmission Tariff for the tariff block 2014-19 for the assets covered under this petition.*
- ii. Admit the capital cost as claimed in the Petition and approve the Additional Capitalization incurred / projected to be incurred.*



- iii. *Allow tariff up to 90% of the Annual Fixed Charges in accordance with clause 7 (i) of Regulation 7 of Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2014 for purpose of inclusion in the PoC charges.*
- iv. *Allow the approach the Commission for suitable revision in the norms for O&M expenditure for claiming the impact of wage hike from 1.1.2017 onwards.*
- v. *Condone the delay in completion of subject assets on merit of the same being out of the control of Petitioner in line with CERC Regulation 12(2)(i) "uncontrollable factors" of 2014 Tariff Regulations.*
- vi. *Allow the Petitioner to recover the shortfall or refund the excess Annual Fixed Charges, on account of Return on Equity due to change in applicable Minimum Alternate/Corporate Income Tax rate as per the Income Tax Act, 1961 (as amended from time to time) of the respective financial year directly without making any application before the Commission as provided under clause 25 of the Tariff Regulations 2014.*
- vii. *Approve the reimbursement of expenditure by the beneficiaries towards petition filing fee, and expenditure on publishing of notices in newspapers in terms of Regulation 52 of Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2014, and other expenditure (if any) in relation to the filing of petition.*
- viii. *Allow the Petitioner to bill and recover Licensee fee and RLDC fees and charges, separately from the respondents in terms of Regulation 52 of Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2014.*
- ix. *Allow the Petitioner to bill and adjust impact on Interest on Loan due to change in Interest rate on account of floating rate of interest applicable during 2014-19 period, if any, from the respondents.*
- x. *Allow the Petitioner to bill and recover GST on Transmission charges separately from the respondents, if GST on Transmission of electricity is*



withdrawn from the exempted (negative) list at any time in future. Further any taxes and duties including cess, etc. imposed by any Statutory/Govt./Municipal Authorities shall be allowed to be recovered from the beneficiaries.

- xi. Allow the Petitioner to bill and recover Service tax on Transmission Charges separately from the respondents, if at any time service tax on transmission is withdrawn from negative list at any time in future. Further, any taxes and duties including cess etc. imposed by any statutory/GovUmunicipal authorities shall be allowed to be recovered from the beneficiaries.*
- xii. Allow the tariff of Asset-I and Asset-II as claimed in the petition and allow to do the de-capitalization from the original project and re-capitalization in the present project at the time of truing-up of 2014-19.*

and pass such other relief as Commission deems fit and appropriate under the circumstances of the case and in the interest of justice.

Background

3. The Investment Approval (hereinafter referred to as "IA") for implementation of assets under "Northern Regional Transmission Strengthening Scheme" in Northern Region was accorded by the Board of Directors of the Petitioner in 234th meeting held on 16.3.2010 for ₹96558 lakh including IDC of ₹7003 lakh based on 3rd Quarter, 2009 price level (communicated vide Memorandum No. C/CP/NRTSS dated 17.3.2010).

4. The Revised Cost Estimate (hereinafter referred to as "RCE") for implementation of assets under "Northern Regional Transmission Strengthening Scheme" in Northern Region was accorded by the Board of Directors of the Petitioner on 31.3.2017 for ₹98000 lakh including IDC of ₹7719 lakh based on August, 2016 price level (communicated vide Memorandum No. C/CP/NRTSS



dated 31.3.2017).

5. The scope of the scheme was discussed and agreed upon in 26th Standing Committee Meeting (SCM) of Northern Region (NR) held on 13.10.2008 and 10th meeting of TCC and 11th meeting of NRPC held on 15.1.2009 and 6.1.2009 respectively. The Petitioner has been entrusted with the implementation of the said scheme.

6. The scope of work covered under the project “Northern Regional Transmission Strengthening Scheme” in Northern Region is as follows:-

Transmission lines:

- (i) Bhiwani-Jind 400kV D/C line
- (ii) LILO of both circuits of 400 kV D/C Balia-Lucknow line at Sohawal
- (iii) LILO of both circuits of 400 kV D/C Dehradun-Bagpat line (Quad) at Saharanpur
- (iv) LILO of both circuits of 400 kV D/C Lucknow-Bareilly (Powergrid) line (Quad) at Shahjahanpur
- (v) LILO of both circuits of 400 kV D/C Agra-Jaipur line (Quad) at Jaipur(South)

Sub-stations:

- (i) New 2x315 MVA, 400/220 kV Substation at Sohawal
- (ii) New 2x315 MVA, 400/220 kV Substation at Shahajanpur
- (iii) New 2x315 MVA, 400/220 kV Substation at Saharanpur
- (iv) New 2x315 MVA, 400/220 kV Substation at Jind
- (v) New 2x315 MVA, 400/220 kV Substation at Jaipur (South)
- (vi) Extension of Bhiwadi 400/220 kV Substation- 1x315 MVA 400/220 kV transformer
- (vii) Extension of Gurgaon 400/220 kV Gas Insulated Substation
- (viii) Extension of Bhiwani 765/400/220 kV Substation
- (ix) Extension of Jaipur (Bassi) 400/220 kV Substation



(x) Extension of Bareilly 400/220 kV Substation

Reactive Compensation:

S. N.	Line Reactor	Approx. Line length	Line Reactor From bus	Line Reactor To bus
1	Bhiwani – Jind 400 kV D/C	75km	-	-
2	LILO of both circuits of Balia – Lucknow 400 kV D/C at Sohawal (twin moose with 95° C)	320km	-	-
a	Balia – Sohawal section	260km	63 MVAR on both circuits (existing to be retained)	New 50 MVAR reactors on both circuits
b	Sohawal – Lucknow section	100km	-	63 MVAR on both circuits (existing to be shifted to sohawal and used as Bus reactor)
c	40% FSC to be shifted from Lucknow to Sohawal	-	-	-
3	LILO of both circuits of Dehradun – Bagpat at Saharanpur (quad)	210km	-	-
a	Dehradun – Saharanpur section	80km	50 MVAR on both circuits (proposed under NRS XVIII) – To be diverted directly to Saharanpur and used as Bus reactor	-
b	Saharanpur – Bagpat section	150km	-	-
4	LILO of both circuits of Lucknow – Bareilly 400 kV D/C at Shahjahanpur	250km	-	-
a	Lucknow – Shahjahanpur section	180km	50 MVAR on both circuits (existing to be retained)	-
b	Shahjahanpur – Bareilly section	90km	-	50 MVAR on both circuits (existing to be retained and used as Bus reactor)
5	LILO of two circuit of Agra – Jaipur (Bassi) 400 kV lines at Jaipur (South)	218km	-	-
a	Agra – Jaipur (South) section	230km	50 MVAR on both circuits (existing to be retained)	New 50 MVAR reactors on both circuits
b	Jaipur (South) – Jaipur (Bassi) section	30km	-	50 MVAR on both circuits (existing to be retained and used as bus reactor)



Bus Reactor:

- (i) Jind - 1x125 MVAR
- (ii) Sohawal - 2x63 MVAR (existing line reactors to be shifted from Lucknow and used as Bus reactor)
- (iii) Saharanpur - 2x50 MVAR (line reactors proposed at Dehradun under NRSS-XVIII to be diverted directly to Saharanpur)
- (iv) Shahjahanpur - 1x25 MVAR
- (v) Jaipur (South) - 1x25 MVAR
- (vi) Bareilly - 2x50 MVAR (existing line reactors to be retained and used as Bus reactor)
- (vii) Jaipur (Bassi) - 2x50 MVAR (existing line reactors to be retained and used as Bus reactor)

7. The status and scope of work of the subject project covered under various petitions is as follows:-

S.N.	Asset	COD	Petition No.
1	400/220kV 500MVA ICT-I at Jaipur South S/Stn along with associated bays and 02 nos. 220 KV line bays	1.6.2012 (Actual)	89/TT/2012 (2009 -14 period)
2	400/220 KV 500 MVA ICT-II at Jaipur South S/Stn along with associated bays	1.12.2012 (Actual)	
3	400/220kV 2X315 MVA ICTs at Sohawal S/Stn along with associated bays	1.7.2012 (Actual)	
4	LILO on One Ckt of 400kV D/C Agra-Jaipur T/L with 50 MVAR Line Reactor at Jaipur South S/S alongwith associated bays.	1.6.2012 (Actual)	89/TT/2012 (2009 -14 period)
5	LILO of 2nd Ckt of 400kV D/C Ballia-Lucknow T/L with 50 MVAR Line Reactor at Sohawal S/S	1.7.2012 (Actual)	
6	LILO of 1st Ckt of 400kV D/C Ballia-Lucknow T/L with 50 MVAR Line Reactor at Sohawal S/S	1.2.2013 (Actual)	
7	LILO of Second Ckt of 400kV D/C Agra-Jaipur T/L with 50MVAR Line Reactor at Jaipur South S/S alongwith associated bays	1.9.2012 (Actual)	
8	315MVA, 400/220kV ICT at Bhiwadi S/S	1.4.2012 (Actual)	71/TT/2012 (2009 -14 period)
9	15.5 Km Loop in portion of the line section to provide arrangement for evacuating ROJA Power out of the LILO of both Ckts of 400 kV D/C Bareilly-Lucknow Line	1.4.2012 (Actual)	196/TT/2012 (2009 -14 period)



S.N.	Asset	COD	Petition No.
10	125 MVAR Bus Reactor at Jaipur (South) S/S	1.1.2013 (Actual)	32/TT/2013 (2009 -14 period)
11	400 kV Bhiwani Jind TL along with associated bays plus 01 nos. 500 MVA, 400/220 kV ICT-I and associated bays at Jind S/S	1.4.2013 (Actual)	
12	400/220 kV 500MVA ICT-II along with associated 400/220 kV bays at Jind S/S and 01 no. of 220 kV Line bays	1.10.2013 (Actual)	110/TT/2013 (2009 -14 period)
13	1 no. of 400 kV,125 MVAR Bus Reactor at Jind S/s along with associated bays	1.10.2013 (Actual)	
14	LILO Ckt-II of 400 kV D/C Lucknow- Bareilly TL at Shahjahanpur S/S	13.6.2014 (Actual)	33/TT/2015 (2014 -19 period)
15	315 MVA 400/220 kV ICT-I with 02Nos. of 220 kV Line Bays at Shahjahanpur S/S	15.6.2014 (Actual)	
16	315 MVA 400/220 kV ICT-II at Shahjahanpur S/S	26.9.2014 (Actual)	
17	Extn of 400/220 kV GIS Gurgaon S/S	16.1.2015 (Actual)	
18	2x50 MVAR Bus Reactor at 400/220 kV Bareilly S/Stn alongwith ass. bays (Existing Line Reactors retained and used as Bus Reactor)	1.4.2014 (Actual)	272/TT/2015 (2014 -19 period)
19	125 MVAR Bus Reactor at Shahjahanpur S/S	1.4.2015 (Actual)	
20	315 MVA 400/220 kV ICT-I & associated bays and 03 Nos. 220 kV line bays at Saharanpur S/S	9.5.2016 (Actual)	
21	315 MVA 400/220 kV ICT-II & associated bays and 03 Nos. 220 kV line bays at Saharanpur S/S		
22	50 MVA 400kV Bus Reactor-I at Saharanpur S/S		
23	50 MVA 400kV Bus Reactor-II at Saharanpur S/S		
24	400 kV FSC in Balia-I & II bays at Sohawal S/S of 400 kV D/C Balia- Sohawal Line	12.2.2016 (Actual)	195/TT/2016 (2014 -19 period)
25	2 Nos. 220 kV Line bays (Feeder-SEZ & Feeder- Dooni) at 400/220 kV Jaipur South S/S	18.10.2014 (Actual)	
26	Bays of 50 MVAR Bus reactor 2 & 3 at 400/220 kV Bassi S/S	11.11.15 (Actual)	195/TT/2016 (2014 -19 period)
27	1x63MVAR,400kV Bus Reactor-I at 400/220kV Sohawal Sub-station	29.7.2017 (Actual)	
28	1x63MVAR,400kV Bus Reactor-II at 400/220kV Sohawal Sub-station	7.5.18 (Actual)	Current Petition
29	2 nos. 220kV bays of 220kV(PG)-Sohawal(UP) TL at 400/220kV Sohawal(PG) Substation	5.3.2017 (Actual)	



S.N.	Asset	COD	Petition No.
30	2 nos. 220kV bays No. 208 & 209 (Barabanki-I & II of UPPTCL) at 400/220kV Sohawal(PG) Substation	12.2.2017 (Actual)	
31	2 nos. 220 kV Line Bays of Sohawal (PG)-Tanda (UP) TL at 400/220kV Sohawal(PG) Substation	12.12.18 (Actual)	
32	2 nos. 220kV bays No. 206 & 207 of Shahjahanpur(PG)-Shahjahanpur(UPPTCL) at 400/220kV Shahjahanpur Sub-Station	3.11.2016 (Actual)	
33	1 Nos, 220kV line bays No. 210 of Shahjahanpur(PG)-Shahjahanpur(UPPTCL) at 400/220kV Shahjahanpur Sub-Station	5.8.2016 (Actual)	
34	1 Nos, 220kV line bays No. 211 of Shahjahanpur(PG)-Shahjahanpur(UPPTCL) at 400/220kV Shahjahanpur Sub-Station	5.8.2016 (Actual)	
35	2 Nos. 220kV Line bays (Vatika-I and Vatika-II) at 400/220kV Jaipur(South) Substation	14.5.2017 (Actual)	
36	2 Nos. 220kV line bays(211 and 212) at 400/220kV Jaipur (South) Substation	28.9.2017 (Actual)	

8. Details of the assets covered in the instant petition are summarized below:-

S.N.	Name of Asset
1	Asset-I: 1x63 MVAR,400 kV Bus Reactor-I at 400/220 kV Sohawal Sub-station .
2	Asset-II: 1x63 MVAR,400 kV Bus Reactor-II at 400/220 kV Sohawal Sub-station .
3	Asset-III: 2 nos. 220 kV bays of 220 kV(PG)-Sohawal (UP) TL at 400/220 kV Sohawal (PG) Substation.
4	Asset-IV: 2 nos. 220 kV bays (# 208 & 209) (Barabanki-I & II of UPPTCL) at 400/220 kV Sohawal (PG) Substation.
5	Asset-V: 2 nos. 220 kV Line Bays of Sohawal (PG)-Tanda (UP) TL at 400/220 kV Sohawal(PG) Substation.
6	Asset-VI: 2 nos. 220kV bays (#206 & 207) of Shahjahanpur (PG)-Shahjahanpur (UPPTCL) at 400/220 kV Shahjahanpur Sub-Station.
7	Asset-VII: 1 no. 220 kV line bay (# 210) of Shahjahanpur (PG)-Shahjahanpur (UPPTCL) at 400/220 kV Shahjahanpur Sub-Station.
8	Asset-VIII: 1 no. 220 kV line bays (# 211) of Shahjahanpur(PG)-Shahjahanpur (UPPTCL) at 400/220 kV Shahjahanpur Sub-Station.
9	Asset-IX: 2 nos. 220 kV Line bays (Vatika-I and Vatika-II) at 400/220kV Jaipur(South) Substation.
10	Asset-X: 2 nos. 220 kV line bays (#211 and 212) at 400/220kV Jaipur (South) Substation.

