CENTRAL ELECTRICITY REGULATORY COMMISSION NEW DELHI

Petition No. 132/TT/2020

Subject	:	Petition for truing up of transmission tariff of 2014-19 tariff period and determination of transmission tariff of 2019-24 period for two assets under "Northern Region System Strengthening Scheme-XX" in Northern Region.
Date of Hearing	:	31.3.2021
Coram	:	Shri P. K. Pujari, Chairperson Shri I. S. Jha, Member Shri Arun Goyal, Member Shri Pravas Kumar Singh, Member
Petitioner	:	Power Grid Corporation of India Ltd.
Respondents	:	Rajasthan Rajya Vidyut Prasaran Nigam Ltd. & 16 Others
Parties present	:	Shri R. B. Sharma, Advocate, BRPL Shri Mohit Mudgal, Advocate, BYPL Ms. Megha Bajpeyi, BRPL Shri S. S. Raju, PGCIL Shri A. K. Verma, PGCIL Shri B. Dash, PGCIL Shri Ved Prakash Rastogi, PGCIL

Record of Proceedings

Case was called out for virtual hearing.

- 2. The representative of the Petitioner made the following submissions:
 - a. Instant petition is filed for truing up of transmission tariff of 2014-19 tariff period and determination of transmission tariff of 2019-24 tariff period in respect of the following assets under "Northern Region System Strengthening Scheme-XX" in Northern Region.:

<u>Asset-1</u>: 400/220 kV, 315 MVA, ICT-1 along with associated bays, 400 kV 80 MVAr Bus Reactor along with associated bays, LILO of one circuit of 400 kV D/C Parbati-Amritsar Transmission Line at Hamirpur along with associated bays & Line reactor at Hamirpur GIS Sub-station, and

<u>Asset-2</u>: 1 No. of 400/220 kV, 315 MVA ICT-II along with associated bays at Hamirpur Sub-station.

- b. Asset-I was put into commercial operation on 1.1.2014 and Asset-II on 1.4.2014. The COD of Asset-II was approved as 1.4.2014 on provisional basis vide order dated 29.4.2016 in Petition No.99/TT/2014.
- c. Transmission tariff of the 2009-14 tariff period was trued up and tariff for 2014-19 tariff period was determined for Asset-1 (combination of 3 different assets) vide order dated 30.8.2017 in Petition No. 41/TT/2017 and that for Asset-2 for 2014-19 tariff period was determined vide order dated 29.4.2016 in Petition No. 99/TT/2014.
- d. In case of Asset-1, there is variation in the admitted and claimed capital cost. Initial Spares claimed has been revised on overall project cost basis and are within the ceiling limit. The Initial Spares which were deducted earlier have been added back to the capital cost as on COD. In the previous order, undischarged Initial Spares were deducted from the capital cost as on COD and added in the capital cost of 2014-15. However, the same was a part of the capital cost as on COD as it is not the same as IDC. Therefore, in the instant petition, the Petitioner has added back the initial spares to the capital cost as on 31.3.2014 and the discharge details have been submitted.
- e. Details of Additional Capital Expenditure (ACE) during 2014-19 and 2019-24 tariff periods have been submitted. The ACE claimed is towards the work completed within the cut-off date.
- f. Reply to the Technical Validation letter has been filed vide affidavit dated 30.9.2020 and rejoinder to the reply of UPPCL dated 14.7.2020 and BRPL dated 17.3.2021 have been filed vide affidavits 26.2.2021 and 25.3.2021 respectively. Additional information/ clarification with regard to issues raised by BRPL have been filed vide affidavit dated 30.3.2021.

3. Learned counsel for BRPL submitted that reply has been filed to the instant petition and he made oral submissions on the issues like admitted and claimed capital cost, accrual of IDC, recovery of LD, re-calculation of Initial Spares, Indian Accounting Standards and information regarding OPGW. He further submitted that the difference in the admitted capital cost and claimed capital cost is not in accordance with Regulation 9(3)(a) of the 2014 Tariff Regulations. He submitted that the mere fact that recovery has been credited during 2016-17 shows that the amount was already included in the determination of tariff and hence the same was not required to be included in the capital cost. The Petitioner has relied upon Appeal No. 74 of 2017 for revision of Initial Spares, which pertains to the 2009-14 tariff period and hence cannot be a ground for recalculation of Initial Spares. He requested to consider the reply filed in the matter.



- 4. Learned counsel for BYPL adopted the submissions made on behalf of BRPL.
- 5. Upon hearing the parties, the Commission reserved the order in the matter.

By order of the Commission

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