CENTRAL ELECTRICITY REGULATORY COMMISSION New Delhi

Petition No. 18/RP/2020 in Petition No. 10/TT/2019

Coram:

Shri P.K. Pujari, Chairperson Shri I.S. Jha, Member

Date of Order: 11.08.2021

In the matter of:

Review petition under Section 94(1)(f) of the Electricity Act, 2003 read with Regulation 103 of the Central Electricity Regulatory Commission (Conduct of Business) Regulations, 1999, seeking review of order dated 5.2.2020 in Petition No. 10/TT/2019

And in the matter of:

Transmission Corporation of Andhra Pradesh Limited, Vidyut Soudha, Vijayawada-520004.

.....Review Petitioner

Versus

- Transmission Corporation of Telangana Limited, 6th Floor, A Block, Vidyut Soudha, Khairathabad, Hyderabad-500082.
- Karnataka Power Transmission Corporation Limited (KPTCL), Kaveri Bhavan, Kempegowda Road, Bangalore-560 009.
- Tamil Nadu Transmission Corporation Limited,
 No. 144, Anna Salai,
 Chennai-600002.
- APPCC,
 451 A Block, 4th Floor, Vidyut Soudha,
 Khairathabad,
 Hyderabad-500 082.
- 5. Electricity Department, Government of Pondicherry, Pondicherry-605001

.....Respondents



For Review Petitioner : Shri S. Vallinayagam, Advocate, APTRANSCO

Shri P. Suryachandram, APTRANSCO Ms. P. Jyotsnana Rani, APTRANSCO

For Respondent : None

ORDER

Transmission Corporation of Andhra Pradesh Limited (hereinafter referred to as the "Review Petitioner" or "APTRANSCO") has filed the instant review petition seeking review of the order dated 5.2.2020 in Petition No. 10/TT/2019, under Section 94(1)(f) of the Electricity Act, 2003 read with Regulation 103 of the Central Electricity Regulatory Commission (Conduct of Business) Regulations, 1999.

Background

2. APTRANSCO filed Petition No. 10/TT/2019 claiming tariff for the following 42 natural inter-State transmission lines, connecting Andhra Pradesh and neighbouring States, owned by it, for the 2014-19 tariff period:

Sr. No.	Asset	Connecting States	COD	Asset name
1.	Asset-I: 400 kV VTPS–Malkaram line	AP-Telangana	2.4.2013	Asset-I and Asset-II
2.	Asset-II:400 kV VTPS-Suryapet line			7.00Ct II
3.	Asset-III:400 kV Srisailam-Sattenapalli CKT I	AP-Telangana	12.2.2014	Asset-III and Asset-IV
4.	Asset-IV:400 kV Srisailam-Sattenapalli CKT II			
5.	Asset-V:400 kV Srisailam-Kurnool (SC) feeder	AP-Telangana	6.3.2001	Asset-V
6.	Asset-VI:400 kV Kalpaka-Khammam-I feeder	AP-Telangana	10.5.2002	Asset-VI and Asset-VII
7.	Asset-VII:400 kV Kalpaka-Khammam-II feeder			
8.	Asset-VIII:400 kV Uravakonda-Veltoor-I feeder	AP-Telangana	17.11.2016	Asset-VIII and Asset-IX
9.	Asset-IX:400 kV Uravakonda-Veltoor-II feeder		18.11.2016	
10.	Asset-X:220 kV Nunna-KTPSSCLine	AP-Telangana	21.1.1992	Asset-X

