

CENTRAL ELECTRICITY REGULATORY COMMISSION

NEW DELHI

Petition No. 358/TT/2019

Coram:

Shri P.K. Pujari, Chairperson
Shri I. S. Jha, Member
Shri Arun Goyal, Member
Shri Pravas Kumar Singh, Member

Date of Order: 06.07.2021

In the matter of:

Approval under Regulation 86 of the Central Electricity Regulatory Commission (Conduct of Business) Regulations 1999 and revision of transmission tariff for 2001-04, 2004-09, and 2009-14 tariff periods and truing up of transmission tariff of 2014-19 period under Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2014 and determination of transmission tariff for 2019-24 period under Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2019 for Series Compensation on Panki- Muradnagar 400 kV S/C Line of UPPCL in the Northern Region

And in the matter of:

Power Grid Corporation of India Ltd.
SAUDAMINI, Plot No-2
Sector-29, Gurgaon-122 001 (Haryana)

.....**Petitioner**

Versus

1. Rajasthan Rajya Vidyut Prasaran Nigam Ltd.,
Vidyut Bhawan, Vidyut Marg, Jaipur-302005.
2. Ajmer Vidyut Vitran Nigam Ltd.,
400 kV GSS Building (Ground Floor), Ajmer Road,
Heerapura, Jaipur-302005.
3. Jaipur Vidyut Vitran Nigam Ltd.,
400 kV GSS Building (Ground Floor), Ajmer Road,
Heerapura, Jaipur-302005.



4. Jodhpur Vidyut Vitran Nigam Ltd.,
400 kV GSS Building (Ground Floor), Ajmer Road,
Heerapura, Jaipur-302005.
5. Himachal Pradesh State Electricity Board,
Vidyut Bhawan, Kumar House Complex Building II,
Shimla-171004.
6. Punjab State Electricity Board,
The Mall, Patiala-147001.
7. Haryana Power Purchase Centre,
Shakti Bhawan, Sector-6,
Panchkula (Haryana)-134109.
8. Power Development Department,
Government of Jammu & Kashmir,
Mini Secretariat, Jammu.
9. Uttar Pradesh Power Corporation Ltd.,
(Formerly Uttar Pradesh State Electricity Board)
Shakti Bhawan, 14, Ashok Marg,
Lucknow-226001.
10. Delhi Transco Ltd.,
Shakti Sadan,
Kotla Road, New Delhi-110002.
11. BSES Yamuna Power Ltd,
BSES Bhawan, Nehru Plakhe,
New Delhi.
12. BSES Rajdhani Power Ltd.,
BSES Bhawan, Nehru Plakhe,
New Delhi.
13. Tata Power Delhi Distribution Ltd.,
33 kV Substation, Building
Hudson Lane, Kingsway Camp
New Delhi-110009.
14. Chandigarh Administration,
Sector-9, Chandigarh.



15. Uttarakhand Power Corporation Ltd.,
Urja Bhawan, Kanwali Road,
Dehradun.

16. North Central Railway,
Allahabad.

17. New Delhi Municipal Council,
Palika Kendra, Sansad Marg,
New Delhi-110002.

...Respondent(s)

For Petitioner: Shri A.K. Verma, PGCIL
Shri S.S. Raju, PGCIL
Shri B. Dash, PGCIL
Shri Ved Rastogi, PGCIL

For Respondent: Shri R.B. Sharma, Advocate, BRPL
Shri Mohit Mudgal, Advocate, BYPL
Ms. Megha Bajpeyi, BRPL

ORDER

The instant petition has been filed by Power Grid Corporation of India Limited for revision of tariff for 2001-04, 2004-09 and 2009-14 tariff periods and truing up of the capital expenditure for the period from 1.4.2014 to 31.3.2019 under the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2014 (hereinafter referred to as “the 2014 Tariff Regulations”) and determination of tariff under the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2019 (hereinafter referred to as “the 2019 Tariff Regulations”) for the period from 1.4.2019 to 31.3.2024 in respect of Series Compensation on Panki-Muradnagar 400 KV S/C Line of UPPCL in the Northern Region (hereinafter referred to as the “transmission asset”).