9. Vide order dated 7.2.2019 Annual Transmission Charges were allowed under the proviso (i) to Regulation 7(7) of the 2014 Tariff Regulations for inclusion in the



POC charges in respect of Asset-III and Asset-IX only. As tariff for Reactors under Assets-I and II were already being claimed under Petition No.560/TT/2014, tariff for these 2 Assets was not allowed. The petitioner has sought approval of COD of Assets-IV, V, VI, VII, VIII and X under proviso (ii) of Regulation 4(3) of the 2014 Tariff Regulations as their associated downstream systems under the scope of works of UPPTCL and RRVPNL were not ready. Tariff for these 6 assets were also not allowed to be included in the PoC charges.

10. The details of the annual transmission charges claimed by the Petitioner are as under:-

(₹ in lakh)

Particulars	Asset-I		Asset-II
	2017-18 (Pro-rata)	2018-19	2018-19 (Pro-rata)
Depreciation	13.98	22.07	17.40
Interest on Loan	18.68	28.30	22.03
Return on Equity	18.19	29.15	23.36
Interest on Working Capital	3.40	5.24	4.39
O&M Expenses	44.88	68.71	61.88
Total	99.13	153.47	129.06

Particulars	Asset-III		
	2016-17 (Pro-rata)	2017-18	2018-19
Depreciation	1.81	25.25	26.31
Interest on Loan	2.28	30.61	30.03
Return on Equity	2.15	30.12	31.78
Interest on Working Capital	0.48	6.74	6.95
O&M Expenses	6.54	93.10	96.20
Total	13.26	185.82	191.27

Particulars	Asset-IV		
	2016-17 (Pro-rata)	2017-18	2018-19
Depreciation	3.38	25.51	26.46
Interest on Loan	4.31	31.19	30.40
Return on Equity	4.03	30.43	31.96
Interest on Working Capital	0.89	6.77	6.97
O&M Expenses	12.07	93.10	96.20
Total	24.68	187.00	191.99



Particulars	Asset-V	Asset-VI		
	2018-19 (Pro-rata)	2016-17 (Pro-rata)	2017-18	2018-19
Depreciation	9.48	11.69	29.77	31.03
Interest on Loan	11.89	14.60	35.18	34.31
Return on Equity	11.10	14.10	35.91	37.75
Interest on Working Capital	2.13	2.82	7.07	7.28
O&M Expenses	29.22	37.05	93.10	96.20
Total	63.82	80.26	201.03	206.57

Particulars	Asset-VII		
	2016-17 (Pro-rata)	2017-18	2018-19
Depreciation	8.98	14.31	14.93
Interest on Loan	11.53	17.16	16.65
Return on Equity	10.84	17.28	18.18
Interest on Working Capital	2.23	3.50	3.60
O&M Expenses	29.56	46.55	48.10
Total	63.14	98.80	101.46

Particulars	Asset-VIII		
	2016-17 (Pro-rata)	2017-18	2018-19
Depreciation	9.08	14.39	15.03
Interest on Loan	11.73	17.36	16.85
Return on Equity	10.96	17.38	18.30
Interest on Working Capital	2.24	3.51	3.61
O&M Expenses	29.56	46.55	48.10
Total	63.57	99.19	101.89

Particulars	Asset-IX		Asset-X	
	2017-18 (Pro-rata)	2018-19	2017-18 (Pro-rata)	2018-19
Depreciation	24.13	28.24	18.23	37.36
Interest on Loan	26.96	29.25	19.81	38.26
Return on Equity	26.65	31.20	20.17	41.35
Interest on Working Capital	5.89	6.85	3.69	7.46
O&M Expenses	82.09	96.20	47.33	96.20
Total	165.72	191.74	109.23	220.63

11. The details of the interest on working capital (IWC) claimed by the Petitioner are as under:-



(₹ in lakh)

Particulars	Asset-I		Asset-II
	2017-18 (Pro-rata)	2018-19	2018-19 (Pro-rata)
Maintenance Spares	9.98	10.31	10.31
O&M expenses	5.54	5.73	5.73
Receivables	24.49	25.58	23.89
Total	40.01	41.62	39.92
Rate of Interest	12.60%	12.60%	12.20%
Interest on working capital	3.40	5.24	4.39

Particulars	Asset-III		
	2016-17 (Pro-rata)	2017-18	2018-19
Maintenance Spares	13.52	13.97	14.43
O&M expenses	7.51	7.76	8.02
Receivables	30.44	30.97	31.88
Total	51.46	52.69	54.33
Rate of Interest	12.80%	12.80%	12.80%
Interest on working capital	0.48	6.74	6.95

Particulars	Asset-IV		
	2016-17 (Pro-rata)	2017-18	2018-19
Maintenance Spares	13.52	13.97	14.43
O&M expenses	7.51	7.76	8.02
Receivables	30.71	31.17	32.00
Total	51.74	52.89	54.44
Rate of Interest	12.80%	12.80%	12.80%
Interest on working capital	0.89	6.77	6.97

Particulars	Asset-V	Asset-VI		
	2018-19 (Pro-rata)	2016-17 (Pro-rata)	2017-18	2018-19
Maintenance Spares	14.43	13.52	13.97	14.43
O&M expenses	8.02	7.51	7.76	8.02
Receivables	35.01	32.54	33.51	34.43
Total	57.46	53.57	55.24	56.88
Rate of Interest	12.20%	12.80%	12.80%	12.80%
Interest on working capital	2.13	2.82	7.07	7.28

Particulars	Asset-VII		
	2016-17 (Pro-rata)	2017-18	2018-19
Maintenance Spares	6.76	6.98	7.22
O&M expenses	3.76	3.88	4.01
Receivables	16.04	16.47	16.91
Total	26.56	27.33	28.14
Rate of Interest	12.80%	12.80%	12.80%
Interest on working capital	2.23	3.50	3.60



Particulars	Asset-VIII		
	2016-17 (Pro-rata)	2017-18	2018-19
Maintenance Spares	6.76	6.98	7.22
O&M expenses	3.76	3.88	4.01
Receivables	16.15	16.53	16.98
Total	26.67	27.39	28.21
Rate of Interest	12.80%	12.80%	12.80%
Interest on working capital	2.23	3.51	3.61

Particulars	Asset-IX		Asset-X	
	2017-18 (Pro-rata)	2018-19	2017-18 (Pro-rata)	2018-19
Maintenance Spares	13.97	14.43	13.97	14.43
O&M expenses	7.76	8.02	7.76	8.02
Receivables	31.33	31.96	35.81	36.77
Total	53.05	54.40	57.54	59.22
Rate of Interest	12.60%	12.60%	12.60%	12.60%
Interest on working capital	5.89	6.85	3.69	7.46

12. The Petitioner has served a copy of the petition upon the respondents and notice of this tariff application has been published in the newspapers in accordance with Section 64 of the Electricity Act, 2003. No comments or suggestions have been received from the general public in response to the notices published by the Petitioner under Section 64 of the Electricity Act, 2003. Reply to the petition has been filed by UPPCL (Respondent no 9) vide affidavit dated 28.2.2019 and BRPL (Respondent no 12) vide affidavit dated 16.4.2019. The Petitioner vide its affidavits dated 26.6.2019 filed its rejoinder to the reply of UPPCL and BRPL separately.

13. The Petition was heard on 8.8.2019 and the Commission reserved the order in the Petition.

14. Having heard the representatives of the Petitioner present at the hearing and having perused the material on record, we proceed to dispose of the petition.

15. This order has been issued after considering the main petition dated 2.11.2018, Petitioner's affidavits dated 10.12.2018, 5.4.2019, 29.5.2019, 26.6.2019



and reply dated 28.2.2019 & 16.4.2019 of the Respondents, UPPCL and BRPL, respectively.

Analysis and Decision

Date of Commercial Operation (COD)

16. The Petitioner has claimed the actual COD in respect of the assets covered under the instant petition as per the following details:-

S.N.	Assets	COD claimed
1	Asset-I: 1x63 MVAR,400 kV Bus Reactor-I at 400/220 kV Sohawal Sub-station .	29.7.2017 (Actual)
2	Asset-II: 1x63 MVAR,400 kV Bus Reactor-II at 400/220 kV Sohawal Sub-station .	7.5.2018 (Actual)
3	Asset-III: 2 nos. 220 kV bays of 220 kV(PG)-Sohawal (UP) TL at 400/220 kV Sohawal (PG) Substation.	5.3.2017 (Actual)
4	Asset-IV: 2 nos. 220 kV bays (# 208 & 209) (Barabanki-I & II of UPPTCL) at 400/220 kV Sohawal (PG) Substation.	12.2.2017**
5	Asset-V: 2 nos. 220 kV Line Bays of Sohawal (PG)-Tanda (UP) TL at 400/220 kV Sohawal (PG) Substation.	12.12.2018**
6	Asset-VI: 2 nos. 220kV bays (#206 & 207) of Shahjahanpur (PG)-Shahjahanpur (UPPTCL) at 400/220 kV Shahjahanpur Sub-Station.	3.11.2016**
7	Asset-VII: 1 no. 220 kV line bay (# 210) of Shahjahanpur (PG)-Shahjahanpur (UPPTCL) at 400/220 kV Shahjahanpur Sub-Station.	5.8.2016**
8	Asset-VIII: 1 no. 220 kV line bays (# 211) of Shahjahanpur (PG)-Shahjahanpur (UPPTCL) at 400/220 kV Shahjahanpur Sub-Station.	5.8.2016**
9	Asset-IX: 2 nos. 220 kV Line bays (Vatika-I and Vatika-II) at 400/220kV Jaipur (South) Substation.	14.5.2017 (Actual)
10	Asset-X: 2 nos. 220 kV line bays (#211 and 212) at 400/220 kV Jaipur (South) Substation.	28.9.2017**

**COD claimed under proviso (ii) of Regulation 4(3) of 2014 Tariff Regulations.

17. The Petitioner has submitted that Asset-I, Asset-II, Asset-III and Asset-IX has been commissioned with actual power flow from the date of commercial operation. However, the COD of remaining Assets-IV, Asset-V, Asset-VI, Asset-VII, Asset-VIII and Asset-X has been claimed under proviso (ii) of Regulation 4(3) of 2014 Tariff Regulations as the associated transmission system under the scope of UPPTCL



and RRVPNL is not ready.

18. The Petitioner has claimed the COD of the Asset-I, Asset-II, Asset-III and Asset-IX as 29.7.2017, 7.5.2018, 5.3.2017 and 14.5.2017 respectively. In support of the COD of these 4 Assets the Petitioner has submitted CEA energisation certificates dated 10.7.2017, 2.3.2017 and 30.9.2014 under Regulation 43 of CEA (measures relating to Safety and Electric Supply) Regulations, 2010, RLDC charging certificates dated 3.8.2017, 31.8.2018, 16.5.2017 and 18.5.2017 and CMD certificates as required under Grid Code.

19. Accordingly, taking into consideration the CEA energisation certificate, RLDC charging certificate and CMD certificate as required under Grid Code, the COD of the Asset-I, Asset-II, Asset-III and Asset-IX has been approved as 29.7.2017, 7.5.2018, 5.3.2017 and 14.5.2017 respectively.

20. The Petitioner has claimed the COD in respect of Assets-IV, Asset-V, Asset-VI, Asset-VII and Asset-VIII as 12.2.2017, 12.12.2018, 3.11.2016, 5.8.2016 and 5.8.2016 respectively under proviso (ii) of the Regulation 4(3) of 2014 Tariff Regulations as the associated transmission system under the scope of the UPPTCL is not ready. With regard to Asset-X, the Petitioner has claimed the COD as 28.9.2017 under proviso (ii) of the Regulation 4(3) of 2014 Tariff Regulations as the associated transmission system under the scope of the RRVPNL is not ready.

21. Regulation 4(3) of the 2014 Tariff Regulations, provides as under:-

"(3) date of commercial operation in relation to a transmission system shall mean the date declared by the transmission licensee from 0000 hour of which an element of the transmission system is in regular service after successful trial operation for transmitting electricity and communication signal from



sending end to receiving end:

Provided that:

i) Where the transmission line or substation is dedicated for evacuation of power from a particular generating station, the generating company and transmission licensee shall endeavor to commission the generating station and the transmission system simultaneously as far as practicable and shall ensure the same through appropriate Implementation Agreement in accordance with Regulation 12(2) of these Regulations.

ii) In case a transmission system or an element thereof is prevented from regular service for reasons not attributable to the transmission licensee or its supplier or its contractors but is on account of the delay in commissioning of the concerned generating station or in commissioning of the upstream or downstream transmission system, the transmission licensee shall approach the Commission through an appropriate application for approval of the date of commercial operation of such transmission system or an element thereof.”

22. Regulation 6.3A (4)(iv) of Indian Electricity Grid Code Regulations, 2016 is as follows:-

“6.3A Commercial operation of Central generating stations and inter-State Generating Stations 4. Date of commercial operation in relation to an inter-State Transmission System or an element thereof shall mean the date declared by the transmission licensee from 0000 hour of which an element of the transmission system is in regular service after successful trial operation for transmitting electricity and communication signal from the sending end to the receiving end:

(iv) In case a transmission system or an element thereof is prevented from regular service on or before the Scheduled COD for reasons not attributable to the transmission licensee or its supplier or its contractors but is on account of the delay in commissioning of the concerned generating station or in commissioning of the upstream or downstream transmission system of other transmission licensee, the transmission licensee shall approach the



Commission through an appropriate application for approval of the date of commercial operation of such transmission system or an element thereof.”

23. We have considered the submissions of the Petitioner. The Petitioner has claimed COD of the instant Assets-IV, Asset-V, Asset-VI, Asset-VII, Asset-VIII and Asset-X as 12.2.2017, 12.12.2018, 3.11.2016, 5.8.2016, 5.8.2016 and 28.9.2017 respectively under Proviso (ii) of Regulation 4(3) of the 2014 Tariff Regulations due to non-commissioning of the associated downstream transmission system of concerned STU. In support of COD, the Petitioner has submitted CEA certificate dated 23.3.2016, 6.11.2018, 27.10.2016, 20.7.2016 & 18.4.2016, RLDC Certificate (idle charging certificate) dated 15.6.2017, 17.12.2018, 4.7.2017, 17.8.2016 & 12.10.2017 in accordance with Regulation 5 of CERC (Terms & Conditions of Tariff), Regulations, 2014 and CMD Certificate required under Grid Code in respect of Asset-IV, V, VI, VII, VIII and X, respectively. Accordingly, taking into consideration, CEA Energisation Certificate, RLDC Certificate (idle charging certificate) and CMD Certificate as required under Grid Code, the COD of the Assets-IV, Asset-V, Asset-VI, Asset-VII, Asset-VIII and Asset-X has been approved as 12.2.2017, 12.12.2018, 3.11.2016, 5.8.2016, 5.8.2016 and 28.9.2017 under Proviso (ii) of Regulation 4(3) of the 2014 Tariff Regulations.