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11.	Asset-XI:220 kV Tallapalli-	AP-Telangana	5.8.1985	Asset-XI and
	Nagarjuna Sagar-I & II feeder			Asset-XII
12.	Asset-XII:220 kV Tallapalli-			
	Nagarjuna Sagar-II feeder			
13.	Asset-XIII:220 kV Tallapalli-	AP-Telangana	27.1.1985	Asset- XIII
	Nagarjuna Sagar-III feeder			
14.	Asset-XIV:220 kV	AP-Telangana	21.7.2007	Asset- XIV
	Tallapalli-Chalakurthy feeder			
15.	Asset-XV:220 kV	AP-Telangana	10.3.2010	Asset-XV
	Chillakallu-Narketpalli I feeder			and
16.	Asset-XVI:220 kV			Asset-XVI
	Chillakullu-Narketpalli II feeder			
17.	Asset-XVII:220 kV	AP-Telangana	29.10.2009	Asset- XVII
	Brahmanakotkur-Wanaparthy	J		
	Line(LIS)			
18.	Asset-XVIII:220kV	AP-Telangana	12.9.1982	Asset- XVIII
	Srisailam-Dindi-I feeder	7 ii Tolangana	12.01.002	and
19.	Asset-XIX:220 kV	†		Asset-XIX
	Srisailam-Dindi-II feeder			1.00017171
20.	Asset-XX:220 kV Nagarjuna	AP-Telangana	7.2.1989	Asset-XX
20.	Sagar Receiving station-	Airidangana	7.2.1303	ASSCI-AA
	Srisailam SC line			
21.	Asset-XXI:220 kV	AD Tolongono	31.3.1967	Asset-XXI
21.		AP-Telangana	31.3.1967	ASSEL-AAI
22	LSR-KTPS-I feeder	AD Talanana	24.2.4070	Assat VVII
22.	Asset-XXII:220 kV	AP-Telangana	31.3.1979	Asset- XXII
	LSR-KTPS-II feeder	45 T ''N I	17.0.0010	A ()()()()
23.	Asset-XXIII:220 kV	AP-TamilNadu	17.3.2013	Asset- XXIII
	Chitoor-Tiruvalam			
24.	Asset-XXIV:220 kV	AP-Karnataka	17.10.2012	Asset- XXIV
	Raghulapadu-Alipuraline			
25.	Asset-XXV:220 kV	AP-TamilNadu	31.10.2012	Asset- XXV
	Sulurupeta-Gummadipundi			
26.	Asset-XXVI:132 kV Nagarjuna	AP-Telangana	25.2.1983	Asset- XXVI
	Sagar-RACPH feeder			
27.	Asset-XXVII:132 kV	AP-Telangana	22.2.2014	Asset- XXVII
	Piduguralla-Wadapalli			
28.	Asset-XXVIII:132 kV	AP-Telangana	26.8.2010	Asset- XXVIII
	Tangeda-Wadapalli line			
29.	Asset-XXIX:132 kV	AP-Telangana	10.6.2004	Asset- XXIX
	Chillakullu-Kodada line	J		
30.	Asset-XXX:132 kV	AP-Telangana	21.10.1982	Asset- XXX
	Chillakallu-Ramapuram line			
31.	Asset-XXXI:132 kV	AP-Telangana	6.4.2004	Asset- XXXI
	Chillakallu-Sitapuram line	, ii i olaliyalla	0.1.2004	/ 10001 / 1///11
32.	Asset-XXXII:132 kV	AP-Telangana	2.12.2001	Asset- XXXII
υ <u>ν</u> .	Chillakallu-Khammam line	Ai - i Gianyana	2.12.2001	ASSUL AAAII
33.	Asset-XXXIII:132 kV	ΛP-Tolongono	24.12.1985	Asset- XXXIII
JJ.		AP-Telangana	24.12.1900	WOOGL- VVVIII
24	Chillakallu-Kusumanchi line	AD Tolongono	27.40.2004	Accet VVVIV
34.	Asset-XXXIV:132 kV	AP-Telangana	27.10.2001	Asset- XXXIV
0.5	Chillakallu-Madhira line	ADT	40.5.0040	A ()()()()
35.	Asset-XXXV:132 kV	AP-Telangana	10.5.2010	Asset- XXXV
	Sitapuram-KCPline			

36.	Asset-XXXVI:132 kV Chillakallu-Bonakallu-I feeder	AP-Telangana	20.1.1987	Asset- XXXVI and
37.	Asset-XXXVII:132 kV			Asset-XXXVII
	Chillakallu-Bonakallu-II feeder			
38.	Asset-XXXVIII:132 kV	AP-Telangana	20.1.1987	Asset-
	A.P. Carbides-Alampur			XXXVIII
39.	Asset-XXXIX:132 kV	AP-Telangana	13.1.2000	Asset- XXXIX
	A.P. Carbides-Gadwal			
40.	Asset-XXXX:132 kV	AP-Telangana	9.6.1982	Asset- XXXX
	K. Kota-Aswaraopet-I feeder			and
41.	Asset-XXXXI:132 kV			Asset-XXXXI
	K. Kota-Aswaraopet-II feeder			
42.	Asset-XXXXII:132 kV	AP-Telangana	21.11.2013	Asset- XXXII
	Pratap Nagar-Yanam Feeder			

