

**CENTRAL ELECTRICITY REGULATORY COMMISSION  
New Delhi**

**Petition No. 458/TT/2020**

- Subject** : Petition for truing up of transmission tariff of the 2014-19 tariff period and determination of transmission tariff of the 2019-24 tariff period for 400/220 kV, 500 MVA ICT-III alongwith 400 kV AIS bay & 220 kV GIS bay at Gaya Sub-station under Eastern Region Strengthening Scheme XVII-Part-B in Eastern Region.
- Date of Hearing** : 6.4.2021
- 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 Limited (PGCIL)
- Respondents** : Bihar State Power Holding Company Ltd. (BSPHCL)
- Parties Present** : Shri Navin Prakash, Advocate, BSPHCL  
Shri S. S. Raju, PGCIL  
Shri A. K. Verma, PGCIL  
Shri B. Dash, PGCIL  
Shri V. P. Rastogi, PGCIL

**Record of Proceedings**

Case was called out for virtual hearing.

2. The representative of the Petitioner submitted that the instant petition is filed for truing up of transmission tariff for 2014-19 tariff period and determination of transmission tariff for the 2019-24 tariff period of 400/220 kV, 500 MVA ICT-III alongwith 400 kV AIS bay & 220 kV GIS bay at Gaya Sub-station under Eastern Region Strengthening Scheme XVII-Part-B. He submitted that out of the entire scope of work, only instant transmission asset has been put to commercial operation in 2014-19 tariff period. The remaining assets under the scope of work are anticipated to be put to commercial operation in the 2019-24 tariff period. He submitted that the scheduled commercial operation date for the asset was 8.6.2019 whereas the asset was put into commercial operation on 9.2.2019. He submitted that the initial spares claimed are within the permissible limit. There is no time over-run and cost over-run in respect of the instant asset. No reply has been received from any of the Respondents and that information sought through Technical Validation letter has been filed vide affidavit dated 23.11.2020.

3. The learned counsel for BSPHCL raised issue of Return on Equity (RoE), Interest on Loan (IoL), GST, filing fee, publication expenses and recovery of statutory charges. He submitted that grossing up of RoE shall be based on actual tax rate whereas the Petitioner has grossed up RoE based on effective tax rate for the year 2018-19. Further, there is no



provision for claiming RoE directly from the beneficiaries under Regulation 25(3) of 2014 Tariff Regulations. The Tariff Regulations do not provide for floating rate of interest and submitted that only weighted average rate of interest is permissible under the 2014 Tariff Regulations. The grant of filing fee and publication expenses is at the discretion of the Commission as per Tariff Regulations and that may not be exercised in favour of the Petitioner. He further submitted that BSPHCL has not filed a written submission in this regard and the arguments advanced during the hearing may be considered in this matter.

4. After hearing the parties, the Commission reserved its order.

**By order of the Commission**

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