24. Accordingly, the approved COD in respect of instant assets is summarized as below:-

S.N.	Assets	COD
1	Asset-I: 1x63 MVAR,400 kV Bus Reactor-I at 400/220 kV Sohawal Sub-station .	29.7.2017 (Actual)
2	Asset-II: 1x63 MVAR,400 kV Bus Reactor-II at 400/220 kV Sohawal Sub-station .	7.5.2018 (Actual)



S.N.	Assets	COD
3	Asset-III: 2 nos. 220 kV bays of 220 kV(PG)-Sohawal (UP) TL at 400/220 kV Sohawal (PG) Substation.	5.3.2017 (Actual)
4	Asset-IV: 2 nos. 220 kV bays (# 208 & 209) (Barabanki-I & II of UPPTCL) at 400/220 kV Sohawal (PG) Substation.	12.2.2017**
5	Asset-V: 2 nos. 220 kV Line Bays of Sohawal (PG)-Tanda (UP) TL at 400/220 kV Sohawal (PG) Substation.	12.12.2018**
6	Asset-VI: 2 nos. 220kV bays (#206 & 207) of Shahjahanpur (PG)-Shahjahanpur (UPPTCL) at 400/220 kV Shahjahanpur Sub-Station.	3.11.2016**
7	Asset-VII: 1 no. 220 kV line bay (# 210) of Shahjahanpur (PG)-Shahjahanpur (UPPTCL) at 400/220 kV Shahjahanpur Sub-Station.	5.8.2016**
8	Asset-VIII: 1 no. 220 kV line bays (# 211) of Shahjahanpur (PG)-Shahjahanpur (UPPTCL) at 400/220 kV Shahjahanpur Sub-Station.	5.8.2016**
9	Asset-IX: 2 nos. 220 kV Line bays (Vatika-I and Vatika-II) at 400/220kV Jaipur (South) Substation.	14.5.2017 (Actual)
10	Asset-X: 2 nos. 220 kV line bays (#211 and 212) at 400/220 kV Jaipur (South) Substation.	28.9.2017**

**approved under proviso (ii) of Regulation 4(3) of 2014 Tariff Regulations.

Capital Cost

25. Clause (1) and (2) of Regulation 9 of the 2014 Tariff Regulations provide as follows:-

“(1) The Capital cost as determined by the Commission after prudence check in accordance with this regulation shall form the basis of determination of tariff for existing and new projects”

(2) The Capital Cost of a new project shall include the following:

- (a) The expenditure incurred or projected to be incurred up to the date of commercial operation of the project;*
- (b) Interest during construction and financing charges, on the loans (i) being equal to 70% of the funds deployed, in the event of the actual equity in excess of 30% of the funds deployed, by treating the excess equity as normative loan, or (ii) being equal to the actual amount of loan in the event of the actual equity less than 30% of the funds deployed;*
- (c) Increase in cost in contract packages as approved by the Commission;*
- (d) Interest during construction and incidental expenditure during construction as computed in accordance with Regulation 11 of these regulations;*
- (e) Capitalised Initial spares subject to the ceiling rates specified in Regulation 13 of these regulations;*
- (f) Expenditure on account of additional capitalization and de-capitalisation determined in accordance with Regulation 14 of these regulations;*
- (g) Adjustment of revenue due to sale of infirm power in excess of fuel cost prior to the COD as specified under Regulation 18 of these regulations; and*
- (h) Adjustment of any revenue earned by the transmission licensee by using the assets before COD.”*



26. The Petitioner has submitted the apportioned approved cost as per Investment Approval and as per approved Revised Cost Estimate (RCE) in respect of the assets covered under the instant petition. The Petitioner has submitted Auditor's Certificates claiming capital cost incurred as on COD as well as additional capitalization projected to be incurred in respect of the instant asset. The details of apportioned approved cost, capital cost as on COD and estimated additional capital expenditure incurred or projected to be incurred during 2018-19, 2019-20, 2020-2021 and 2021-22 along with estimated completion cost as claimed by the Petitioner for the instant assets are as under:-

(₹ in lakh)

Asset	Approved Cost (Apportioned)		Exp. up to COD	ACE for FY 2016-17	ACE for FY 2017-18	Estimated ACE for FY				Estimated completion Cost
	FR	RCE				2018-19	2019-20	2020-21	2021-22	
Asset-I	849.20	897.34	463.49	0.00	1.61	62.44	249.77	0.00	0.00	777.31
Asset-II	849.20	877.34	412.04	0.00	0.00	62.44	187.33	62.44	0.00	724.25
Asset-III	912.82	862.35	516.44	0.26	2.73	41.50	165.98	0.00	0.00	726.91
Asset-IV	912.82	862.35	519.32	0.39	2.73	41.50	165.98	0.00	0.00	729.92
Asset-V	912.82	862.35	633.12	0.00	0.00	0.00	82.99	82.99	41.50	840.60
Asset-VI	758.81	825.90	590.60	10.17	23.98	34.03	0.00	0.00	0.00	658.78
Asset-VII	379.40	412.95	280.49	8.14	11.99	17.02	0.00	0.00	0.00	317.64
Asset-VIII	379.40	412.95	282.51	8.14	11.99	17.02	0.00	0.00	0.00	319.66
Asset-IX	525.67	674.34	519.09	0.00	1.19	20.00	10.00	0.00	0.00	550.28
Asset-X	675.67	896.32	683.12	0.00	2.15	40.00	10.00	0.00	0.00	735.27

Cost Over-run

27. The Respondent, BRPL vide affidavit dated 16.4.2019 has submitted that proper justification for cost variation should be provided by the Petitioner failing which the increase in cost may not be allowed.

28. In response, the Petitioner vide affidavit dated 26.6.2019 has submitted the following justification towards cost variation:-



- a) The reasons for item wise cost variation between approved cost (FR) and estimated completion cost are explained in detail in Form-5 in the petition and major reason is on account of price received through open competitive bidding and inflationary trends prevalent during execution of the project.
- b) With regard to the variation of FR cost vis-à-vis the actual cost, as per policy of the Petitioner, the procurement is carried out under open competitive bidding route by providing equal opportunity to all the eligible firms.
- c) The bid prices are invited for the complete scope of work on overall basis and the contracts are awarded to the qualified bidder, whose bid is determined as the lowest evaluated, techno-commercially responsive and, who is considered to have the capacity and capability to perform the contract based on the assessment, if carried out.
- d) Thus the variation of awarded/actual cost may be because of various market forces and the pricing strategies followed by bidder(s).
- e) The estimated completion cost of all the asset is well within RCE apportioned cost.

29. We have considered the submissions of Petitioner and noted that against the total apportioned approved cost as per RCE in respect of instant asset as mentioned in the table above, the estimated completion cost including additional capitalization is within the apportioned approved cost. Therefore, there is no cost overrun.

Time over-run

30. As per the Investment Approval (IA) dated 16.3.2010, the transmission scheme was scheduled to be commissioned within 32 months from the date of investment approval. Accordingly, the SCOD was 16.11.2012.



31. Against the SCOD of 16.11.2012, the actual COD of these assets are as under:

Asset	Description	SCOD	COD	Delay
Asset-I	1x63 MVAR, 400 kV Bus Reactor-I at 400/220 kV Sohawal Sub-station .	16.11.2012	29.7.2017	1716 days
Asset-II	1x63 MVAR, 400 kV Bus Reactor-II at 400/220 kV Sohawal Sub-station .		7.5.18	1998 days
Asset-III	2 nos. 220 kV bays of 220 kV(PG)-Sohawal (UP) TL at 400/220 kV Sohawal (PG) Substation.		5.3.2017	1570 days
Asset-IV	2 nos. 220 kV bays (# 208 & 209) (Barabanki-I & II of UPPTCL) at 400/220 kV Sohawal (PG) S/s.		12.2.2017	1549 days
Asset-V	2 nos. 220 kV Line Bays of Sohawal (PG)-Tanda (UP) TL at 400/220 kV Sohawal (PG) Substation.		12.12.2018	2217 days
Asset-VI	2 nos. 220kV bays (#206 & 207) of Shahjahanpur (PG)-Shahjahanpur (UPPTCL) at 400/220 kV Shahjahanpur Sub-Station.		3.11.2016	1448 days
Asset-VII	1 no. 220 kV line bay (# 210) of Shahjahanpur (PG)-Shahjahanpur (UPPTCL) at 400/220 kV Shahjahanpur Sub-Station.		5.8.2016	1358 days
Asset-VIII	1 no. 220 kV line bays (# 211) of Shahjahanpur (PG)-Shahjahanpur (UPPTCL) at 400/220 kV Shahjahanpur Sub-Station.		5.8.2016	1358 days
Asset-IX	2 nos. 220 kV Line bays (Vatika-I and Vatika-II) at 400/220kV Jaipur (South) Substation.		14.5.2017	1640 days
Asset-X	2 nos. 220 kV line bays (#211 and 212) at 400/220 kV Jaipur (South) Substation.		28.9.2017	1777 days

32. The Petitioner has submitted the following reasons for time overrun in case of the instant assets:-

Asset-I:

(i) Delay is mainly on account of time taken in dismantling, shifting and re-erection work. LILO of 2nd circuit of 400kV D/C Balia-Lucknow line at Sohawal Sub-station was commissioned on 1.7.2012. Thereafter, 63 MVAR Reactors which were installed as line reactor in above circuit at 400kV Lucknow Sub-station was dismantled. The same was then shifted to Sohawal Sub-station and commissioned as Bus Reactor-I on 29.7.2017.



Asset-II:

(ii) Time overrun was mainly on account of time taken in dismantling, shifting and re-erection work. LILO of 1st circuit of 400kV D/C Balia-Lucknow line at Sohawal Sub-station which was put into commercial operation (COD) on 1.2.2013. Thereafter, 63 MVAR reactors which were installed as line reactor in above circuit at 400 kV Lucknow Sub-station was dismantled as the same was then shifted to Sohawal Sub-station and commissioned as Bus Reactor-II on 7.5.2018.

Asset-III:

(iii) Time overrun was mainly on account of matching with the downstream network. The completion of 220 kV UPPTCL downstream line has been continuously taken up with M/s UPPTCL by the Petitioner since 2011 through various letters ranging from 12.10.2011 to 25.2.2017. UPPTCL vide letter dated 8.2.2017 informed that 220kV Sohawal (PG)-Sohawal (UPPTCL) would be completed by 15.2.2017. The Petitioner vide letter dated 15.2.2017 and 25.2.2017 asked UPPTCL for taking up testing of UPPTCL downstream line. Accordingly, line bay along with downstream line was charged and commissioned on 5.3.2017. The Petitioner has submitted the detailed chronology of events in support of the same.

Asset-IV:

(iv) Time overrun was mainly on account of matching with the downstream network. The matter of completion of 220 kV UPPTCL downstream line was continuously taken up with UPPTCL by the Petitioner since 2011 through



various letters ranging from 12.10.2011 to 22.11.2017. The approval for energisation of bays was accorded by CEA vide letter dated 23.3.2016. Further, UPPTCL vide letter dated 13.12.2016, informed that 220 kV Sohawal (PG) – Barabanki (UPPTCL) line would be completed by January, 2017. However, UPPTCL failed to commission its 220 kV downstream transmission line in given time and since work was complete and CEA approval was already accorded, it was not possible to stretch the timeline beyond a certain limit, due to contractual implications regarding additional claims on idle charges by the contractor etc., due to which the present asset was put into commercial operation on 12.2.2017 on “no load”. Subsequently, various communications were done with UPPTCL regards the status of the 220 kV Sohawal (PG)-Barabanki (UPPTCL) line which achieved COD on 1.5.2018. The Petitioner has submitted the detailed chronology of events in support of the same.

Asset-V:

(v) Time overrun was on account of matching with the downstream network. The matter of COD of 220 kV UPPTCL downstream line was taken up continuously with UPPTCL by the Petitioner since 2011 through various letters ranging from 12.10.2011 to 25.11.2017. UPPTCL vide letter dated 25.10.2016, informed that 220 kV Sohawal (PG) -Tanda (UPPTCL) downstream line would be completed by 28.2.2017 and again vide letter dated 16.8.2017 & 25.11.2017, informed that the same would be ready by 30.9.2017 and by 30.4.2018. However, 220 kV Sohawal (PG)- Tanda (UPPTCL) downstream line still is not ready and efforts are being made to charge the bays along with the downstream



network. The Petitioner has submitted the detailed chronology of events in support of the same.

Asset-VI, VII & VIII:

(vi) The petitioner has submitted that the delay is mainly on account of delay in Land Acquisition for Shahjahanpur Sub-station and matching with the downstream network as per following details:-

(a) **Delay in Land Acquisition of Shahjahanpur Sub-station (Delay upto 13.4.2014):-** The Shahjahanpur Sub-station was energized with the commissioning of LILO of Ckt-II of 400 kV D/C Lucknow- Bareilly Transmission line at Shahjahanpur (COD: 13.6.2014). Since 220 kV bays cannot be put into commercial operation without the energization of the Sub-station which was delayed on account of delay in land acquisition of Shahjahanpur Sub-station, the initial time overrun in case of Asset-VI, VII and VIII was due to delay in land acquisition of Shahjahanpur Sub-station. Out of 18 months time overrun in commissioning of “LILO of Ckt-II of 400 kV D/C Lucknow- Bareilly transmission line at Shahjahanpur (COD: 13.6.2014)” on account of delay in land acquisition and other factors, the Commission vide order dated 30.4.2016 in Petition No-33/TT/2015 (para 25 – 37, condoned time over-run of 16 months on account of land acquisition i.e delay upto 13.4.2014 has been already condoned.

(b) **Delay on account of downstream system (Delay beyond 13.4.2014):-** Time overrun was due to matching schedule of downstream system of 220 kV lines which were in the scope of UPPTCL. The matter of



commissioning of 220 kV UPPTCL downstream line was taken up continuously with UPPTCL by the Petitioner through various letters ranging from 15.3.2014 to 6.4.2018 and Minutes of Meeting dated 6.5.2014. The approval for energization of bays was accorded by CEA vide letter dated 27.10.2016 for Asset-VI and vide letter dated 20.7.2016 for Asset-VII and Asset-VIII itself. However, UPPTCL failed to complete its 220 kV downstream transmission line in given time and since work was complete and CEA approval was already accorded, it was not possible to stretch the timeline beyond a certain limit, due to contractual implications regarding additional claims on idle charges by the contractor etc, due to which Asset-VI was commissioned on 3.11.2016 and Asset-VII and Asset-VIII on 5.8.2016. Further, downstream network of Asset-VIII i.e “220 kV Shahjahanpur-Hardoi line” was charged on 24.8.2016. However, downstream system corresponding to Asset-VI and Asset-VII is yet to be put into commercial operation by UPPTCL. The Petitioner has submitted the detailed chronology of events in support of the same.