- 3. The Commission vide order dated 5.2.2020 allowed tariff for 40 of the 42 transmission lines for the period 2016-19 on the basis of the SRPC certificate issued on 31.10.2016 and 23.11.2016. Tariff for 2014-16 period was disallowed for 40 transmission lines as the SRPC certificates issued in 2016 cannot be retrospectively applied for the period of 2014-16. Further, the tariff for Assets-VIII and IX in table under paragraph 2, which were put into commercial operation in 2016, was not allowed as some of the information required for determination of tariff was not furnished by APTRANSCO. The relevant portions of the order dated 5.2.2020 are extracted hereunder:
 - "15. After going through the statement submitted by the Petitioner as Audit certified year wise CWIP, capitalization for Asset-VIII and Asset-IX covered under the instant petition, it is noted that the actual expenditure incurred as on COD has not been certified / indicated by the Auditor in respect of these 2 assets. In addition, following deficiencies have also been observed in the said statement:
 - a. Element wise cost is not indicated.
 - b. Regulation concerned under which the Additional capital expenditure claimed is not clarified.
 - 16. Accordingly, the Petitioner is directed to file afresh petition for approval of tariff for Asset-VIII and Asset-IX as per the provisions of the 2014 Tariff Regulations along with the following information:
 - i. Purpose of construction of these transmission line with all supporting documents;

- ii. Auditor's Certificate clearly indicating Hard Cost, IDC and IDEC as well as element wise (i.e. land, building, transmission line, sub-station, communication system) capital cost as on COD.
- iii. The claim of Additional capital expenditure under the Regulation concerned.
- iv. Complete set of all the applicable Tariff Forms in line with Auditor's Certificates.
- v. Statement of IDC computation containing name of loan, rate of interest drawl date and date of payment of last interest.
- vi. Documents in respect of rate of interest claimed and effective tax rate."

- 21. The SRPC vide letter dated 31.10.2016 and 23.11.2016 has certified that total forty-two (42) transmission lines are inter-State lines connecting the two States. However, certificate of SRPC cannot be considered as applicable from the retrospective period from 2014 i.e., various dates of 2014 from which the tariff is claimed in respect of assets covered in the instant petition."
- 4. The Review Petitioner has sought review of the said findings of the Commission in the impugned order dated 5.2.2020 in Petition No.10/TT/2019 in the instant Review Petition contending that the SRPC certificate issued in 2016 holds good for 2014-15 and 2015-16 for all the 40 transmission lines. The natural ISTS lines were charged before 1.4.2014 and all the requisite information pertaining to Asset-VIII and Asset-IX were placed on record in the Petition No. 10/TT/2019. Therefore, disallowing tariff for 2014-15 and 2015-16 for 40 natural ISTS lines and non-consideration of Asset-VIII and Asset-IX for grant of tariff is an error apparent on the face of the record.
- 5. The Review Petitioner has made the following prayers:
 - "i) Admit the present Review Petition.
 - ii) Review the order dated 05.02.2020 passed in Petition No.10/TT/2019 in light of the submissions made by the Review Petitioner herein above and
 - iii) Pass any such further order or orders as this Hon'ble Commission may deem fit in the present facts and circumstances."
- 6. The impugned order dated 5.2.2020 was heard by coram of Chairperson; Dr. M.K. Iyer, Member; and Shri I.S. Jha, Member. Dr. M.K. Iyer, Member has demitted

office. Hence, the instant review petition is heard by coram of Chairperson and Shri I.S. Jha, Member.

7. The matter was heard through video conference on 20.7.2021 and the order was reserved on admissibility.

Submissions of the Review Petitioner

- 8. The gist of the submissions made by the Review Petitioner in the review petition and in its affidavit dated 12.5.2020 and 17.7.2020 in support of its plea for review of order dated 30.9.2019 is as follows:
 - (a) The erstwhile State of Andhra Pradesh was bifurcated into new State of Andhra Pradesh and new State of Telangana on 2.6.2014 through enactment of the Andhra Pradesh Reorganization Act, 2014 by the Parliament. The bifurcation of the erstwhile State of Andhra Pradesh has resulted in a number of inter-State transmission lines between new States of Andhra Pradesh and Telangana. The instant 42 inter-State lines applied for determination of tariff are natural ISTS lines between Andhra Pradesh and Telangana. Hence, the SRPC certification issued in 2016 also holds good for 2014-15 and 2015-16 except for Asset-VIII and Asset-IX executed during the year 2016-17.
 - (b) Except of Asset-VIII and Asset-IX, the remaining 40 lines were charged before 1.4.2014 and, hence, tariff was claimed for 2014-15 and 2015-16. A copy of the certificate dated 11.9.2019 issued by SRPC to Telangana State Transco (TS Transco) wherein the details of year-wise inter-State transmission lines between Andhra Pradesh and Telangana State from 2014 to 2019 is submitted. This document was not within the knowledge of the Review Petitioner on the date of filing of the tariff petition and has been accessed subsequent to the issue of impugned order dated 5.2.2020. This document shows that these 40 transmission lines were natural inter-State lines between Andhra Pradesh and Telangana during the 2014-19 tariff period.