2. The Petitioner has made the following prayers in the instant Petition:

“1) Approve the revised Transmission Tariff for 2004-09 block and transmission tariff for 2009-14 block for the assets covered under this petition, as per para 8 above.



2) Approve the trued up Transmission Tariff for 2014-19 block and transmission tariff for 2019-24 block for the assets covered under this petition, as per para 9 and 10 above.

3) Allow the Petitioner to recover the shortfall or refund the excess Annual Fixed Charges, on account of Return on Equity due to change in applicable Minimum Alternate/Corporate Income Tax rate as per the Income Tax Act, 1961 (as amended from time to time) of the respective financial year directly without making any application before the Commission as provided in Tariff Regulation 2014 and Tariff regulations 2019 as per para 9 and 10 above for respective block.

Further it is submitted that deferred tax liability before 01.04.2009 shall be recoverable from the beneficiaries or long term customers / DIC as the case may be, as and when the same is materialized as per regulation 49 of 2014 and regulation 67 of 2019 tariff regulation. The Petitioner may be allow to recover the deferred tax liability materialised directly without making any application before the Commission as provided in the regulation.

4) Approve the reimbursement of expenditure by the beneficiaries towards petition filing fee, and expenditure on publishing of notices in newspapers in terms of Regulation 70 (1) Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2019, and other expenditure (if any) in relation to the filing of petition.

5) Allow the Petitioner to bill and recover Licensee fee and RLDC fees and charges, separately from the respondents in terms of Regulation 70 (3) and (4) Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2019.

6) Allow the Petitioner to bill and adjust impact on Interest on Loan due to change in Interest rate on account of floating rate of interest applicable during 2019-24 period, if any, from the respondents.

7) Allow the Petitioner to file a separate petition before Hon'ble Commission for claiming the overall security expenses and consequential IOWC on that security expenses as mentioned at para 10.5 above.

8) Allow the Petitioner to claim the capital spares at the end of tariff block as per actual.

9) Allow the Petitioner to bill and recover GST on Transmission Charges separately from the respondents, if GST on transmission is withdrawn from negative list at any time in future. Further, any taxes including GST and duties including cess etc. imposed by any statutory/Govt./municipal authorities shall be allowed to be recovered from the beneficiaries.

and pass such other relief as Hon'ble Commission deems fit and appropriate under the circumstances of the case and in the interest of justice”

Backdrop of the case

3. The brief facts of the case are as follows:

a) The Investment Approval (IA) for the transmission asset was accorded by the Board of Directors of the Petitioner's company as per Memorandum dated 30.8.2001 at an estimated cost of ₹2588.00 lakh, including IDC of ₹149.00 lakh (4th quarter 2000 price level).



- b) The transmission asset was put under commercial operation on 1.2.2004. The entire scope of work is covered under the instant petition.
- c) The Petitioner has sought revision of transmission tariff for 2001-04 and 2004-09 tariff periods on account of change in Interest on Loan (IoL) and Interest on Working Capital (IWC) to the extent of revision in IoL and in Maintenance Spares in terms of the APTEL judgment dated 22.1.2007 and 13.6.2007 in Appeal No. 81/2005 and 139/2006 respectively. The Petitioner has sought consequential revision of tariff allowed for the 2009-14 tariff period; truing up of tariff of the 2014-19 tariff period and determination of tariff for the 2019-24 tariff period for the transmission asset in the Northern Region.
- d) APTEL in judgment dated 22.1.2007 in Appeal No. 81 of 2005 and batch matters pertaining to generating stations of NTPC had considered 4 (four) issues. The issues considered by APTEL and its decisions are as given in the following table:

Sr. No.	Issue	APTEL's decision/direction
1	Whether APTEL can enquire into the validity of Regulations framed by the Commission	Challenge to the validity of Regulations framed by the Commission falls outside the purview of APTEL
2	Computation of interest on loan	In view of the order of the APTEL dated 14.11.2016 in Appeal Nos. 94 and 96 of 2005 and order dated 24.1.2007 passed in Appeal Nos. 81 to 87, 89 to 93 of 2005, computation of loan has to be based on loan repayment on normative basis. Commission is required to recalculate the loan outstanding as on 31.3.2004 based on loan repayment on normative basis
3(a)	O&M Expenses: Inadequate provision of employee costs as part of O&M Expenses due to variation in salary and wages	Commission's view upheld
3(b)	O&M Expenses: Non-inclusion of incentives and ex-gratia payment to employees	Commission's view upheld
4	Cost of spares for calculation of working capital	Commission's view upheld