Asset-IX:

(vii) Delay is mainly on account of matching with the downstream network under the scope of M/s RRVPNL. Since the commissioning of 220kV D/C Vatika-Jaipur (South) was getting delayed, the approval for energization of bays was obtained from CEA vide letter dated 30.9.2014. The Petitioner has submitted the detailed chronology of events in support of the same.



Asset-X:

(viii) Delay is mainly on account of matching with the downstream network under the scope of RRVPNL. Since the commissioning of downstream network was getting delayed, the approval for energization of bays was obtained from CEA vide letter dated 18.4.2016 and further since the work was complete and CEA approval was already accorded, it was not possible to stretch the timeline beyond a certain limit, due to contractual implications regarding additional claims on idle charges by the contractor etc., due to which Asset-X was commissioned on 28.9.2017.

33. The Petitioner has further submitted that in addition to various follow up measures taken up individually with UPPTCL and RRVPNL for downstream system for Sohawal Sub-Station, Shahjahanpur Sub-station and Jaipur(South) Sub-Station, the issue was also discussed in various NRPC and SCM as given below:-

Meeting	Date of NRPC/SCM meeting	Remark
SCM		
35 th SCM	3.11.2014	UPPTCL provide following detail: a) Sohawal PG (Faizabad) 400/220 kV S/S (Existing) -Sohawal (PG) 400 KV – Tanda 220 kV D/C -80 kM -Sohawal (PG) 400 KV – Barabanki 220 kV D/C -70 kM b) Shahjahanpur PG 400/220 kV S/S (under construction) -Shahjahanpur (PG) 400 KV – Hardoi 220 kV D/C -60 kM
36 th SCM	13.7.2015	Discussion of Non-availability of downstream network
37 th SCM	20.1.2016	Discussion of Non-availability of downstream network. UPPTCL stated that: a) Sohawal (UP): to be commissioned in May'16 b) Shahjahanpur (UP): to be commissioned in Feb16
39 th SCM	29/30.5.2017	Discussion of utilization of 220kV bays in Sohawal S/s, Shahjahanpur S/s and Jaipur (South) S/s discussed.



Meeting	Date of NRPC/SCM meeting	Remark
40 th SCM	22.6.2018	UPPTCL stated that: a) 2 nos of bays have already been utilized by UP for Sohawal (PG)-Sohawal (UP) 220kV D/C line. The remaining 4 nos of bays would be utilized for providing connectivity to Barabanki 220 kV s/s and New Tanda (220kV) S/s (Two line bays each) b) 220kV bays are available at Shahjahanpur(PG) S/S and shall be utilized with Shahjahanpur (PG) (400kV)-Azizpur (Shahjahanpur) 220kV D/C line - 20km
NRPC		
31 st NRPC	24.7.2014	Discussion of Non-availability of downstream network. UPPTCK informed that downstream network of Shahjahanpur S/s will be ready by Oct'2014
36 th NRPC	24.12.2015	Absence of Downstream network was highlighted. UPPTCL stated that 220 kV side of Sohawal sub-station is likely to be connected to Tanda sub-station by May 2016 and 220 kV side of Shahjahanpur sub-station was likely to be connected with Hardoi sub-station by March 2016
39 th NRPC	2.5.2017	Discussion of Non-availability of downstream network
40 th NRPC	28.10.2017	State was directed to submit details of various downstream networks.
41 st NRPC	28.2.2018	State provided with the details of the downstream network
42 nd NRPC	28.6.2018	State provided with the details of the downstream network.

34. The Petitioner has submitted that they sincerely coordinated with the concerned STUs on continuous basis for matching the commissioning of the bays along with the downstream network telephonically, through personal interactions, letters and discussion in various NRPC and SCM. The Petitioner has submitted that the reasons for delay in commissioning of the instant assets was beyond the control of the Petitioner and prayed to condone the delay under Regulation 12(2)(i) of 2014 tariff regulations.

35. UPPCL has submitted that IDC and IEDC may not be allowed for the duration of time over-run.

36. BRPL has submitted that the grounds for delay as mentioned by the Petitioner show the slackness of the Petitioner in project management and excuse for delay is



not a justified argument by any standard and Petitioner has also not submitted DPR, CPM Analysis, PERT Chart and Bar Chart and reasons for delay clearly falls within the controllable factors mentioned in Regulation 12 of the 2014 Tariff Regulations.

37. In response, the Petitioner has submitted that detailed justifications along with CPM and PERT Chart based on actual activities has already been submitted in main petition and with regard to statutory function of coordination, the Petitioner has already submitted various communications / correspondence made with UPPTCL and RRVPNL along with the petition. The Petitioner has submitted that the contention of the beneficiaries in this regard is baseless and wrong and delay for subject asset is in line with Regulation 12(2)(i) of 2014 Tariff Regulations “uncontrollable factors” and hence, delay may be condoned.

38. The Commission vide Order dated 3.5.2019 directed the Petitioner to submit the status of associated downstream network of UPPTCL and RRVPNL and submit documentary evidence of COD, if they have achieved COD. In response, the Petitioner has submitted the following status of downstream network for Sohawal Sub-station, Shahjahanpur Sub-station and Jaipur(South) Sub-station: -

S.N.	Asset	Downstream line	Details
1	Asset-III: 2 nos. 220 kV bays of 220 kV(PG)-Sohawal(UP) TL at 400/220 kV Sohawal(PG) Substation	220 kV D/C Sohawal (PG)-Sohawal(UPPTCL)	Line bays charged matching with the line and declared under commercial operation w.e.f 5.3.2017
2	Asset-IV: 2 nos. 220 kV bays No. 208 & 209 (Barabanki-I &II of UPPTCL) at 400/220 kV Sohawal(PG) Substation	220 kV D/C Sohawal (PG)-Barabanki (UPPTCL) line which got finally commissioned on 1.5.2018	Downstream line got commissioned on 1.5.2018.
3	Asset-V: 2 nos. 220 kV Line Bays of Sohawal (PG)-Tanda (UPPTCL) at 400/220 kV Sohawal(PG) Substation	220 kV D/C Sohawal (PG)-Tanda (UPPTCL)	UPPTCL vide 43 rd NRPC informed that the line will be commissioned by May, 2019



S.N.	Asset	Downstream line	Details
4	Asset-VI: 2 nos. 220 kV bays No. 206 & 207 of Shahjahanpur(PG)-Shahjahanpur(UPPTCL) at 400/220 kV Shahjahanpur Sub-Station	220 kV D/C Shahjahanpur (PG)-Lakhimpur (UPPTCL)	UPPTCL vide 43 rd NRPC informed that the line will be commissioned by Dec, 2019
5	Asset-VII: 1 No, 220 kV line bays No. 210 of Shahjahanpur(PG)-Shahjahanpur(UPPTCL) at 400/220 kV Shahjahanpur Sub-Station	220 kV Shahjahanpur – Hardoi Ckt -II	At present there is no downstream network available. Further, no information is provided in SCM/NRPC.
6	Asset-VIII: 1 No, 220 kV line bays No. 211 of Shahjahanpur(PG)-Shahjahanpur(UPPTCL) at 400/220 kV Shahjahanpur Sub-Station	220 kV Shahjahanpur – Hardoi Ckt -I	Downstream line test charged on 24.8.2016.
7	Asset-IX: 2 Nos. 220 kV Line bays (Vatika-I and Vatika-II) at 400/220 kV Jaipur(South) Substation	220 kV D/C Vatika-Jaipur(south)	Line bays charged matching with the line and declared under commercial operation w.e.f 14.5.2017
8	Asset-X: 2 Nos. 220 kV line bays(211 and 212) at 400/220kV Jaipur (South) Substation	At present there is no downstream network available. Further, no information is provided in SCM/NRPC.	

39. The Commission vide Order dated 3.5.2019 directed the Petitioner to submit the details of reasons of time over run (asset-wise) covered in the instant petition in prescribed format. In response, the Petitioner has submitted the details of time over run in respect of instant assets in the prescribed format.

40. We have gone through the submissions of Petitioner and Respondents. As per the Investment Approval dated 17.3.2010, the instant assets were scheduled to be put into commercial operation on 16.11.2012 against which Asset-I, Asset-II, Asset-III, Asset-IV, Asset-V, Asset-VI, Asset-VII, Asset-VIII, Asset-IX and Asset-X were put in Commercial operation on 29.7.2017, 7.5.2018, 5.3.2017, 12.2.2017, 12.12.2018, 3.11.2016, 5.8.2016, 5.8.2016, 14.5.2017 and 28.9.2017 respectively with a time delay of about 1716 days, 1998 days, 1570 days, 1549 days, 2217 days, 1448 days, 1358 days, 1358 days, 1640 days and 1777 days respectively. The



asset-wise time over-run is analyzed in subsequent para.

Asset-I & II:

41. The Petitioner has submitted that the delay is mainly on account of time taken in dismantling, shifting and re-erection work. The line reactor was originally installed on 400 kV D/C Balia-Lucknow line at Lucknow Sub-station. Thereafter, the 63 MVAR line reactor was dismantled at Lucknow Sub-station and shifted to Sohawal Sub-station after commissioning of LILO of 400 kV D/C Balia-Lucknow at Sohawal Sub-station on 1.7.2012. The Petitioner has shifted the reactor from Lucknow Sub-station and shifted to Sohawal Sub-station on 29.7.2017. The Petitioner has prayed for condonation of delay in accordance with Regulation 12(2) of the 2014 Tariff Regulations.

42. Regulation 12(1) and (2) of the 2014 Tariff Regulations provides as under:-

“12. Xxxxxx

(1) *The “controllable factors” shall include but shall not be limited to the following:*

(a) Variations in capital expenditure on account of time and/or cost over-runs on account of land acquisition issues;

(b) Efficiency in the implementation of the project not involving approved change in scope of such project, change in statutory levies or force majeure events; and

(c) Delay in execution of the project on account of contractor, supplier or agency of the generating company or transmission licensee

(2) *The “uncontrollable factors” shall include but shall not be limited to the following: (i) Force Majeure events; and*

(ii) Change in law

Provided that no additional impact of time over-run or cost over-run shall be allowed on account of non-commissioning of the generating station or associated transmission system by SCOD, as the same should be recovered through Implementation Agreement between the generating company and the transmission licensee:



Provided further that if the generating station is not commissioned on the SCOD of the associated transmission system, the generating company shall bear the IDC or transmission charges if the transmission system is declared under commercial operation by the Commission in accordance with second proviso of Clause 3 of Regulation 4 of these regulations till the generating station is commissioned:

Provided also that if the transmission system is not commissioned on SCOD of the generating station, the transmission licensee shall arrange the evacuation from the generating station at its own arrangement and cost till the associated transmission system is commissioned.”

43. With regard to “Change in Law” and “Force majeure”, Regulation, 3(9) and 3(25) of the 2014 Tariff Regulations provides as under:-

“3. (9) “Change in Law” means occurrence of any of the following events:

- (a) Enactment, bringing into effect or promulgation of any new Indian law; or*
- (b) Adoption, amendment, modification, repeal or re-enactment of any existing Indian law; or*
- (c) change in interpretation or application of any Indian law by a competent court, Tribunal or Indian Governmental Instrumentality which is the final authority under law for such interpretation or application; or*
- (d) Change by any competent statutory authority in any condition or covenant of any consent or clearances or approval or licence available or obtained for the project; or*
- e) Coming into force or change in any bilateral or multilateral agreement/treaty between the Government of India and any other Sovereign Government having implication for the generating station or the transmission system regulated under these Regulations.”*

“3. (25) „Force Majeure” for the purpose of these regulations means the event or circumstance or combination of events or circumstances including those stated below which partly or fully prevents the generating company or transmission licensee to complete the project within the time specified in the Investment Approval, and only if such events or circumstances are not within the control the generating company or transmission licensee and could not have been avoided, had the generating company or transmission licensee taken reasonable care or complied with prudent utility practices:



(a) Act of God including lightning, drought, fire and explosion, earthquake, volcanic eruption, landslide, flood, cyclone, typhoon, tornado, geological surprises, or exceptionally adverse weather conditions which are in excess of the statistical measures for the last hundred years; or
b) Any act of war, invasion, armed conflict or act of foreign enemy, blockade, embargo, revolution, riot, insurrection, terrorist or military action; or
c) Industry wide strikes and labour disturbances having a nationwide impact in India.”

44. We are of the view that the reasons submitted by the Petitioner for the time overrun in case of Asset-I and II are not beyond the control of the Petitioner. The reasons submitted by the petitioner shall fall under controllable factors as defined in Regulation 12(1)(c) of the 2014 Tariff Regulations. It is further observed that the LILO of 400 kV D/C Balia-Lucknow at Sohawal Sub-station was completed on 1.7.2012 and the Petitioner has shifted the Reactor from Lucknow Sub-station and commissioned at Sohawal Sub-station on 29.7.2017. The Petitioner has not explained as to why it took almost five years for commissioning of Bus reactor at Sohawal Sub-station. The Petitioner has not submitted justification and documentary evidence for the time delay from 1.7.2012 to 29.7.2017. Therefore, we are not inclined to condone the time over-run of 1716 days and 1998 days in case of Assets-I and II respectively.

Asset-III:

45. The Petitioner has submitted that the time over-run of 1570 days in case of Asset-III i.e. 2 nos. 220 kV bays of 220 kV (PG)-Sohawal (UP) TL at 400/220 kV Sohawal (PG) Sub-station was mainly due to the time taken for matching the commissioning of the instant asset with the downstream network under the scope of UPPTCL. The Petitioner has submitted that they made continuous correspondence



with UPPTCL regarding the construction and status of the downstream transmission line under the scope of UPPTCL and has submitted the copy of the correspondence made with UPPTCL.

46. We have gone through the letters furnished by the Petitioner. The Petitioner has attributed the entire period of time over-run to the time taken for matching with the downstream assets of UPPTCL. The Petitioner has not submitted any other reason for time over-run. The Petitioner has submitted that the instant bays were available on 30.7.2014, though the Petitioner has claimed the COD as 5.3.2017. Therefore, we are of the view that, the time overrun of 1570 days on account of matching with the downstream network of UPPTCL was a decision of the Petitioner and hence same is not condoned. The transmission charges from 5.3.2017 (actual COD date), shall be shared under POC mechanism. However, for the period prior to 5.3.2017 the petitioner is at liberty to claim compensation in terms of LDs, IDC or IEDC from UPPTCL as per the arrangement/ agreement entered into, if any.

