

**CENTRAL ELECTRICITY REGULATORY COMMISSION  
NEW DELHI**

**Petition No. 7/TT/2020**

**Subject** : Petition for revision of transmission tariff of the 2001-04, 2004-09 and 2009-14 tariff period, truing up of transmission tariff of the 2014-19 period and determination of transmission tariff of the 2019-24 period for Stage-1 of 400 kV Thyristor controlled series compensation project (Fact Device) on Kanpur-Ballabgarh 400 kV S/C line at Ballabgarh in Northern Region.

**Date of Hearing** : 24.8.2020

**Coram** : Shri P.K. Pujari, Chairperson  
Shri I.S. Jha, Member  
Shri Arun Goyal, Member

**Petitioner** : Power Grid Corporation of India Ltd.

**Respondents** : Rajasthan Rajya Vidyut Prasaran Nigam Ltd.  
& 16 Others

**Parties present** : Shri S.S. Raju, PGCIL  
Shri Ved Prakash Rastogi, PGCIL

**Record of Proceedings**

The matter was heard through video conference.

2. The representative of the Petitioner submitted that the instant petition is filed for revision of transmission tariff of the 2001-04, 2004-09 and 2009-14 tariff periods, truing up of transmission tariff of the 2014-19 period and for determination of tariff of the 2019-24 period in respect of Stage-1 of 400 kV Thyristor controlled series compensation project (Fact Device) on Kanpur-Ballabgarh 400 kV S/C line at Ballabgarh in Northern Region. The subject asset was put into commercial operation on 1.7.2002. The tariff for the instant asset for 2014-19 tariff period was allowed *vide* order dated 15.2.2016 in Petition No. 168/TT/2014. The representative of the Petitioner submitted that revision of tariff of the 2001-04, 2004-09 and 2009-14 tariff periods is sought on account of the judgments of APTEL dated 22.1.2007 in Appeal No. 81/2005 and 13.6.2007 in Appeal No. 139/2006, and the order of the Commission dated 18.1.2019 in Petition No. 121/2007. The Petitioner has claimed Additional Capital Expenditure (ACE) for the 2019-24 tariff period under



Regulation 25(2)(c) of the 2019 Tariff Regulations on account of upgradation of FSCs and replacement of old control and protection system at Ballabgarh Sub-station in view of obsolescence of technology used in these FSCs, based on suggestions of the Original Equipment Manufacturer (OEM). He further submitted that the Petitioner has claimed ACE and de-capitalization for replaced items. He also submitted that the Petitioner has submitted the rejoinder to the reply of UPPCL.

3. In response to query of the Commission, the representative of the Petitioner clarified that ACE would be depreciated over a period of 10 years and that the unrecovered depreciation is also being claimed. In response to the observation of the Commission as to how unrecovered depreciation can be claimed when the asset is not in use, the representative of the Petitioner submitted that in another case of SCADA EMS, the Commission allowed accelerated depreciation even after de-capitalization. He further submitted that the replacement is being done for the benefit of the beneficiaries and it would extend the life of the asset by 10 years. He clarified that the asset is currently in operation and the replacement will take place in the current and the next financial year. He further submitted that the work has been awarded and the same is currently in the Design & Engineering phase. He submitted that the asset has completed 18 years of operation and the OEM (BHEL) is unable to undertake O&M. Hence, the replacement is being done.

4. Despite a Public Notice dated 14.1.2020 published on the Commission's website directing the beneficiaries/ Respondents to file reply in the matter, none of the Respondents have filed their reply in the matter.

5. After hearing the representative of the Petitioner, the Commission reserved the order in the matter.

**By order of the Commission**

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