- e) APTEL in its judgment dated 13.6.2007 in Appeal No. 139 of 2006 and batch matters pertaining to generating stations of NTPC had considered 9 (nine)



issues. The issues considered and the decisions of APTEL are given in the following table:

Sr. No.	Issue	APTEL's decision/direction
I	Computation of outstanding loan at the beginning of the tariff period i.e. 1.4.2004	The Commission is required to recalculate the loan outstanding as on 31.3.2004 based on loan repayment on normative basis
II	Consequence of refinance of loan	Commission to consider the issue afresh
III	Treating depreciation available as deemed repayment of loan	Commission to make a fresh computation of outstanding loan
IV	Admissibility of depreciation up to 90%	Commission to consider the issue afresh
V	Cost of Maintenance Spares	Commission to consider the issue afresh
VI	Impact of de-capitalisation of the assets on cumulative repayment of Loan	The cumulative repayment of the loan proportionate to the assets decapitalized required to be reduced. Commission to act accordingly
VII	Non-consideration of normative transit loss for coal import.	Commission to consider afresh the transit losses for coal imported from coal mines other than the dedicated ones
VIII	Foreign Exchange Rate Variation (FERV)	FERV has been kept as pass through to ensure that any liability or gain, if any, arising on account of any variation in foreign exchange rates is passed on to the beneficiary as held in order dated 4.10.2006 in Appeal No.135 to 140 of 2005. Commission to act accordingly
IX	Computation of interest on loan in Singrauli Station	Net loan closing at the end of a year is reflected as net loan opening on the first day of the next year. Commission shall re-compute the interest accordingly

f) The Commission and certain beneficiaries filed Appeals against the APTEL's judgments before the Hon'ble Supreme Court in 2007. The Appeals were admitted and initially stay was granted by the Hon'ble Supreme Court. Subsequently, on an assurance by NTPC that the issues under Appeal would not be pressed for implementation during the pendency of the Appeals, the stay was vacated by the Hon'ble Supreme Court.

g) PGCIL, based on the APTEL's judgments dated 22.1.2007 and 13.6.2007, sought re-determination of tariff of its transmission assets for the tariff periods 2001-04 and 2004-09 in Petition No. 121/2007. The Commission after taking into consideration the pending Appeals before the Hon'ble Supreme Court



adjourned the matter sine die and directed to revive the same after the disposal of the Civil Appeals by the Hon'ble Supreme Court.

h) The Hon'ble Supreme Court dismissed the Civil Appeals filed against the APTEL's said judgments vide its order dated 10.4.2018. Thus, the said order of the APTEL has attained finality.

i) Consequent to the Hon'ble Supreme Court's order dated 10.4.2018 in NTPC matters, the Petition No. 121/2007 was listed for hearing on 8.1.2019. The Commission, vide order dated 18.1.2019 in Petition No. 121/2007, directed the Petitioner to submit its claim separately for the assets at the time of filing of truing up of the petitions for the period 2014-19 in respect of concerned transmission assets.

j) The instant petition was heard on 24.3.2021 and in view of APTEL's judgments dated 22.1.2007 and 13.6.2007 and the judgement of Hon'ble Supreme Court dated 10.4.2018, tariff is being revised. Although, period wise tariff is being re-worked based on the Tariff Regulations applicable for the respective tariff periods, suitable assumptions at certain places, if any, are being applied which are being indicated.

4. The Respondents are distribution licensees and power departments, which are procuring transmission service from the Petitioner and are mainly beneficiaries of the Northern Region.