Asset-IV and Asset-V:

47. The Petitioner has submitted that Asset-IV i.e. 2 nos. 220 kV bays No. 208 and 209 (Barabanki-I & II of UPPTCL) at 400/220 kV Sohawal (PG) Sub-station and Asset-V i.e. 2 nos. 220 kV bays of Sohawal (PG)-Tanda (UP) transmission line at 400/220 kV Sohawal (PG) Sub-station is delayed due to the time taken for matching them with the downstream network under the control of UPPTCL. The Petitioner has submitted that they made continuous correspondence with UPPTCL regarding the construction and status of the downstream transmission line under the scope of UPPTCL and has submitted the copy of the correspondence made with UPPTCL.



48. We have gone through the submissions of the Petitioner. The Petitioner has attributed the entire time over-run in case of Asset-IV and V for the time taken for matching them with the downstream assets of UPPTCL. The Petitioner has not submitted any other reason for the time over-run in case of the instant asset. The Petitioner has claimed the COD of Assets-IV and V as 12.2.2017 and 12.12.2018, respectively under proviso (ii) of Regulation 4(3) of the 2014 Tariff Regulations as it was prevented from putting the assets in commercial operation as the downstream transmission assets under the scope of UPPTCL were not ready. The Petitioner has also submitted the CEA Energisation certificate and the RLDC “no load” certificate in support of the COD of the assets. Accordingly, the COD of Assets-IV and V is approved as 12.2.2017 and 12.12.2018, respectively under proviso (ii) of Regulation 4(3) of the 2014 Tariff Regulations. The Petitioner has attributed the time taken from the scheduled COD of 16.11.2012 to the COD (12.2.2017 and 12.12.2018 for Asset-IV and Asset-V respectively) towards the matching of commissioning of the instant assets with the downstream assets of UPPTCL. The time overrun of 1549 days and 2217 days in case of Asset-IV and V, respectively, on account of matching with the downstream network of UPPTCL was the decision of the Petitioner and hence the same is not condoned. The transmission charges in case of Asset-IV, from 12.2.2017 to 30.4.2017 will be borne by UPPTCL and thereafter from 1.5.2018 (date of power flow) shall be recovered through POC mechanism. The transmission charges in case of Asset-V, from 12.12.2018 to till COD of downstream system will be borne by UPPTCL and thereafter the transmission charges shall be recovered through POC mechanism. However, for the period prior to 12.2.2017 in case of Asset-IV and for the period prior to 12.12.2018 in case of Asset-V, the Petitioner is



at liberty to claim compensation in terms of LDs, IDC or IEDC from UPPTCL as per the arrangement/ agreement entered into, if any.

Asset-VI, Asset-VII and Asset-VIII:

49. The Petitioner has submitted that the Asset-VI, Asset-VII and Asset-VIII has been delayed due to delay in land acquisition at Shahjahanpur substation and time taken for matching them with the downstream network under the control of UPPTCL. The Petitioner has submitted that the commission has already condoned the time delay due to land acquisition at Shahjahanpur Sub-station in petition No. 33/TT/2015.

50. We have gone through the submissions of the Petitioner. The Commission vide order dated 30.4.2016 in petition No 33/TT/2015 has held as under:

“31. We have considered the submissions made by the petitioner to justify the time overrun in respect of instant assets.

32. With regard to the delay of 16 months due to land acquisition in Asset A, B, C and F we are of the view that the delay was beyond the control of the petitioner and thus the delay of 16 months is condoned”

51. The Commission has already taken into cognizance the time over-run of about 16 months in commissioning of assets associated with 400/220 kV along with bays at Shahjahanpur Sub-station. Accordingly the time over-run to the tune of 16 months in commissioning of Asset-VI, VII and Asset-VII is beyond the control of the petitioner and the same has been condoned.

52. With regard to the time delay beyond 13.4.2014, the Petitioner has submitted that the delay is due to the time taken for matching them with the downstream network under the control of UPPTCL. The Petitioner has submitted that they made



continuous correspondence with UPPTCL regarding the construction and status of the downstream transmission line under the scope of UPPTCL and has submitted the copy of the correspondence made with UPPTCL.

53. We have gone through the submissions of the Petitioner. The Petitioner has attributed the time over-run from 13.4.2014 in case of Asset-VI, VII and VIII towards the time taken for matching the assets with the downstream assets of UPPTCL. The Petitioner has not submitted any other reason for the time over-run in case of the instant assets. Therefore, we are of the view that the time overrun of 968 days, 878 days and 878 days in case of Asset-VI, VII and VII, respectively, on account of matching with the downstream network of UPPTCL was the decision of the Petitioner and hence the same is not condoned. The transmission charges in case of Asset-VI, from 3.11.2016 and that of Asset-VII and VIII, from 5.8.2016 till COD of the downstream system under the scope of UPPTCL will be borne by UPPTCL and thereafter shall be recovered through POC mechanism. However, for the period prior to 3.11.2016 in case of Asset-VI and period prior to 5.8.2016 in case of Asset-VII & VIII, the Petitioner is at liberty to claim compensation in terms of LDs, IDC or IEDC from UPPTCL as per the arrangement/agreement entered into, if any.

Asset-IX and X:

54. The Petitioner has submitted that Asset-IX and Asset- X is delayed due to the time taken for matching them with the downstream network under the control of RRVPNL. The Petitioner has submitted that they made continuous correspondence with RRVPNL regarding the construction status of the downstream transmission line under the scope of RRVPNL and has submitted the copy of the correspondence made with RRVPNL and details of discussion in various NRPC/ SCM meetings.



55. We have gone through the submissions of the Petitioner. The Petitioner has attributed the entire time over-run in case of Asset-IX and X for the time taken for matching them with the downstream assets of RRVPNL. The Petitioner has not submitted any other reason for the time over-run in case of the instant assets. Therefore, we are of the view that the time overrun of 1640 days and 1777 days in case of Asset-IX and X, respectively, on account of matching with the downstream network of RRVPNL was the decision of the Petitioner and hence the same is not condoned. The transmission charges in case of Asset-IX from 14.5.2017 (COD/ date of power flow) shall be recovered through POC mechanism. The transmission charges in case of Asset-X from 28.9.2017 to till COD of the downstream transmission system under the scope of RRVPNL shall be borne by RRVPNL and thereafter the transmission charges shall be recovered through POC mechanism. However, for the period prior to 14.5.2017 in case of Asset-IX and for the period prior to 28.9.2017 in case of Asset-X, the Petitioner is at liberty to claim compensation in terms of LDs, IDC or IEDC from RRVPNL as per the arrangement/ agreement entered into, if any.

Interest During Construction (IDC)

56. The Petitioner has claimed IDC for the instant assets and submitted auditor cost certificate in support of the same. The Petitioner has submitted IDC statements showing computation of IDC along with the year-wise details of the IDC discharged in respect of instant assets. The loan portfolio which is mentioned in IDC statement and in Form 9C is not matching. Hence, for the purpose of determination of allowable IDC, the loan amount as mentioned in Form 9C has been considered. Accordingly, IDC is being worked out and allowed for the purpose of tariff



determination, subject to revision at the time of true up, as below:-

(₹ in lakh)

Asset	IDC Claimed as per Auditor cost certificate	IDC Disallowed due to Excess claim & Time overrun not allowed, if any.	IDC Allowed on accrual basis	IDC Allowed on cash basis as on COD
	1	2	3=(1-2)	4
Asset-I	122.61	106.05	16.56	16.56
Asset-II	62.84	50.79	12.05	12.05
Asset-III	115.78	104.96	10.82	10.82
Asset-IV	118.24	103.25	14.99	14.99
Asset-V	236.88	202.73	34.15	34.15
Asset-VI	115.78	76.13	51.82	51.82
Asset-VII	73.20	34.18	39.02	39.02
Asset-VIII	75.22	34.10	41.12	41.12
Asset-IX	112.30	102.07	10.23	10.23
Asset-X	116.32	106.27	10.05	10.05

Incidental Expenditure During Construction (IEDC)

57. The Petitioner has claimed IEDC for instant assets and submitted Auditor Cost Certificate in support of the same. In the instant petition, the abstract cost estimates (FR) indicate IEDC @ 5% of hard cost. Accordingly, The details of IEDC claimed and allowed is tabulated below which shall be reviewed at the time of truing up exercise:-

(₹ in lakh)

Asset	IEDC claimed	IEDC Disallowed due to Excess claim & Time overrun not allowed, if any.	IEDC Allowed (as on COD)
Asset-I	32.62	25.87	6.75
Asset-II	36.50	30.34	6.16
Asset-III	49.05	41.46	7.59
Asset-IV	49.49	41.83	7.66
Asset-V	37.37	31.89	5.48
Asset-VI	50.32	35.89	14.43
Asset-VII	8.41	3.16	5.25
Asset-VIII	8.41	3.16	5.25
Asset-IX	30.23	22.81	7.42
Asset-X	35.91	28.86	7.05



58. The IEDC allowed for the instant assets will be reconsidered in the light of the directions of Appellate Tribunal for Electricity (APTEL) in judgment dated 2.12.2019 in Appeal Nos. 95 of 2018 and 140 of 2018 against Commission's orders dated 29.7.2016 and 5.10.2017 in Petition Nos. 46/TT/2014 and 2/RP/2017 respectively, at the time of true-up.

Initial Spares

59. This has been dealt in line with Regulation 13 of the 2014 Tariff Regulations. The Petitioner has claimed the Initial Spares corresponding to Sub-Station (green field) for instant assets and has submitted the audited cost certificate in support of the same. The Petitioner vide affidavit dated 9.9.2019 has submitted that the initial spares claimed are discharged on the respective COD of the instant assets.

60. The initial spares allowed for the purpose of tariff calculation after considering the Plant and Machinery cost excluding IDC, IEDC and Land expenses up to 31.3.2019, subject to true-up are as under:-

(₹ in lakh)					
Asset	Total Capital Cost (Plant and machinery Cost excluding IDC, IEDC, Land cost and cost of Civil works) up to Cut-off date (31.03.2019) (a)	Initial Spares Claimed against Capital Cost Claimed (b)	Ceiling Limit as per Regulation, 2014 (c)	Initial Spares worked out (d)	Excess Initial Spares disallowed (e)
Asset-I	239.70	9.11	4%	9.61	-
Asset-II	243.31	9.37	4%	9.75	-
Asset-III	288.01	10.94	4%	11.54	-
Asset-IV	288.11	10.95	4%	11.55	-
Asset-V	270.22	11.11	4%	10.80	0.31
Asset-VI	348.56	13.59	4%	13.96	-
Asset-VII	170.33	6.64	4%	6.82	-
Asset-VIII	170.33	6.64	4%	6.82	-
Asset-IX	NIL spares claimed	-	-	-	-
Asset-X	NIL spares claimed	-	-	-	-



De-capitalization of Replaced Bus Reactor

61. With regard to Asset-I i.e “1x63 MVAR, 400kV Bus Reactor-I at 400/220 kV Sohawal Sub-station” and Asset-II i.e “1x63 MVAR, 400kV Bus Reactor-II at 400/220 kV Sohawal Sub-station” which has been shifted from Lucknow Sub-station after commissioning of LILO of 400kV D/C Balia-Lucknow line at Sohawal Substation and charged as Bus reactors at Sohawal Sub-station the petitioner has submitted that these Reactor was originally covered under True up Petition No. 560/TT/2014 under Kahalgaon Stage-II Phase-I Transmission system in Northern Region and the cost of the reactor is not included in the capital cost of Asset-I & Asset-II. The Petitioner has submitted the following cost break-up of Asset-I and Asset-II:-

Asset-I:

(₹ in lakh)

S.N.	Description	COD Cost	Add. Cap.	Total
1	Reactor- Dismantling	10.77	0.00	10.77
2	Reactor- Shifting / loading /unloading	6.86	0.00	6.86
3	Reactor- Erection	6.16	0.00	6.16
4	Bay Equipment (Supply)	125.06	0.00	125.06
5	Bay Equipment (F&I)	2.74	0.00	2.74
6	Bay Equipment (Erection)	50.13	1.44	51.57
7	Land	47.58	0.00	47.58
8	Civil	50.49	312.38	362.87
9	IDC	122.61	0.00	122.61
10	IEDC	32.62	0.00	32.62
11	FERV	8.48	0.00	8.48
12	Others, please specify	0.00	0.00	0.00
Total		463.49	313.82	777.31



Asset-II:**(₹ in lakh)**

S.N.	Description	COD cost	Add. Cap.	Total
1	Reactor- Dismantling	10.77	0	10.77
2	Reactor- Shifting / loading /unloading	6.86	0	6.86
3	Reactor- Erection	6.16	0	6.16
4	Bay Equipment (Supply)	129.94	0	129.94
5	Bay Equipment (F&I)	2.85	0	2.85
6	Bay Equipment (Erection)	53.56	0	53.56
7	Land	47.58	0	47.58
8	Civil	43.68	312.21	355.89
9	IDC	62.84	0	62.84
10	IEDC	36.5	0	36.50
11	FERV	11.31	0	11.31
12	Others, please specify	0	0	0.00
Total		412.04	312.21	724.25

62. The Petitioner has further submitted that the line reactors at Lucknow Sub-station were de-capitalized on 28.7.2017 and 6.5.2018 and were shifted and commissioned as Bus reactor at Sohawal S/s on 29.07.2017 and 7.5.2018. In addition, the Petitioner has submitted that since the cost of reactor is not claimed in the capital cost of Asset-I and Asset-II and the net tariff of the reactor after de-capitalization from the original project and re-capitalization in present project remains same, the tariff of Asset-I and Asset-II as claimed in the petition be allowed and the de-capitalization from the original project and re-capitalization in the present project will be carried out at the time of truing-up of 2014-19.

63. The Commission vide ROP for the hearing dated 8.8.2019 directed the Petitioner to submit revised auditor certificate and all revised tariff forms along with Form 10B with respect to de-capitalized asset for Asset-I and Asset-II after reducing



capital cost of dismantling shifting and loading/unloading and erection charges. In response, the Petitioner has submitted that the cost of 63 MVAR reactors is not being claimed in the capital cost of Asset-I and Asset-II therefore de-capitalization of shifted reactors cannot be done in the auditor certificates of Asset-I & II. The Petitioner has furnished shifting details and Form 10B. With regard to de-capitalization of 63 MVAR reactors, the Petitioner further submitted that that 63 MVAR reactors were covered in petition no. 560/TT/2014 under Kahalgaon Stage-II project for which true up petition of assets covered under Kahalgaon Stage-II (Petition no. 560/TT/2014) is being filed separately after de-capitalization of 63 MVAR Reactors shifted to Sohawal Sub-station. The Petitioner has prayed that the Commission may allow the tariff of Asset-I and Asset-II as claimed in the petition and allow the Petitioner to carry out the de-capitalization from the original project (Kahalgaon Stage-II) and re-capitalization in the present project (NRTSS) at the time of truing-up of 2014-19.

