

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 308/TT/2020

Subject : Petition for truing up of transmission tariff of the 2014-19 period and determination of transmission tariff of the 2019-24 period for five assets .

Date of Hearing : 27.4.2021

Coram : Shri P.K. Pujari, Chairperson
Shri I. S. Jha, Member
Shri Arun Goyal, Member
Shri Pravas Kumar Singh, Member

Petitioner : North East Transmission Company Ltd.

Respondents : Power Grid Corporation of India Ltd. & 9 Others

Parties present : Shri M.G. Ramachandran, Sr. Advocate, NETCL
Shri Shubham Arya, Advocate, NETCL
Shri Satyajit Ganguly, NETCL
Shri Naveen Kumar Mishra, NETCL

Record of Proceedings

Case was called out for virtual hearing.

2. Learned senior counsel for the Petitioner has made the following submissions:
- a. Instant petition is filed for truing up of transmission tariff for the 2014-19 period and determination of transmission tariff for the 2019-24 period in respect of the following assets:
- Asset I:** 400 kV D/C Platana-Silchar Twin Moose Conductor Transmission Line,
- Asset II:** 400 kV D/C Silchar- Byrnihat (one circuit on D/C towers) Twin Moose Conductor Transmission Line,
- Asset III:** 400 kV D/C Byrnihat-Bongaigaon (one circuit on D/C towers) Twin Moose Conductor Transmission Line,
- Asset IV:** 400 kV D/C Silchar- Azara (one circuit on D/C towers) Twin Moose Conductor Transmission Line, and



Asset V: 400 kV D/C Azara-Bongaigaon (one circuit on D/C towers) Twin Moose Conductor Transmission Line.

- b. This is a Single Project Company in North-East Region. All the details with regard to capital cost are provided in the petition. Revised capital cost for the 2014-19 period and projected cost for 2019-24 period have also been provided in the petition.
- c. Refinancing of loans was done during 2014-19 and 2019-24 tariff periods. On account of refinancing done by the Petitioner, there savings due to reduction of interest rate from 12.50% to 11.50% during the period 2014-19 and from 11.50% to 9.04% during the period 2019-24. After filing of the present petition, the loan has again been refinanced @6.44% and the claim for the same has been made in the revised submissions filed vide affidavit dated 20.3.2021.
- d. The Petitioner has claimed Operations and Maintenance Expenses for the 2014-19 tariff period based on the actual expenses incurred. The Petitioner is operating in NER, a difficult area when compared to other regions. It is a single project company and there are heavy rainfalls and tree clearances required from time to time. The beneficiaries have benefited by ensuring evacuation of power without default and has achieved availability upto 99.95%. The manpower requirement as well as other elements of operation and maintenance need to be considered taking into account the substantial benefits accruing to the beneficiaries. The beneficiaries have no grievance with regard to the functioning of the Petitioner. Based on these considerations, the Petitioner has prayed to relax the norms for its Operation and Maintenance Expenses and allow the same on actual basis.
- e. The Petitioner had filed Petition No.191/MP/2019 and the same has been disposed of by the Commission vide order dated 27.1.2021 wherein the Commission observed that no ground to relax the provisions of O & M Expenses is made out. The Petitioner has filed Review Petition No.8/RP/2021 against the said order and the same is pending before the Commission.
- f. ACE may be allowed as it has been incurred for construction of alternative route for the existing transmission line passing through Regional Institute of Science and Technology (RIST), Meghalaya as per the Commission's order dated 11.4.2019 in Petition No. 128/MP/2018. Details of complete ACE have been given in the petition.
- g. Reply to Technical Validation letter has been filed vide affidavit 16.9.2020.
- h. None of the Respondents have filed reply to the petition.



3. On a query regarding the cases in which the Commission has allowed higher O&M Expenses by relaxing the O&M Norms under "Power to Relax", learned senior counsel for the Petitioner submitted that in some cases in 2004-09 tariff period higher O&M Expenses were allowed and he will submit the details shortly.
4. The Commission directed the Petitioner to submit Form-5 in respect of Assets-III, IV and V on affidavit alongwith the details of the cases where higher O&M Expenses were allowed, with advance copy of the same to the Respondents and its written submissions, if any, latest by 10.5.2020.
5. The Commission permitted the Petitioner to upload its written Notes, presented during the hearing, in e-filing portal. The Commission further directed the Petitioner to submit the information within the specified time and observed that no request for extension of time shall be entertained.
6. Subject to above, the Commission reserved order in the matter.

By order of the Commission

Sd/
(V. Sreenivas)
Deputy Chief (Law)