5. The Petitioner has served the petition on the Respondents and notice of this petition has been published in the newspaper in accordance with Section 64 of the Electricity Act, 2003. No comments/ objections have been received from the general public in response to the aforesaid notice published in the newspaper by the Petitioner. Uttar Pradesh Power Corporation Ltd. (UPPCL), Respondent No. 9, has filed its reply *vide* affidavit dated 21.11.2019, in which issues like consideration of



presumptive MAT rate for grossing up of Return on Equity (RoE), submission of copy of ATE orders, capital spares and reimbursement of license fees have been raised. BSES Rajdhani Power Limited (BRPL), Respondent No.12, has filed its reply *vide* affidavit dated 23.3.2021 in which it has preliminarily objected to reopening of the tariff of 2001-04, 2004-09 and 2009-14 periods based on the APTEL's judgements stating that the Commission has become "functus officio". Further, BRPL has raised issues of RoE, Deferred Tax Liability, recovery of tax on true-up exercise of RoE, adoption of Indian Accounting Standard 101, applicability and recovery of GST recovery of security expenses, Interest on Working Capital (IWC) and recovery of application filing fee and the expenses. The Petitioner *vide* affidavit dated 22.3.2021 and 5.4.2021 has filed rejoinders to the reply of UPPCL and BRPL respectively.

6. BRPL has submitted that it objects to the reopening of the tariff of the 2001-04, 2004-09 and 2009-14 periods based on the APTEL's judgements contending that the Commission had only referred to a small portion of the Hon'ble Supreme Court of India in the matter of U.P. Power Corporation Limited Vs. National Thermal Power Corporation Limited reported in (2009) 6 SCC 235 and not the entire Judgement. It has submitted that the Commission may re-examine the whole issue after considering the entirety of the Judgment of the Hon'ble Supreme Court of India and decide if the same is applicable to the facts of this case. BRPL contended that the claim to increase the tariff is permissible only when the tariff is in force and not afterwards. Further, BRPL submits that the Commission may re-visit its order dated 6.11.2019 in Petition No. 288/TT/2019, Petition No. 300/TT/2019, Petition No. 301/TT/2019 and Petition No. 305/TT/2019 in view of the facts and legal position and the Judgment of the Hon'ble Supreme Court.



7. In response, the Petitioner has submitted that similar objections were raised by the Respondent BRPL in previous petitions wherein vide orders dated 31.7.2020 in Petition No. 288/TT/2019 and dated 5.3.2021 in Petition No. 290/TT/2020, the Commission allowed the revision of tariff for 2001-04, 2004-09 and 2009-14 periods.

8. We have considered the submissions of the Petitioner and BRPL. As regards the submission of BRPL contending that for revision of tariff for the earlier periods on account of judgement of APTEL and that of the Hon'ble Supreme Court, the Commission has become functus officio, it is brought before us that the Commission, by a combined order dated 6.11.2019 in Petition No.288/TT/2019, Petition No. 300/TT/2019, Petition No. 301/TT/2019 and Petition No. 305/TT/2019, has already rejected the contentions of BRPL. In view of the order dated 6.11.2019 in Petition No.288/TT/2019, Petition No. 300/TT/2019, Petition No. 301/TT/2019 and Petition No. 305/TT/2019, the preliminary objections of BRPL are rejected.

9. The other issues raised by BRPL and UPPCL, and the clarifications given by the Petitioner are considered in the relevant portions of this order.

10. The hearing in this matter was held on 24.3.2021 and the order was reserved. This order is issued considering the submissions made by the Petitioner in the petition dated 27.8.2019 and affidavits dated 23.7.2020, 22.3.2021 and 5.4.2021.

11. Having heard the representatives of the Petitioner and the Respondents BRPL and BYPL (who adopted the submissions made on behalf of BRPL) and perused the material on record, we proceed to dispose of the petition.



Re: Interest on Loan (IoL)

12. APTEL while dealing with the issue of computation of IoL, in judgment dated 22.1.2007, observed that IoL for the period from 1.4.1998 to 31.3.2001 shall be computed only on normative loan repayment as per its judgment dated 14.11.2006 in Appeal No. 94 of 2005 and Appeal No. 96 of 2005. APTEL vide its judgment dated 14.11.2006 had set aside the Commission's methodology of computation of loan on the actual repayment basis or normative repayment whichever is higher and held that the Commission is required to adopt normative debt repayment methodology for working out IoL liability for the period 1.4.1998 to 31.3.2001. In view of the above, the interest on loan allowed for 2001-04 and 2004-09 tariff periods is revised on the basis of the normative debt repayment methodology.

