CENTRAL ELECTRICITY REGULATORY COMMISSION New Delhi

Petition No. 78/TT/2021

Subject: Revision of transmission tariff of the 2001-04, 2004-09 and

2009-14 tariff periods, truing up of transmission tariff for the 2014-19 tariff period and determination of transmission tariff for 2019-24 tariff period for two assets under Rihand

Transmission System in the Northern Region.

Date of Hearing : 3.8.2021

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 Ltd.

Respondents : Rajasthan Rajya Vidyut Prasaran Nigam Ltd. and 16 others

Parties Present : Shri S.S Raju, PGCIL

Shri D.K. Biswal, PGCIL Shri V.P. Rastogi, PGCIL Shri A.K. Verma, 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 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 tariff period and determination of transmission tariff for the 2019-24 tariff period of Asset-I: HVDC Portion; and Asset-II: AC Portion under Rihand Transmission System in the Northern Region.
 - b. The notional COD of the assets has been considered as 1.4.1992.
 - c. The transmission tariff of 2009-14 tariff period for the transmission asset was trued-up and tariff of the 2014-19 tariff period was allowed by the Commission *vide* order dated 28.1.2016 in Petition No. 133/TT/2015.
 - d. The Auditor's Certificates submitted along with the instant petition is based on Additional Capital Expenditure (ACE) approved by the Commission *vide* order dated 28.1.2016 in Petition No. 133/TT/2015.



- e. ACE claimed during 2014-19 tariff period is due to spilled over ACE allowed by the Commission for 2009-14 tariff period. Similarly, ACE claimed during 2019-24 tariff period is due to spilled over ACE allowed by the Commission for 2014-19 tariff period. The details, including revised Auditor's Certificate and revised claim of ACE have been submitted vide affidavit dated 27.7.2021 in response to the Technical Validation letter.
- f. ICTs at Mandola Sub-station and Ballabgarh Sub-station have been de-capitalised from the Rihand Transmission System in line with the Commission's direction in order dated 4.10.2019 in Petition No. 255/TT/2018 and in order dated 4.10.2019 in Review Petition No. 22/RP/2019.
- g. SVC at Kanpur has also been decapitalised, as it has already completed its useful life of 25 years. The Petitioner sought 'in-principle' approval for refurbishment of ICT at Kanpur vide Petition No. 371/MP/2018 where the Commission vide order dated 2.4.2019 has sought the requirement of higher capacity SVC at Kanpur. However, CTU vide Study Report dated 14.11.2019 suggested that SVC at Kanpur is not recommended. The said SVC is not in operation since 24.8.2020 due to difficulty in maintaining it and, therefore, has been de-capitalised. The same has been reflected in the revised Auditor's Certificate as well.
- h. The details of ACE claimed and decapitalisation along with Form-10B have been submitted along with the affidavit dated 27.7.2021 wherein ACE in respect of enhanced land payment has also been claimed during the 2014-19 tariff period in accordance with Regulation 14(3)(i) of the 2014 Tariff Regulations and ACE of ₹8321.91 lakh has also been claimed in respect of Asset-II during the 2019-24 tariff period for replacement of existing equipment at Ballabgarh, Mandola and Bassi which are deteriorated due to ageing.
- 3. In response to a query of the Commission regarding the status of comprehensive report for the proposed replacement/ refurbishment of equipment that have deteriorated, the Petitioner has submitted that it is still in the process of preparing the report and the same will be submitted on finalization.
- 4. The Commission further directed the Petitioner to submit the above referred report and the capital cost estimate details as per Form 5 (Element wise Break-up of Project/ Asset/ Element Cost for Transmission System or Communication System) of ACE claimed for Asset-I and Asset-II during the 2014-19 tariff period and proposed during the 2019-24 tariff period by 30.8.2021 on affidavit with an advance copy to all the Respondents and observed that no extension of time shall be granted.
- 5. Subject to the above, the Commission reserved the order in the matter.

By order of the Commission

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