64. We have considered the submissions of Petitioner. The Petitioner has submitted that **Asset-I** i.e. “1x63MVAR,400kV Bus Reactor-I at 400/220kV Sohawal Sub-station” and **Asset-II** i.e. “1x63MVAR,400kV Bus Reactor-II at 400/220kV Sohawal Sub-station” were shifted from Lucknow S/s after LILO of 400kV D/C Balia-Lucknow line at Sohawal Substation and charged as Bus reactor to Sohawal S/s. The Reactors were originally covered under True up Petition No-560/TT/2014 under Kahalgaon Stage-II Phase-I Transmission system in Northern Region. The cost of reactors is not included in capital cost of Asset-I and Asset-II. Also, the Petitioner has submitted that they shall file the true up petition in respect of assets covered under Kahalgaon Stage-II (Petition no. 560/TT/2014) separately after de-



capitalization of 63 MVAR Reactors shifted from Lucknow to Sohawal S/s. It has been observed that the Petitioner has claimed the tariff in respect of Asset-I and Asset-II on account of transportation cost of reactors and additional bays constructed for these reactors. Considering this, the tariff of Asset-I and Asset-II as claimed by the Petitioner is considered in the instant petition. However, the Petitioner is directed to file true up petition in respect of assets covered under Kahalgaon Stage-II (Petition no. 560/TT/2014) separately after de-capitalization of 63 MVAR Reactors shifted from Lucknow to Sohawal Sub-station.

Capital cost as on COD

65. Accordingly, the capital cost allowed as on COD under Regulation 9(2) of the 2014 Tariff Regulations is summarized as under:-

(₹ in lakh)					
Asset	Capital Cost as on COD As per Auditor Cost Certificate (a)	IDC Disallowed as on COD (b)	IEDC Disallowed due to computational difference & Time Overrun (c)	Excess Initial Spares disallowed as on COD (d)	Capital Cost as on COD Considered after scrutiny of IDC/IEDC and Initial Spares (e=a-b-c-d)
Asset-I	463.49	106.05	25.87	0.00	331.57
Asset-II	412.04	50.79	30.34	0.00	330.90
Asset-III	516.44	104.96	41.46	0.00	370.02
Asset-IV	519.32	103.25	41.83	0.00	374.24
Asset-V	633.12	202.73	31.89	0.31	398.19
Asset-VI	590.60	76.13	35.89	0.00	478.58
Asset-VII	280.49	34.18	3.16	0.00	243.15
Asset-VIII	282.31	34.10	3.16	0.00	245.05
Asset-IX	519.09	102.07	22.81	0.00	394.21
Asset-X	683.13	106.27	28.86	0.00	548.00

Additional Capital Expenditure (ACE)

66. The Petitioner vide From-7 of the respective assets has claimed the following ACE on estimation basis in respect of the instant assets :-



Asset	Year	Work/ equipment proposed to be added after COD to cutoff date/ beyond cutoff date	Amount capitalized and proposed to be capitalized	Regulation under which covered
Asset-I	2017-18	Accrual IDC	9.26	14(1)(i) & 14(1)(ii)
		Balance & Retention Payment	1.61	
	Total		10.87	
	2018-19	Accrual IDC	1.50	
		Work deferred for execution	62.44	
Total		63.94		
2019-20	Work deferred for execution	249.77		
Asset-II	2018-19	Accrual IDC	4.57	
		Work deferred for execution	62.44	
	Total		67.01	
	2019-20	Work deferred for execution	187.33	
2020-21	Work deferred for execution	62.44		
Asset-III	2016-17	Accrual IDC	0.00	
		Balance & Retention Payment	0.26	
	Total		0.26	
	2017-18	Accrual IDC	12.24	
		Balance & Retention Payment	2.73	
	Total		14.97	
2018-19	Work deferred for execution	41.5		
2019-20	Work deferred for execution	165.98		
Asset-IV	2016-17	Accrual IDC	1.40	
		Balance & Retention Payment	0.39	
	Total		1.79	
	2017-18	Accrual IDC	7.70	
		Balance & Retention Payment	2.73	
	Total		10.43	
2018-19	Work deferred for execution	41.50		
2019-20	Work deferred for execution	165.98		
Asset-VI	2016-17	Accrual IDC	16.28	
		Balance & Retention Payment	10.17	
	Total		26.45	
	2017-18	Accrual IDC	4.52	
		Balance & Retention Payment	23.98	
Total		28.49		
2018-19	Work deferred for execution	34.03		
Asset-VII	2016-17	Accrual IDC	3.89	
		Balance & Retention Payment	8.14	
	Total		12.02	
	2017-18	Accrual IDC	1.69	
		Balance & Retention Payment	11.99	
	Total		13.69	
2018-19	Work deferred for execution	17.02		



Asset	Year	Work/ equipment proposed to be added after COD to cutoff date/ beyond cutoff date	Amount capitalized and proposed to be capitalized	Regulation under which covered
Asset-VIII	2016-17	Accrual IDC	0.00	
		Balance & Retention Payment	8.14	
		Total	8.14	
	2017-18	Accrual IDC	2.43	
		Balance & Retention Payment	11.99	
		Total	14.42	
2018-19	Work deferred for execution	17.02		
Asset-IX	2017-18	Accrual IDC	11.83	
		Balance & Retention Payment	0.20	
		Work deferred for execution	0.99	
	Total	13.02		
	2018-19	Balance & Retention Payment	3.33	
		Work deferred for execution	16.67	
Total	20.00			
2019-20	Work deferred for execution	10.00		
Asset-X	2017-18	Accrual IDC	10.10	
		Balance & Retention Payment	2.08	
		Work deferred for execution	0.07	
	Total	12.25		
	2018-19	Accrual IDC	4.66	
		Balance & Retention Payment	38.78	
		Work deferred for execution	1.22	
	Total	44.66		
2019-20	Work deferred for execution	10.00		

67. The Petitioner has also claimed ACE vide Auditor's certificates for the FY 2020-21 and 2021-22 in respect of instant assets. However, as FY 2019-20, 2020-21 and 2021-22 falls beyond the tariff period 2014-19 and is not covered under the 2014 Tariff Regulation, the same has not been taken into consideration for the purpose of tariff and shall be dealt during the next tariff period as per extant tariff Regulations.

68. The Petitioner ACE under Regulation 14(1)(i) and 14(1)(ii). Accordingly, The allowed Additional Capital expenditure are summarized below which is subject to



true up:-

(₹ in lakh)

Asset	Additional Capital Expenditure			Total
	2016-17	2017-18	2018-19	
Asset-I	0.00	1.61	62.44	64.05
Asset-II	0.00	0.00	62.44	62.44
Asset-III	0.26	2.73	41.50	44.49
Asset-IV	0.39	2.73	41.50	44.62
Asset-V	0.00	0.00	0.00	0.00
Asset-VI	10.17	23.98	34.03	68.18
Asset-VII	8.14	11.99	17.02	37.15
Asset-VIII	8.14	11.99	17.02	37.15
Asset-IX	0.00	1.19	20.00	21.19
Asset-X	0.00	2.15	40.00	42.15

Capital cost for the tariff period 2014-19

69. Accordingly, the capital cost considered for the tariff period 2014-19, subject to truing up, is as follows:-

(₹ in lakh)

Asset	Capital cost allowed as on COD	Additional capital expenditure			Capital cost as on 31.03.2019
		2016-17	2017-18	2018-19	
Asset-I	331.57	0.00	1.61	62.44	395.62
Asset-II	330.90	0.00	0.00	62.44	393.34
Asset-III	370.02	0.26	2.73	41.50	414.51
Asset-IV	374.24	0.39	2.73	41.50	418.86
Asset-V	398.19	0.00	0.00	0.00	398.19
Asset-VI	478.58	10.17	23.98	34.03	546.76
Asset-VII	243.15	8.14	11.99	17.02	280.30
Asset-VIII	245.05	8.14	11.99	17.02	282.20
Asset-IX	394.21	0.00	1.19	20.00	415.40
Asset-X	548.00	0.00	2.15	40.00	590.15

Debt-Equity Ratio

70. Debt-Equity Ratio is considered as per Regulation 19 of the 2014 tariff Regulations. The financial package up to COD as submitted in Form 6 has been considered to determine the debt-equity Ratio. The capital cost allowed as on the



date of commercial operation has been considered in the debt-equity ratio of 70:30 and additional capitalization allowed have been considered in the debt-equity ratio of 70:30. The debt-equity as on dates of commercial operation and 31.3.2019 considered on normative basis are as under:-

(₹ in lakh)

Asset-I	As on COD		As on 31.03.2019	
Debt	232.10	70.00%	276.94	70.00%
Equity	99.47	30.00%	118.69	30.00%
Total	331.57	100.00%	395.62	100.00%

Asset-II	As on COD		As on 31.03.2019	
Debt	231.63	70.00%	275.34	70.00%
Equity	99.27	30.00%	118.00	30.00%
Total	330.90	100.00%	393.34	100.00%

Asset-III	As on COD		As on 31.03.2019	
Debt	259.01	70.00%	290.16	70.00%
Equity	111.01	30.00%	124.35	30.00%
Total	370.02	100.00%	414.51	100.00%

Asset-IV	As on COD		As on 31.03.2019	
Debt	261.97	70.00%	293.20	70.00%
Equity	112.27	30.00%	125.66	30.00%
Total	374.24	100.00%	418.86	100.00%

Asset-V	As on COD		As on 31.03.2019	
Debt	278.73	70.00%	278.73	70.00%
Equity	119.46	30.00%	119.46	30.00%
Total	398.19	100.00%	398.19	100.00%

Asset-VI	As on COD		As on 31.03.2019	
Debt	335.00	70.00%	382.73	70.00%
Equity	143.57	30.00%	164.03	30.00%
Total	478.58	100.00%	546.76	100.00%

Asset-VII	As on COD		As on 31.03.2019	
Debt	170.20	70.00%	196.21	70.00%
Equity	72.94	30.00%	84.09	30.00%
Total	243.15	100.00%	280.30	100.00%

Asset-VIII	As on COD		As on 31.03.2019	
Debt	171.53	70.00%	197.54	70.00%
Equity	73.51	30.00%	84.66	30.00%
Total	245.05	100.00%	282.20	100.00%



Asset-IX	As on COD		As on 31.03.2019	
Debt	275.95	70.00%	290.78	70.00%
Equity	118.26	30.00%	124.62	30.00%
Total	394.21	100.00%	415.40	100.00%

Asset-X	As on COD		As on 31.03.2019	
Debt	383.60	70.00%	413.10	70.00%
Equity	164.40	30.00%	177.04	30.00%
Total	548.00	100.00%	590.15	100.00%

Return on Equity (ROE)

71. The Petitioner has submitted that ROE has been calculated at the rate of 19.61% after grossing up the ROE with MAT rate of 20.961% as per the above Regulations. The Petitioner has further submitted that the grossed up ROE is subject to truing up based on the effective tax rate of respective financial year applicable to the Petitioner Company.

72. We have considered the submissions made by the Petitioner and Regulation 24 read with Regulation 25 of the 2014 Tariff Regulations provides for grossing up of return on equity with the effective tax rate for the purpose of return on equity. It further provides that in case the generating company or transmission licensee is paying Minimum Alternative Tax (MAT), the MAT rate including surcharge and cess will be considered for the grossing up of return on equity. Accordingly, the MAT rate applicable during 2013-14 has been considered for the purpose of return on equity, which shall be trued up with actual tax rate in accordance with Regulation 25 (3) of the 2014 Tariff Regulations.

73. Accordingly, the ROE allowed is as follows:-



(₹ in lakh)

Particulars	Asset-I		Asset-II
	2017-18 (Pro-rata)	2018-19	2018-19 (Pro-rata)
Opening Equity	99.47	99.95	99.27
Addition due to Addl. Capitalization	0.48	18.73	18.73
Closing Equity	99.95	118.69	118.00
Average Equity	99.71	109.32	108.64
Return on Equity (Base Rate)	15.50%	15.50%	15.50%
MAT rate for the FY 2013-14	20.961%	20.961%	20.961%
Rate of Return on Equity (Pre-tax)	19.610%	19.610%	19.610%
Return on Equity (Pre-tax)	13.18	21.44	19.20

Particulars	Asset-III		
	2016-17 (Pro-rata)	2017-18	2018-19
Opening Equity	111.01	111.08	111.90
Addition due to Addl. Capitalization	0.08	0.82	12.45
Closing Equity	111.08	111.90	124.35
Average Equity	111.04	111.49	118.13
Return on Equity (Base Rate)	15.50%	15.50%	15.50%
MAT rate for the FY 2013-14	20.961%	20.961%	20.961%
Rate of Return on Equity (Pre-tax)	19.610%	19.610%	19.610%
Return on Equity (Pre-tax)	1.61	21.86	23.16

Particulars	Asset-IV		
	2016-17 (Pro-rata)	2017-18	2018-19
Opening Equity	112.27	112.39	113.21
Addition due to Addl. Capitalization	0.12	0.82	12.45
Closing Equity	112.39	113.21	125.66
Average Equity	112.33	112.80	119.43
Return on Equity (Base Rate)	15.50%	15.50%	15.50%
MAT rate for the FY 2013-14	20.961%	20.961%	20.961%
Rate of Return on Equity (Pre-tax)	19.610%	19.610%	19.610%
Return on Equity (Pre-tax)	2.90	22.12	23.42

Particulars	Asset-V	Asset-VI		
	2018-19 (Pro-rata)	2016-17 (Pro-rata)	2017-18	2018-19
Opening Equity	119.46	143.57	146.62	153.82
Addition due to Addl. Capitalization	0.00	3.05	7.19	10.21
Closing Equity	119.46	146.62	153.82	164.03
Average Equity	119.46	145.10	150.22	158.92
Return on Equity (Base Rate)	15.50%	15.50%	15.50%	15.50%
MAT rate for the FY 2013-14	20.961%	20.961%	20.961%	20.961%
Rate of Return on Equity (Pre-tax)	19.610%	19.610%	19.610%	19.610%
Return on Equity (Pre-tax)	7.06	11.62	29.46	31.16



Particulars	Asset-VII		
	2016-17 (Pro-rata)	2017-18	2018-19
Opening Equity	72.94	75.39	78.98
Addition due to Addl. Capitalization	2.44	3.60	5.11
Closing Equity	75.39	78.98	84.09
Average Equity	74.16	77.18	81.54
Return on Equity (Base Rate)	15.50%	15.50%	15.50%
MAT rate for the FY 2013-14	20.961%	20.961%	20.961%
Rate of Return on Equity (Pre-tax)	19.610%	19.610%	19.610%
Return on Equity (Pre-tax)	9.52	15.14	15.99

Particulars	Asset-VIII		
	2016-17 (Pro-rata)	2017-18	2018-19
Opening Equity	73.51	75.96	79.55
Addition due to Addl. Capitalization	2.44	3.60	5.11
Closing Equity	75.96	79.55	84.66
Average Equity	74.74	77.75	82.11
Return on Equity (Base Rate)	15.50%	15.50%	15.50%
MAT rate for the FY 2013-14	20.961%	20.961%	20.961%
Rate of Return on Equity (Pre-tax)	19.610%	19.610%	19.610%
Return on Equity (Pre-tax)	9.60	15.25	16.10

Particulars	Asset-IX		Asset-X	
	2017-18 (Pro-rata)	2018-19	2017-18 (Pro-rata)	2018-19
Opening Equity	118.26	118.62	164.40	165.04
Addition due to Addl. Capitalization	0.36	6.00	0.65	12.00
Closing Equity	118.62	124.62	165.04	177.04
Average Equity	118.44	121.62	164.72	171.04
Return on Equity (Base Rate)	15.50%	15.50%	15.50%	15.50%
MAT rate for the FY 2013-14	20.961%	20.961%	20.961%	20.961%
Rate of Return on Equity (Pre-tax)	19.610%	19.610%	19.610%	19.610%
Return on Equity (Pre-tax)	20.49	23.85	16.37	33.54

Interest on Loan (IOL)

74. The IOL has been calculated as per the provisions of Regulation 26 of the 2014 Tariff Regulations as detailed below:-

- (i) Gross amount of loan, repayment of installments and rate of interest on actual loans have been considered as per petition including additional information.