Re: Additional Capital Expenditure (ACE)

13. APTEL in its judgment dated 13.6.2007 in Appeal No. 139 of 2006 and batch matters held that ACE after COD should also be considered for computation of maintenance spares. In view of the above, the maintenance spares to be considered for computation of working capital for 2004-09 period are also required to be revised taking into consideration ACE after the date of commercial operation.

Re: Depreciation

14. As regards depreciation, APTEL in its judgement dated 13.6.2007 in Appeal No.139 of 2006 observed that depreciation is an expense and it cannot be deployed for deemed repayment of loan and accordingly directed the Commission to compute the outstanding loan afresh. In view of the above directions of APTEL, the outstanding loan allowed for the transmission asset for the 2004-09 tariff period is revised in the



instant order. In view of the directions of APTEL, the outstanding loan allowed for the transmission asset for the 2004-09 periods is revised in the instant order.

15. The revision of transmission tariff allowed for the 2001-04 and 2004-09 tariff periods necessitates the revision of transmission tariff allowed for the 2009-14 tariff period, which is also being done in the present order. The implementation of the directions of APTEL in judgments dated 22.1.2007 in Appeal No. 81 of 2005 and batch matters and dated 13.6.2007 in Appeal No. 139 of 2006 and batch matters was kept pending in case of the Petitioner awaiting the outcome of the Civil Appeals filed before the Hon'ble Supreme Court. Taking into consideration the facts of the case and keeping in view the interest of the consumers, we are of the view that the beneficiaries should not be burdened with the carrying cost for the difference in the tariff allowed earlier and allowed in the instant order for the 2001-04, 2004-09 and 2009-14 tariff periods. Therefore, we direct that the Petitioner will neither claim nor pay any carrying cost from or to the beneficiaries for the difference, if any, in the tariff allowed earlier and the tariff being allowed in the instant order. Further, the said difference in tariff shall be recovered/ paid over a period of six months from the date of issue of this order.

16. The tariff from COD to 31.3.2004 for the transmission asset was allowed *vide* order dated 27.7.2005 in Petition No. 191/2004. The transmission tariff for the 2004-09 tariff period was allowed *vide* order dated 19.6.2006 and 25.1.2007 in Petition No. 118/2005 in accordance with the 2004 Tariff Regulations. The transmission tariff for the 2009-14 tariff period was allowed *vide* order dated 20.12.2010 in Petition No. 139/2009 in accordance with the 2009 Tariff Regulations. Further, the tariff for the



2009-14 tariff period was trued-up and tariff for the 2014-19 tariff period was allowed *vide* order dated 14.3.2016 in Petition No. 191/TT/2014.

Revision of Transmission Charges Allowed for the period from COD to 31.3.2004, 2004-09 and 2009-14 Tariff Periods

2001-04 Period

17. The Petitioner has submitted that there is no impact in 2001-04 period as normative repayment as per APTEL definition have been taken in the order and additional capital expenditure being very little, there is no significant impact on tariff on account of increase in maintenance spares.

18. Accordingly, we have not considered the revision of tariff of 2001-04 tariff period in the instant order.

2004-09 Tariff Period

19. The Commission allowed the transmission charges for the 2004-09 tariff period *vide* orders dated 19.6.2006 and 25.1.2007 in Petition No. 118/2005. The transmission charges allowed for the transmission asset are as follows:

Particulars	(₹ in lakh)				
	2004-05	2005-06	2006-07	2007-08	2008-09
Depreciation	45.74	45.75	45.75	45.75	45.75
Interest on Loan	64.75	61.25	57.65	53.37	48.49
Return on Equity	51.62	51.62	51.62	51.62	51.62
Advance against Depreciation	0.00	0.00	0.00	13.20	20.73
Interest on Working Capital	4.87	4.92	4.97	5.25	5.42
O&M Expenses	28.12	29.25	30.42	31.63	32.90
Total	195.10	192.79	190.41	200.82	204.91