- (c) The Commission may approve the transmission tariff for the instant 40 natural inter-State transmission lines for the 2014-15 and 2015-16 period also considering the SRPC certificate issued in 2016 and the SRPC certificate dated 11.9.2019 to TS Transco.
- (d) All the information w.r.t. Asset-VIII and Asset-IX was readily available in the petition and rejoinders submitted by the Review Petitioner vide affidavits dated 8.8.2019 and 18.11.2019 in Petition No.10/TT/2019.
- (e) Vide affidavit dated 12.5.2020, the Petitioner has enclosed the SRPC certificate dated 20.4.2020 certifying that the instant 40 transmission lines are natural inter-State lines owned by the Review Petitioner connecting Andhra Pradesh with Telangana, Tamil Nadu, Pondicherry and Karnataka.
- 9. The Review Petitioner has submitted the following additional information vide affidavits dated 12.5.2020 and 15.7.2020 in the instant review petition in compliance of the order dated 5.2.2020 in Petition No. 10/TT/2019 and has also prayed for grant of tariff for Asset-VIII and Asset-IX in the instant review petition or in Petition No.10/TT/2019:
 - a) SRPC Certificate dated 20.4.2020.
 - b) Purpose of construction of these transmission lines with all supporting documents: The DC line is covered in the 400 kV Scheme for evacuation of 315 MW wind power generation in the Kadapa, Ananthapur and Kurnool districts of Andhra Pradesh. AP Transco orders viz T.O.O. No. 248 dated 15.11.2012 and revised T.O.O. No.735 Dt. 9.4.2018 issued for the above scheme.
 - c) Auditor's Certificate clearly indicating Hard Cost, IDC and IDEC as well as element wise (i.e. land, building, transmission line, sub-station, communication system) capital cost as on COD.

- d) The claim of additional capital expenditure under the Regulation concerned: The additional expenditure of ₹168.02 lakh was claimed as per the 2014 Tariff Regulations.
- e) Complete set of all the applicable Tariff Forms in line with Auditor's Certificates.
- f) Statement of IDC computation containing name of loan, rate of interest drawl date and date of payment of last interest.
- g) Documents in respect of rate of interest claimed and effective tax rate.
- During the hearing on 20.7.2021, learned counsel for the Review Petitioner
 reiterated the submissions made in the review petition.

Analysis and Decision

- 11. We have considered the submissions of the Review Petitioner and perused the material available on record. The Review Petitioner has sought review of the impugned order on the two grounds (a) disallowing tariff for 2014-15 and 2015-16 for 40 natural inter-State transmission lines and (b) non-consideration of tariff of Asset-VIII and Asset-IX. The Review Petitioner has contended that not granting tariff for the instant 40 natural inter-State transmission lines for the 2014-16 period and not granting tariff for Asset-VIII and Asset-IX are apparent errors that need to be rectified.
- 12. In contending that the aforesaid 40 intra-State transmission lines are ISTS lines, the Review Petitioner has relied upon SRPC certificate dated 11.9.2019 that was issued to TS Transco certifying that these 40 transmission lines were natural inter-State transmission lines since the bifurcation of the State of Andhra Pradesh in 2014. It has been submitted by the Review Petitioner that the said certificate of

SRPC was not in the knowledge of the Review Petitioner at the time of filing of Petition No. 10/TT/2019 and hence it could not be submitted while the impugned order was passed. The Review Petitioner has requested to review the impugned order dated 5.2.2020 taking into consideration the SRPC certificate dated 11.9.2019 and to allow the tariff for these 40 transmission lines for 2014-15 and 2015-16 also as claimed in Petition No.10/TT/2019. As regards Asset-VIII and Asset-IX, the Petitioner has submitted that all the documents required for determination of tariff were on record in Petition No. 10/TT/2019 and that the same were not considered by the Commission which issuing the impugned order.