(ii) The yearly repayment for the tariff period 2014-19 has been considered to be equal to the depreciation allowed for that year.

(iii) Weighted average rate of interest on actual average loan worked out as per (i) above is applied on the notional average loan during the year to arrive at the interest on loan.

75. The Petitioner has submitted that the IOL has been claimed on the basis of rate prevailing as on COD and the change in interest due to floating rate of interest applicable, if any, needs to be claimed/ adjusted over the tariff block 2014-19. We have calculated IOL on the basis of rate prevailing as on the date of commercial operation. Any change in rate of interest subsequent to the date of commercial operation will be considered at the time of truing-up. The IOL is allowed considering all the loans submitted in Form-9C. The Petitioner is directed to reconcile the total Gross Loan for the calculation of weighted average Rate of Interest and for the calculation of IDC, which would be reviewed at the time of truing-up.

76. The details of IOL calculated are as follows:-

Particulars	(₹ in lakh)		
	Asset-I		Asset-II
	2017-18 (Pro-rata)	2018-19	2018-19 (Pro-rata)
Gross Normative Loan	232.10	233.23	231.63
Cumulative Repayment upto previous Year	0.00	9.68	0.00
Net Loan-Opening	232.10	223.54	231.63
Addition due to Additional Capitalization	1.13	43.71	43.71
Repayment during the year	9.68	15.45	13.83
Net Loan-Closing	223.54	251.80	261.51
Average Loan	227.82	237.67	246.57
Weighted Average Rate of Interest on Loan	8.8245%	8.7905%	8.1555%
Interest on Loan	13.55	20.89	18.13



Particulars	Asset-III		
	2016-17 (Pro-rata)	2017-18	2018-19
Gross Normative Loan	259.01	259.20	261.11
Cumulative Repayment upto previous Year	0.00	1.35	19.68
Net Loan-Opening	259.01	257.85	241.43
Addition due to Additional Capitalization	0.18	1.91	29.05
Repayment during the year	1.35	18.33	19.09
Net Loan-Closing	257.85	241.43	251.39
Average Loan	258.43	249.64	246.41
Weighted Average Rate of Interest on Loan	8.9137%	8.8995%	8.8861%
Interest on Loan	1.70	22.22	21.90

Particulars	Asset-IV		
	2016-17 (Pro-rata)	2017-18	2018-19
Gross Normative Loan	261.97	262.24	264.15
Cumulative Repayment upto previous Year	0.00	2.43	20.97
Net Loan-Opening	261.97	259.81	243.18
Addition due to Additional Capitalization	0.27	1.91	29.05
Repayment during the year	2.43	18.54	19.30
Net Loan-Closing	259.81	243.18	252.93
Average Loan	260.89	251.50	248.06
Weighted Average Rate of Interest on Loan	9.0360%	9.0152%	8.9912%
Interest on Loan	3.10	22.67	22.30

Particulars	Asset-V	Asset-VI		
	2018-19 (Pro-rata)	2016-17 (Pro-rata)	2017-18	2018-19
Gross Normative Loan	278.73	335.00	342.12	358.91
Cumulative Repayment upto previous Year	0.00	0.00	9.63	34.05
Net Loan-Opening	278.73	335.00	332.50	324.86
Addition due to Additional Capitalization	0.00	7.12	16.79	23.82
Repayment during the year	6.02	9.63	24.42	25.57
Net Loan-Closing	272.71	332.50	324.86	323.11
Average Loan	275.72	333.75	328.68	323.99
Weighted Average Rate of Interest on Loan	9.0982%	8.8293%	8.7770%	8.7473%
Interest on Loan	7.56	12.03	28.85	28.34

Particulars	Asset-VII		
	2016-17 (Pro-rata)	2017-18	2018-19
Gross Normative Loan	170.20	175.90	184.29
Cumulative Repayment upto previous Year	0.00	7.89	20.42
Net Loan-Opening	170.20	168.02	163.88
Addition due to Additional Capitalization	5.70	8.39	11.91
Repayment during the year	7.89	12.53	13.11
Net Loan-Closing	168.02	163.88	162.68
Average Loan	169.11	165.95	163.28
Weighted Average Rate of Interest on Loan	9.1456%	9.0524%	8.9678%
Interest on Loan	10.13	15.02	14.64



Particulars	Asset-VIII		
	2016-17 (Pro-rata)	2017-18	2018-19
Gross Normative Loan	171.53	177.23	185.62
Cumulative Repayment upto previous Year	0.00	7.94	20.57
Net Loan-Opening	171.53	169.29	165.06
Addition due to Additional Capitalization	5.70	8.39	11.91
Repayment during the year	7.94	12.62	13.20
Net Loan-Closing	169.29	165.06	163.77
Average Loan	170.41	167.17	164.42
Weighted Average Rate of Interest on Loan	9.2030%	9.1128%	9.0186%
Interest on Loan	10.27	15.23	14.83

Particulars	Asset-IX		Asset-X	
	2017-18 (Pro-rata)	2018-19	2017-18 (Pro-rata)	2018-19
Gross Normative Loan	275.95	276.78	383.60	385.10
Cumulative Repayment upto previous Year	0.00	18.55	0.00	14.79
Net Loan-Opening	275.95	258.23	383.60	370.31
Addition due to Additional Capitalization	0.83	14.00	1.51	28.00
Repayment during the year	18.55	21.59	14.79	30.30
Net Loan-Closing	258.23	250.64	370.31	368.01
Average Loan	267.09	254.43	376.95	369.16
Weighted Average Rate of Interest on Loan	8.7957%	8.7846%	8.4144%	8.4055%
Interest on Loan	20.72	22.35	16.08	31.03

Depreciation

77. Depreciation has been dealt with in line of Regulation 27 of 2014 Tariff Regulations. The instant assets were put under commercial operation during 2018-19. Accordingly, it will complete 12 years beyond the tariff period 2014-19 and depreciation has been calculated annually based on Straight Line Method at the rates specified in Appendix-II to the 2014 Tariff Regulations. Details of the depreciation allowed are as under:-



(₹ in lakh)

Particulars	Asset-I		Asset-II
	2017-18 (Pro-rata)	2018-19	2018-19 (Pro-rata)
Opening Gross Block	331.57	333.18	330.90
Additional Capital expenditure	1.61	62.44	62.44
Closing Gross Block	333.18	395.62	393.34
Average Gross Block	332.38	364.40	362.12
Rate of Depreciation	4.3224%	4.2399%	4.2371%
Depreciable Value	256.32	285.14	283.09
Remaining Depreciable Value	256.32	275.46	283.09
Depreciation	9.68	15.45	13.83

Particulars	Asset-III		
	2016-17 (Pro-rata)	2017-18	2018-19
Opening Gross Block	370.02	370.28	373.01
Additional Capital expenditure	0.26	2.73	41.50
Closing Gross Block	370.28	373.01	414.51
Average Gross Block	370.15	371.64	393.76
Rate of Depreciation	4.9318%	4.9318%	4.8479%
Depreciable Value	333.13	334.48	354.38
Remaining Depreciable Value	333.13	333.13	334.70
Depreciation	1.35	18.33	19.09

Particulars	Asset-IV		
	2016-17 (Pro-rata)	2017-18	2018-19
Opening Gross Block	374.24	374.63	377.36
Additional Capital expenditure	0.39	2.73	41.50
Closing Gross Block	374.63	377.36	418.86
Average Gross Block	374.43	375.99	398.11
Rate of Depreciation	4.9313%	4.9313%	4.8484%
Depreciable Value	336.99	338.39	358.30
Remaining Depreciable Value	336.99	335.97	337.33
Depreciation	2.43	18.54	19.30

Particulars	Asset-V	Asset-VI		
	2018-19 (Pro-rata)	2016-17 (Pro-rata)	2017-18	2018-19
Opening Gross Block	398.19	478.58	488.75	512.73
Additional Capital expenditure	0.00	10.17	23.98	34.03
Closing Gross Block	398.19	488.75	512.73	546.76
Average Gross Block	398.19	483.66	500.74	529.74
Rate of Depreciation	5.0202%	4.8765%	4.8765%	4.8271%
Depreciable Value	358.37	435.30	450.66	476.77
Remaining Depreciable Value	358.37	435.30	441.04	442.72
Depreciation	6.02	9.63	24.42	25.57



Particulars	Asset-VII		
	2016-17 (Pro-rata)	2017-18	2018-19
Opening Gross Block	243.15	251.29	263.28
Additional Capital expenditure	8.14	11.99	17.02
Closing Gross Block	251.29	263.28	280.30
Average Gross Block	247.22	257.28	271.79
Rate of Depreciation	4.8711%	4.8711%	4.8232%
Depreciable Value	222.49	231.55	244.61
Remaining Depreciable Value	222.49	223.67	224.19
Depreciation	7.89	12.53	13.11

Particulars	Asset-VIII		
	2016-17 (Pro-rata)	2017-18	2018-19
Opening Gross Block	245.05	253.19	265.18
Additional Capital expenditure	8.14	11.99	17.02
Closing Gross Block	253.19	265.18	282.20
Average Gross Block	249.12	259.18	273.69
Rate of Depreciation	4.8700%	4.8700%	4.8225%
Depreciable Value	224.21	233.26	246.32
Remaining Depreciable Value	224.21	225.32	225.75
Depreciation	7.94	12.62	13.20

Particulars	Asset-IX		Asset-X	
	2017-18 (Pro-rata)	2018-19	2017-18 (Pro-rata)	2018-19
Opening Gross Block	394.21	395.40	548.00	550.15
Additional Capital expenditure	1.19	20.00	2.15	40.00
Closing Gross Block	395.40	415.40	550.15	590.15
Average Gross Block	394.80	405.40	549.07	570.15
Rate of Depreciation	5.3268%	5.3256%	5.3156%	5.3142%
Depreciable Value	355.32	364.86	494.16	513.13
Remaining Depreciable Value	355.32	346.31	494.16	498.34
Depreciation	18.55	21.59	14.79	30.30

Operation and Maintenance Expenses (O&M Expenses)

78. The Petitioner has claimed the O&M expenses for assets covered in the instant petition as per following details:-



(₹ in lakh)				
Asset	Particulars	2016-17	2017-18	2018-19
Asset-I	O&M Expenses	-	44.88	68.71
Asset-II	O&M Expenses	-	-	61.88
Asset-III	O&M Expenses	6.54	93.10	96.20
Asset-IV	O&M Expenses	12.07	93.10	96.20
Asset-V	O&M Expenses	-	-	29.22
Asset-VI	O&M Expenses	37.05	93.10	96.20
Asset-VII	O&M Expenses	29.56	46.55	48.10
Asset-VIII	O&M Expenses	29.56	46.55	48.10
Asset-IX	O&M Expenses	-	82.09	96.20
Asset-X	O&M Expenses	-	47.33	96.20

79. The Petitioner has submitted that norms for O&M Expenses for the tariff period 2014-19 have been arrived on the basis of normalized actual O&M Expenses during the period 2008-13. The Petitioner has further submitted that the wage revision of the employees of the Petitioner is due during the 2014-19 tariff period and actual impact of wage hike, which will be effective at a future date, has not been factored in fixation of the normative O&M rate specified for the tariff period 2014-19. The Petitioner has submitted that it would approach the Commission for suitable revision in norms for O&M Expenses for claiming the impact of wage hike during 2014-19, if any.

80. The Respondent, BRPL vide affidavit dated 16.4.2019 has submitted that the increase in the employee cost, if any, due to wage revision must be taken care by improvement in their productivity levels by the Petitioner company so that the beneficiaries are not unduly burdened over and above the provisions made in the Tariff Regulations, 2014. In response, the petitioner filed its rejoinder dated 26.6.2019 and submitted that the wage revision of the employees of the Petitioner company w.e.f. 1.1.2017 and actual impact of wage hike which will be effective from future date has also not been factored in fixation.



81. In response, the Petitioner in its rejoinder dated 17.1.2019 and submitted that, O&M rates for the tariff period 2014-19 had been arrived on the basis of normalized actual O&M Expenses during the period 2008-09 to 2012-13. The Petitioner has further submitted that the wage revision of the employees is due during 2014-19 and actual impact of wage hike effective from a future date has not been factored in fixation of the normative O&M rates specified for the tariff block 2014-19. The Petitioner has submitted that it would approach the Commission for suitable revision in norms for O&M Expenses for claiming the impact of wage hike during 2014-19, if any.