20. The Petitioner has claimed the following revised AFC for the transmission assets for the 2004-09 tariff period:



(₹ in lakh)

Particulars	2004-05	2005-06	2006-07	2007-08	2008-09
Depreciation	45.74	45.75	45.75	45.75	45.75
Interest on Loan	66.25	65.62	64.26	60.52	54.98
Return on Equity	51.62	51.62	51.62	51.62	51.62
Advance against Depreciation	0.00	0.00	0.00	0.00	0.00
Interest on Working Capital	4.98	5.09	5.18	5.25	5.28
O&M Expenses	28.12	29.25	30.42	31.63	32.90
Total	196.71	197.33	197.24	194.77	190.53

21. UPPCL has requested to direct the Petitioner to submit the copy of APTEL order. Further, UPPCL requested to direct the Petitioner to submit details of calculation of rate of interest on loan for the period 2004-09 and 2009-14. In response, the Petitioner, *vide* affidavit dated 5.4.2021, has submitted that actual loan details as given in orders of 2004-09 and 2009-14 have been considered for calculation of weighted average rate of interest. Further, the Petitioner has submitted that the copy of APTEL orders have been provided in Petition No. 255/TT/2019 and further, the same has been submitted *vide* affidavit dated 21.8.2020 in rejoinder to UPPCL in Petition No. 473/TT/2019.

22. BRPL submitted that true-up has to be done based on actual tax rate applicable to the company and based on the truing-up of tariff, if the recovered tariff exceeds the tariff approved, the Petitioner shall refund to beneficiaries along with simple interest. BRPL alleged that the transmission licensees have been allowed huge tax benefits under the Income Tax Act, 1961 in the form of Tax Holiday for enterprises engaged in infrastructure development as per Section 80IA as well as the other benefits like the higher depreciation allowed in initial years. Further, BRPL pointed out that the Petitioner was allowed the grossing up of RoE in order dated 14.3.2016 in Petition No. 191/TT/2014 and the claim for grossing up can be allowed only if the Petitioner can



submit any document indicating payment of tax on its transmission business. BRPL has submitted that the Commission may revisit the order dated 14.3.2016 in Petition No. 191/TT/2014 to correct any incorrect decision in accordance with the APTEL's Judgment dated 12.5.2015 in Appeal Nos. 129 and batch.

23. In response to BRPL's query, the Petitioner has submitted that similar queries are being raised by UPPCL and BRPL in almost all the petitions and a detailed reply has already been submitted in Petition No. 24/TT/2020 vide affidavit dated 10.8.2020. Accordingly, the Petitioner has requested to consider the reply filed in Petition No. 24/TT/2020 for the instant petition.

24. We have considered the submissions of UPPCL, BRPL and the Petitioner's claim. All the issues raised by BRPL have been discussed in detail in order dated 31.3.2021 of this Commission in Petition No. 104/TT/2020, order dated 31.3.2021 in Petition No. 313/TT/2019 and several other orders of this Commission. In terms of the said order and in view of the clarification given by the Petitioner, we do not find merit in the submissions of BRPL and the same are rejected. As regards contentions of UPPCL, we note that order of APTEL is available on its website and the same has been provided by the Petitioner in other orders. However, we direct that the Petitioner should make available all documents in relevant petition rather than referring to some other petitions.

25. Accordingly, the transmission tariff is allowed for the transmission asset for the 2004-09 period on the basis of the following:

- a. The admitted capital cost and ACE approved by the Commission for the 2004-09 period is as follows:



(₹ in lakh)

Admitted Capital Cost as on 1.4.2004	ACE	Admitted Capital Cost as on 31.3.2009
	2004-05	
1273.02	0.20	1273.22

b. Weighted Average Rate of Interest on actual loan derived/ adopted from order dated 19.6.2006 & 25.1.2007 in Petition No. 118/2005.

c. Weighted Average Rate of Depreciation, Rate of Interest for Working Capital and O&M Expenses as per order dated 19.6.2006 and 25.1.2007 in Petition No. 118/2005.

d. Maintenance Spares component of Interest on Working Capital is adjusted w.r.t ACE incurred during the 2004-09 period.

