

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 42/TT/2020

Subject : Petition for truing up of fee and charges of 2014-19 period and determination of fee and charges of 2019-24 period for Unified Load Despatch & Communication Scheme (Powergrid Portion i.e. Communication System Portion and SLDC System retained by the Petitioner after formation of POSOCO) in Eastern Region.

Date of Hearing : 6.7.2021

Coram : Shri I. S. Jha, Member
Shri Arun Goyal, Member
Shri Pravas Kumar Singh, Member

Petitioner : Power Grid Corporation of India Ltd.

Respondents : Damodar Valley Corporation & 11 Others

Parties present : Shri S. S. Raju, PGCIL
Shri D.K. Biswal, PGCIL
Shri Ved Prakash Rastogi, PGCIL
Shri Amit Yadav, PGCIL

Record of Proceedings

Case was called out for virtual hearing.

2. The representative of the Petitioner made the following submissions:
 - a. The instant petition has been filed for truing up of fees and charges of 2014-19 period and determination of fee and charges of 2019-24 period in respect of Unified Load Despatch & Communication Scheme (Powergrid Portion i.e. Communication System Portion and SLDC System retained by the Petitioner after formation of POSOCO) in Eastern Region.
 - b. The instant asset was put under commercial operation on 1.9.2005.
 - c. Fees and charges in respect of the instant asset for 2014-19 tariff period were determined vide order dated 12.12.2017 in Petition No. 39/TT/2015 and they were further revised vide order dated 18.6.2019 in Review Petition No. 10/RP/2018.



d. The instant asset has completed 15 years of useful life in 2020. The Commission had earlier allowed levelized tariff in respect of the instant asset.

e. No Additional Capital Expenditure (ACE) has been claimed for 2014-19 and 2019-24 tariff periods.

f. For 2014-19 tariff period, actual O&M Expenses have been claimed from 1.4.2014 to 31.3.2019. O&M Expenses claimed for 2014-19 tariff period are less than what were allowed vide order dated 12.12.2017 in Petition No. 39/TT/2015 and vide order dated 18.6.2019 in Review Petition No. 10/RP/2018.

g. For 2019-24 tariff period, O&M Expenses of the Central Portion of the asset have been claimed @ 2% of the capital cost as per the 2019 Tariff Regulations subject to actual O&M Expenses at the time of truing up. Since the asset is completing its life in 2020-21, the Petitioner shall hand over State portion of the asset to State and will not incur any O&M Expenses for its maintenance. Hence, the O&M Expenses have been claimed for the State Portion only for 2019-20 and 2020-21. However, for the Central Portion, complete charges have been claimed for 2019-20 and 2020-21 and for 2021-22, 2022-23 and 2023-24, only O&M Expenses and Interest on Working Capital have been claimed as per the 2019 Tariff Regulations.

h. None of the Respondents have filed any reply to the petition.

3. In response to a query of the Commission, the representative of the Petitioner submitted that for SLDC works of State Portion, no tariff has been claimed from 2021-22 onwards. The representative of the Petitioner further submitted that O&M Expenses have been claimed only for the equipment under active operation.

4. After hearing the Petitioner, the Commission reserved order in the matter.

By order of the Commission

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