82. Norms for O&M expenditure for Transmission System have been specified under section 29 (4) of Tariff Regulation are as follows:-

Element	2016-17	2017-18	2018-19
Sub-Station: 400 kV bay (₹ in lakh per bay)	64.37	66.51	68.71
Sub-Station: 220 kV bay (₹ in lakh per bay)	45.06	46.55	48.10

83. We have considered the submissions of Petitioner and Respondent. The O&M Expenses have been worked out as per the norms specified in the 2014 Tariff Regulations. As regards the impact of wage revision, any application filed by the Petitioner in this regard will be dealt with in accordance with the appropriate provisions of the 2014 Tariff Regulations. Accordingly, the allowed O&M Expenses for the year 2016-17, 2017-18 & 2018-19 is given below:-

(₹ in lakh)		
Asset-I Details	2017-18 (Pro-rata)	2018-19
1 no. of 400 kV bay	44.82	68.71
Total O&M Expenses Allowed	44.82	68.71



Asset-II	2018-19 (Pro-rata)
Details	
1 no. of 400 kV bay	61.88
Total O&M Expenses Allowed	61.88

Asset-III	2016-17 (Pro-rata)	2017-18	2018-19
Details			
2 nos. of 220 kV bays	6.54	93.10	96.20
Total O&M Expenses Allowed	6.54	93.10	96.20

Asset-IV	2016-17 (Pro-rata)	2017-18	2018-19
Details			
2 nos. of 220 kV bays	11.85	93.10	96.20
Total O&M Expenses Allowed	11.85	93.10	96.20

Asset-V	2018-19 (Pro-rata)
Details	
2 nos. of 220 kV bays	28.99
Total O&M Expenses Allowed	28.99

Asset-VI	2016-17 (Pro-rata)	2017-18	2018-19
Details			
2 nos. of 220 kV bays	36.78	93.10	96.20
Total O&M Expenses Allowed	36.78	93.10	96.20

Asset-VII	2016-17 (Pro-rata)	2017-18	2018-19
Details			
1 nos. of 220 kV bay	29.50	46.55	48.10
Total O&M Expenses Allowed	29.50	46.55	48.10

Asset-VIII	2016-17 (Pro-rata)	2017-18	2018-19
Details			
1 nos. of 220 kV bay	29.50	46.55	48.10
Total O&M Expenses Allowed	29.50	46.55	48.10

Asset-IX	2017-18 (Pro-rata)	2018-19
Details		
2 nos. of 220 kV bays	82.09	96.20
Total O&M Expenses Allowed	82.09	96.20

Asset-X	2017-18 (Pro-rata)	2018-19
Details		
2 nos. of 220 kV bays	47.18	96.20



Asset-X Details	2017-18 (Pro-rata)	2018-19
Total O&M Expenses Allowed	47.18	96.20

Interest on Working Capital (IWC)

84. As per the 2014 Tariff Regulations the components of the working capital and the interest thereon are discussed hereinafter:-

a) Maintenance spares:

Maintenance spares @ 15% of Operation and maintenance expenses specified in Regulation 28.

b) O & M expenses:

Operation and maintenance expenses have been considered for one month of the O&M expenses.

c) Receivables:

The receivables have been worked out on the basis of 2 months of annual fixed cost as worked out above.

d) Rate of interest on working capital:

As per Clause 28 (3) of the 2014 Tariff Regulations, SBI Base Rate(s) as on the beginning of the financial year of the date of commercial operation of assets, plus 350 Bps have been considered as the rate of interest on working capital.

85. Accordingly, the interest on working capital (IWC) is summarized as under:-

Particulars	(₹ in lakh)		
	Asset-I		Asset-II
	2017-18 (Pro-rata)	2018-19	2018-19 (Pro-rata)
Maintenance Spares	9.98	10.31	10.30
O&M expenses	5.54	5.73	5.72
Receivables	20.85	21.88	21.67
Total	36.37	37.91	37.69
Rate of Interest	12.60%	12.60%	12.20%
Interest on working capital	3.09	4.78	4.14



Particulars	Asset-III		
	2016-17 (Pro-rata)	2017-18	2018-19
Maintenance Spares	13.26	13.97	14.43
O&M expenses	7.37	7.76	8.02
Receivables	26.25	26.96	27.80
Total	46.88	48.68	50.24
Rate of Interest	12.80%	12.80%	12.80%
Interest on working capital	0.44	6.23	6.43

Particulars	Asset-IV		
	2016-17 (Pro-rata)	2017-18	2018-19
Maintenance Spares	13.52	13.97	14.43
O&M expenses	7.51	7.76	8.02
Receivables	26.71	27.11	27.95
Total	47.74	48.84	50.39
Rate of Interest	12.80%	12.80%	12.80%
Interest on working capital	0.80	6.25	6.45

Particulars	Asset-V	Asset-VI		
	2018-19 (Pro-rata)	2016-17 (Pro-rata)	2017-18	2018-19
Maintenance Spares	14.43	13.52	13.97	14.43
O&M expenses	8.02	7.51	7.76	8.02
Receivables	28.48	29.69	30.42	31.36
Total	50.93	50.72	52.14	53.81
Rate of Interest	12.20%	12.80%	12.80%	12.80%
Interest on working capital	1.87	2.65	6.67	6.89

Particulars	Asset-VII		
	2016-17 (Pro-rata)	2017-18	2018-19
Maintenance Spares	6.76	6.98	7.22
O&M expenses	3.75	3.88	4.01
Receivables	15.06	15.43	15.89
Total	25.58	26.30	27.11
Rate of Interest	12.80%	12.80%	12.80%
Interest on working capital	2.14	3.37	3.47

Particulars	Asset-VIII		
	2016-17 (Pro-rata)	2017-18	2018-19
Maintenance Spares	6.76	6.98	7.22
O&M expenses	3.75	3.88	4.01
Receivables	15.13	15.50	15.95
Total	25.65	26.37	27.17
Rate of Interest	12.80%	12.80%	12.80%
Interest on working capital	2.15	3.37	3.48



Particulars	Asset-IX		Asset-X	
	2017-18 (Pro-rata)	2018-19	2017-18 (Pro-rata)	2018-19
Maintenance Spares	13.96	14.43	13.96	14.43
O&M expenses	7.75	8.02	7.76	8.02
Receivables	27.84	28.40	32.18	33.01
Total	49.55	50.85	53.90	55.46
Rate of Interest	12.60%	12.60%	12.60%	12.60%
Interest on working capital	5.51	6.41	3.44	6.99

Annual Transmission charges

86. Accordingly, the annual transmission charges being allowed for the instant assets are as under:-

(₹ in lakh)

Particulars	Asset-I		Asset-II
	2017-18 (Pro-rata)	2018-19	2018-19 (Pro-rata)
Depreciation	9.68	15.45	13.83
Interest on Loan	13.55	20.89	18.13
Return on Equity	13.18	21.44	19.20
Interest on Working Capital	3.09	4.78	4.14
O&M Expenses	44.82	68.71	61.88
Total	84.32	131.27	117.18

Particulars	Asset-III		
	2016-17 (Pro-rata)	2017-18	2018-19
Depreciation	1.35	18.33	19.09
Interest on Loan	1.70	22.22	21.90
Return on Equity	1.61	21.86	23.16
Interest on Working Capital	0.44	6.23	6.43
O&M Expenses	6.54	93.10	96.20
Total	11.65	161.74	166.78

Particulars	Asset-IV		
	2016-17 (Pro-rata)	2017-18	2018-19
Depreciation	2.43	18.54	19.30
Interest on Loan	3.10	22.67	22.30
Return on Equity	2.90	22.12	23.42
Interest on Working Capital	0.80	6.25	6.45
O&M Expenses	11.85	93.10	96.20
Total	21.08	162.69	167.68



Particulars	Asset-V	Asset-VI		
	2018-19 (Pro-rata)	2016-17 (Pro-rata)	2017-18	2018-19
Depreciation	6.02	9.63	24.42	25.57
Interest on Loan	7.56	12.03	28.85	28.34
Return on Equity	7.06	11.62	29.46	31.16
Interest on Working Capital	1.87	2.65	6.67	6.89
O&M Expenses	28.99	36.79	93.10	96.20
Total	51.51	72.71	182.50	188.16

Particulars	Asset-VII		
	2016-17 (Pro-rata)	2017-18	2018-19
Depreciation	7.89	12.53	13.11
Interest on Loan	10.13	15.02	14.64
Return on Equity	9.52	15.14	15.99
Interest on Working Capital	2.14	3.37	3.47
O&M Expenses	29.50	46.55	48.10
Total	59.18	92.61	95.31

Particulars	Asset-VIII		
	2016-17 (Pro-rata)	2017-18	2018-19
Depreciation	7.94	12.62	13.20
Interest on Loan	10.27	15.23	14.83
Return on Equity	9.60	15.25	16.10
Interest on Working Capital	2.15	3.37	3.48
O&M Expenses	29.50	46.55	48.10
Total	59.46	93.03	95.71

Particulars	Asset-IX		Asset-X	
	2017-18 (Pro-rata)	2018-19	2017-18 (Pro-rata)	2018-19
Depreciation	18.55	21.59	14.79	30.30
Interest on Loan	20.72	22.35	16.08	31.03
Return on Equity	20.49	23.85	16.37	33.54
Interest on Working Capital	5.51	6.41	3.44	6.99
O&M Expenses	82.09	96.20	47.18	96.20
Total	147.37	170.40	97.86	198.06

Filing fee and the publication expenses

87. The Petitioner has sought reimbursement of fee paid by it for filing the petition and publication expenses, in terms of Regulation 52 of the 2014 Tariff Regulations. The Petitioner shall be entitled for reimbursement of the filing fees and publication expenses in connection with the present petition, directly from the beneficiaries on



pro-rata basis in accordance with clause (1) of Regulation 52 of the 2014 Tariff Regulations.

License fee and RLDC Fees and Charges

88. The Petitioner has prayed to allow the Petitioner to bill and recover License fee and RLDC fees and charges, separately from the respondents. We are of the view that the Petitioner shall be entitled for reimbursement of license fee and RLDC fees and charges in accordance with Clause (2)(b) and (2)(a) of Regulation 52 in the 2014 Tariff Regulations.

Goods and Services Tax

89. The Petitioner has prayed for reimbursement of tax, if any, on account of implementation of GST. GST is not levied on transmission service at present and we are of the view that Petitioner's prayer is premature.

Transmission Service Agreement (TSA)

90. BRPL has submitted that the Petitioner has not furnished the Transmission Service Agreement (TSA) and as per Regulation 3(63) of the 2014 Tariff Regulations, the petitioner is required to submit the TSA. In response, Petitioner has submitted a copy of the Model TSA dated 19.8.2011 entered into between the petitioner and BRPL.

91. We have considered the submissions of the petitioner and BRPL. As per Regulation 2(u) of the 2010 Sharing Regulations, TSA means an agreement to be entered into between the designated ISTS customers and ISTS licensee in terms of the said Regulation. Regulation 2(u) provides as under:-



“(u) Transmission Service Agreement (TSA) shall mean the agreement to be entered into between the Designated ISTS Customer(s) and ISTS Licensee(s) in terms of Chapter 6;”

92. As per Regulation 13 of the 2010 Sharing Regulations, the designated ISTS customers and the CTU have to enter into new TSA or modify the existing BPTA to incorporate the new tariff and related conditions and it shall govern the provisions of transmission services and the charges for the same and the agreement be called TSA. Further, as per the said Regulation, the CTU shall notify a model TSA and it shall be the default transmission agreement and shall mandatorily apply to all the designated ISTS customers. The relevant provisions of Regulation 13 of the 2010 Sharing Regulations are as under:-

“(1) The Designated ISTS Customers and the CTU shall enter into new transmission services agreement or modify the existing Bulk Power Transmission Agreements to incorporate the new tariff and related conditions. Such agreement shall govern the provision of transmission services and charging for the same and shall be called the Transmission Service Agreement (TSA) and shall, interalia, provide for:”

“(4) The final version of the Model Transmission Service Agreement, as approved by the Commission shall be notified and used as the base transmission service agreement by the ISTS Licensees.

“(5) The notified Model Transmission Service Agreement shall be the default transmission agreement and shall mandatorily apply to all Designated ISTS Customers.”

93. Accordingly, the petitioner and all the DICs entered into model TSA and the petitioner signed the model TSA with BRPL on 19.8.2011. As per clause 4 of the model TSA, the existing ISTS owned, operated and maintained by it are given in Schedule II of the model TSA. Any new ISTS, on approval of the concerned RPC, shall be intimated to the DICs and shall become part of Schedule-II of the TSA. Clause 4 of the TSA provides as follows:-



“4.0 Description of inter-State Transmission System (ISTS).

4.1 Existing ISTS

4.1.1 The list of ISTS presently owned, operated and maintained by ISTS Licensees in the country is detailed in Schedule-II.

4.2 Deemed ISTS.

4.2.1 The provisions of the Agreement shall be applicable to Deemed ISTS, as detailed in Schedule-II.

4.2.2 Any additions/deletions to the existing list as certified by the RPCs and approved by the Commission shall be intimated to the DICs by the Regional Power Committee (RPC). Such modifications shall form part of Schedule-II of the Agreement and shall be governed by the terms and conditions contained herein.

4.3 New ISTS Schemes

4.3.1 New ISTS Schemes shall be as identified in consultation with the stakeholders, by CEA and CTU.

4.3.2 Any element that may be added to the ISTS detailed in Article 4.1.1 and declared for commercial operation by the concerned ISTS Licensee will be intimated to the DICs by the ISTS Licensee or the CTU, as and when these are declared under commercial operation. Such addition shall form a part of Schedule II of this Agreement and shall be governed by the terms and conditions as contained herein.

4.3.3 CTU shall notify all the ISTS Licensees and the DICs, as and when such element, as mentioned in Article 4.3.2 comes into operation.”

94. Accordingly, the Petitioner has complied with the 2010 Sharing Regulations by entering into a TSA with BRPL and has also complied with the requirement of the TSA by including the new ISTS in Schedule-II of the TSA.

Sharing of Transmission Charges

95. The Transmission Charges for Assets-I and Asset-II allowed in this order shall be recovered on monthly basis in accordance with Regulation 43 of the 2014 Tariff Regulations. The billing, collection and disbursement of the transmission charges approved shall be governed by the provisions of Central Electricity Regulatory Commission (Sharing of Inter-State Transmission Charges and Losses) Regulations, 2010, as amended from time to time.

96. With regard to Asset-III, the transmission charges from 5.3.2017 (COD date), shall be shared under PoC mechanism.



97. The transmission charges in case of Asset-IV, from 12.2.2017 to 30.4.2017 will be borne by UPPTCL and thereafter from 1.5.2018 (date of power flow) shall be recovered though PoC mechanism. The transmission charges in case of Asset-V, from 12.12.2018 till COD of downstream system will be borne by UPPTCL and thereafter the transmission charges shall be recovered though PoC mechanism.

98. The transmission charges in case of Asset-VI, from 3.11.2016 till COD of the downstream system under the scope of UPPTCL will be borne by UPPTCL and the transmission charges in case of Asset-VI and VIII, from 5.8.2016 to till COD of the downstream system under the scope of UPPTCL will be borne by UPPTCL and thereafter shall be recovered though PoC mechanism.

99. The transmission charges in case of Asset-IX, from 14.5.2017 (date of power flow) shall be recovered through PoC mechanism. The transmission charges in case of Asset-X, from 28.9.2017 till COD of the downstream transmission system under the scope of RRVPNL shall be borne by RRVPNL and thereafter the transmission charges shall be recovered though PoC mechanism.

100. This order disposes of Petition No. 375/TT/2018.

Sd/-
(I. S. Jha)
Member

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

Sd/-
(P. K. Pujari)
Chairperson