13. As per Section 94(1)(f) of the Electricity Act, 2003, the Commission shall have the same power as are vested in a civil court under the Code of Civil Procedure, 1908 (CPC) for reviewing its decisions, directions and orders. Any person aggrieved with an order may apply for its review to the court which passed the order under Order 47 Rule 1 of CPC under the following circumstances:

14. As regards the Review Petitioner's contention that not granting tariff for the instant 40 transmission lines for 2014-15 and 2015-16 is an apparent error, it is observed that Review Petitioner has placed on record the SRPC certificates issued on 31.10.2016 and 23.11.2016 in support of its claim that the instant transmission lines are natural inter-State transmission lines and they were charged as on 1.4.2014. There is no dispute that the instant 40 transmission lines were put into commercial operation before 1.4.2014. However, for granting tariff of natural ISTS

[&]quot;(a) On discovery of new and important matter or evidence which after the exercise of due diligence was not within his knowledge or could not be produced by him at the time when the order was made, or

⁽b) On account of a mistake or error apparent on the face of the record, or

⁽c) For any other sufficient reasons."

lines, the Commission relies upon certificate issued by concerned RPC to ascertain whether claimed natural ISTS lines carry inter-State power. In the instant matter, the concerned RPC is SRPC and the Review Petitioner while claiming tariff in Petition No. 10/TT/2019 had relied upon the certificates issued in 2016 by SRPC certifying that the transmission lines are inter-State. In the impugned order, the Commission observed that the certificates cannot be given effect from a retrospective period (the certificates did not state that the aforesaid 40 transmission lines carried inter-State power w.e.f. 1.4.2014) and accordingly disallowed tariff for 2014-15 and 2015-16 while granted tariff for 2016-17, 2017-18 and 2018-19. Therefore, disallowance of tariff for the 2014-16 period is a considered decision of the Commission and there is no mistake or error in the impugned order dated 5.2.2020 in this regard.

- 15. Further, tariff for Asset-VIII and Asset-IX from their respective CODs to 31.3.2019 was not allowed in impugned order dated 5.2.2020 as some vital information required for computation of tariff was not furnished in Petition No.10/TT/2019 and, therefore, the Commission in order dated 5.2.2020 directed the Review Petitioner to file a fresh petition along with the required information. Therefore, there is no mistake or error on this count as well.
- 16. The second ground for review put forward by the Review Petitioner is the subsequent SRPC certificate dated 11.9.2019 issued to TS Transco stating that the same could not be filed during the proceedings in Petition No.10/TT/2019 as it was not in the knowledge of the Review Petitioner. The issue for consideration is whether the said SRPC certificate satisfy the condition of discovery of new and important matter of evidence which after the exercise of due diligence was not within the knowledge of the Review Petitioner. Therefore, the basis for making out a case for

review under the above ground are that (a) the documents are relevant, (b) are of such character that the document had been introduced in the original petition, it might have possibly altered the order dated 5.2.2020; and (c) the discovery of any new and important matter was not within the knowledge of the party when the order was made.

- 17. In the instant case, it is observed that the SRPC certificate dated 11.9.2019 was not issued to the Review Petitioner and it was issued to TS Transco and it may not have been in the knowledge of the Review Petitioner and could not have been produced by the Review Petitioner even after due diligence in the proceedings in original petition. However, we are not able to agree to the proposition that SRPC certificate of 11.9.2019 is of such character that if the same was produced in the original petition, it might have possibly altered the impugned order dated 5.2.2020. Because the SRPC certificate produced by the Review Petitioner in the instant review petitions is of 2019 and it cannot be given retrospective effect from 2014 onwards. The Review Petitioner's claim for tariff for the 2014-16 was disallowed by the Commission in the impugned order dated 5.2.2020 as the SRPC certificates of 2016 cannot be retrospectively applied from 2014 onwards. Therefore, we are of the view that the SRPC certificate dated 11.9.2019 would not have altered our view even if it was produced during the proceedings in the original Petition No. 10/TT/2019. Accordingly, the review on this account is also disallowed.
- 18. Further, the Review Petitioner has submitted a letter dated 20.4.2020 of SRPC wherein it has been certified that the 40 transmission lines connecting Andhra Pradesh with other neighbouring States were natural ISTS lines in 2014-15 and

2015-16. In our view, review cannot be sought based on any letter subsequent to the issuing of the impugned order on 5.2.2020.

19. We are also not inclined to allow the Review Petitioner's request to allow tariff for Asset-VIII and Asset-IX in the instant review petition or in Petition No. 10/TT/2019 by taking into consideration the information submitted in the instant review petition as there is no mistake or error in our directions. The Petitioner has been granted liberty to file a fresh petition (with full details so as to claim tariff) in impugned order dated 5.2.2020.

20. In view of the above findings and discussions, Review Petition No. 18/RP/2020 is disposed of at admission stage.

sd/-(I.S. Jha) Member sd/-(P. K. Pujari) Chairperson