

**CENTRAL ELECTRICITY REGULATORY COMMISSION  
NEW DELHI**

**Petition Nos. 588/TT/2020, 589/TT/2020 and 590/TT/2020**

- Subject** : Petition for truing up of tariff of 2014-19 and determination of tariff of 2019-24 in relation to six no. of assets.
- Date of Hearing** : 15.6.2021
- Coram** : Shri P. K. Pujari, Chairperson  
Shri I. S. Jha, Member  
Shri Pravas Kumar Singh, Member
- Petitioner** : Powerlinks Transmission Ltd. (PTL)
- Respondents** : Powergrid Corporation of India Ltd. and 23 others
- Parties Present** : Shri Ventatesh, Advocate, PTL  
Shri Ashutosh K. Srivastava, Advocate, PTL  
Shri Pankaj Prakash, PTL

**Record of Proceedings**

Case was called out for virtual hearing.

2. Learned counsel for the Petitioner made the following submissions:
- a) Instant petitions are filed for truing up of transmission tariff of 2014-19 period and determination of transmission tariff of 2019-24 period in respect of the following assets:
- (i) Siliguri-Purnea 400 kV D/C (Quad Conductor) Transmission Line (“A-1”);
  - (ii) Purnea-Muzaffarpur (New) 400 kV D/C (Quad Conductor) Transmission Line (“A-2”);
  - (iii) Muzaffarpur (New) – Gorakhpur (New) 400 kV Double Circuit (Quad Conductor) Transmission Line (“A-3”);
  - (iv) Gorakhpur (New)-Lucknow (New) 400 kV D/C Transmission Line (“A-4”);
  - (v) Bareilly-Mandola 400 kV D/C Transmission Line (“A-5”), and
  - (vi) 220 kV D/C line from Muzaffarpur 400/220 kV new S/S to Muzaffarpur 220 kV S/S (BSEB) Transmission Line (“A-6”).
- b) The Petitioner had filed Petition Nos. 588/TT/2020, 589/TT/2020 and 590/TT/2020 for truing up of tariff of 2014-19 period and determination of tariff of 2019-24 tariff period for the aforesaid six assets. Pursuant to the directions of the Commission in RoP dated 28.8.2020, the Petitioner has



claimed tariff of all six assets in Petition No. 588/TT/2020 instead of claiming them in three separate petitions.

- c) The Petitioner vide affidavit dated 16.11.2020 has furnished the information sought through the Technical Validation letter dated 2.11.2020.
- d) The Commission has earlier allowed tariff of the subject assets for 2014-19 period in Petition Nos. 514/TT/2014, 515/TT/2014 and 516/TT/2014 vide orders dated 20.4.2017, 31.3.2017 and 18.4.2017 respectively.
- e) The Petitioner for the purpose of computation of annual transmission charges for 2014-19 and for 2019-24 periods has considered the capital deployed in actual cash in terms of Regulation 3(2) of the 2014 Tariff Regulations. Additional Capital Expenditure (ACE) during 2014-19 tariff period has been funded entirely through internal resources of the Petitioner and there was no loan. ACE including IDC during 2014-19 period is towards implementation of SAP, insulator replacement, tower collapse, tower footing protection work etc.
- f) Way Leave Charges during 2014-19 has been claimed retrospectively in view of the Petitioner's agreement with Indian Railways and the same is permissible under Regulation 14(3)(ix) of the 2014 Tariff Regulations.
- g) Proposed unrecovered depreciation is claimed as additional depreciation over and above the 2014 Tariff Regulations norms.
- h) ACE for 2019-24 period is claimed towards Tower Footing Protection Work in respect of Asset A-2 and that for Pile Foundation due to change in course of river Parman has been claimed for laying new foundation for Assets A-1, A-2 and A-6.
- i) Computed normative IDC on 70% average funds deployed during the year for ACE is claimed in terms of APTEL's judgment dated 3.10.2019 in Appeal No. 231 of 2017.
- j) Re-financing of loan has been done in terms of Regulation 26(7) of 2014 Tariff Regulations and reliance is placed on the case of Bhag Mal v. Ch. Prabhu Ram (1985) 1 SCC 61 and MERC order dated 30.3.2020 in case No. 294 of 2019.
- k) Additional tax on income has been claimed due to change in law on account of introduction of Accounting Standards (Ind AS) w.e.f. 1.4.2016.
- l) Besides this, the Petitioner has claimed Transmission Majoration Factor in terms of the Commission's order dated 1.7.2004 in Petition No. 51 of 2004 read with Regulation 75 of 2019 Tariff Regulations, Sales Tax liability due to pending disputes regarding recovery of differential tax, incentive (pre-tax), fees and publication expenses etc.

- m) Interlocutory Application is filed on 3.6.2021 for approval of actual expenditure incurred for unforeseen capital expenditure and force majeure events and allowing them at the time of truing up of tariff of 2019-24 period in terms of Regulation 13(1)(b) of the 2019 Tariff Regulations.
- n) None of the Respondents have filed reply to the petition.
- o) All the information is available on record and tariff as sought in the petition may be allowed.

3. The Commission observed that as the assets covered in Petition No.589/TT/2020 and Petition No.590/TT/2020 are now included in Petition No.588/TT/2020, there is no need to keep Petition No.589/TT/2020 and Petition No.590/TT/2020 pending.

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

**By order of the Commission**

**sd/-**

(V. Sreenivas)  
Deputy Chief (Law)