26. In view of the above, the revised AFC allowed for the transmission asset for the 2004-09 tariff period is as follows:

(₹ in lakh)

Particulars	2004-05	2005-06	2006-07	2007-08	2008-09
Depreciation	45.74	45.75	45.75	45.75	45.75
Interest on Loan	66.25	65.62	64.26	60.52	54.98
Return on Equity	51.62	51.62	51.62	51.62	51.62
Advance against Depreciation	0.00	0.00	0.00	0.00	0.00
Interest on Working Capital	4.92	5.02	5.11	5.17	5.20
O&M Expenses	28.12	29.25	30.42	31.63	32.90
Total	196.65	197.25	197.16	194.68	190.45

27. AFC allowed vide order dated 25.1.2007 in Petition No. 118/2005 for 2004-09 period, the revised AFC claimed in the instant petition and revised AFC approved in the instant order is as follows:

Particulars	2004-05	2005-06	2006-07	2007-08	2008-09
AFC allowed vide order dated 19.6.2006 & 25.1.2007 in Petition No. 118/2005	195.10	192.79	190.41	200.82	204.91
AFC claimed by the Petitioner in the instant petition	196.71	197.33	197.23	194.77	190.53
AFC approved in the instant order	196.65	197.25	197.16	194.68	190.45



2009-14 Tariff Period

28. The Commission *vide* order dated 20.12.2010 in Petition No. 139/2009 approved the tariff for 2009-14 tariff period and subsequently, *vide* order dated 14.3.2016 in Petition No. 191/TT/2014 had tried up the tariff allowed for the 2009-14 tariff period. The same has been summarised as under:

(₹ in lakh)					
Particulars	2009-10	2010-11	2011-12	2012-13	2013-14
Depreciation	67.10	67.10	67.10	67.10	67.10
Interest on Loan	43.67	38.81	34.07	29.06	24.04
Return on Equity	68.85	71.37	71.44	71.44	72.30
Interest on Working Capital	6.36	6.47	6.53	6.59	6.68
O&M Expenses	52.40	55.40	58.57	61.92	65.46
Total	238.38	239.15	237.71	236.11	235.58

29. The Petitioner has claimed the following revised transmission charges for the transmission assets for the 2009-14 tariff period in this petition:

(₹ in lakh)					
Particulars	2009-10	2010-11	2011-12	2012-13	2013-14
Depreciation	67.10	67.10	67.10	67.10	67.10
Interest on Loan	49.85	44.99	40.27	35.24	30.19
Return on Equity	68.85	71.37	71.44	71.44	72.30
Interest on Working Capital	6.49	6.59	6.66	6.72	6.81
O&M Expenses	52.40	55.40	58.57	61.92	65.46
Total	244.69	245.46	244.04	242.42	241.86

30. The transmission tariff for the 2009-14 is revised for the transmission asset on the basis of the following:

- a) The admitted capital cost and ACE approved by the Commission for the 2009-14 period is as follows:

(₹ in lakh)		
Admitted Capital Cost as on 1.4.2009	ACE for the 2009-14 period	Admitted Capital Cost as on 31.3.2014
1273.22	0.00	1273.22

- b) Weighted Average Rate of Interest on actual loan derived/ adopted from order dated 14.3.2016 in Petition No. 191/TT/2014.



c) Weighted Average Rate of Depreciation as per order dated 14.3.2016 in Petition No. 191/TT/2014.

31. In view of the above, the revised transmission charges allowed for the transmission asset for the 2009-14 tariff period is as follows:

(₹ in lakh)					
Particulars	2009-10	2010-11	2011-12	2012-13	2013-14
Depreciation	67.10	67.10	67.10	67.10	67.10
Interest on Loan	49.85	44.99	40.27	35.24	30.18
Return on Equity	68.85	71.37	71.44	71.44	72.30
Interest on Working Capital	6.49	6.59	6.66	6.72	6.81
O&M Expenses	52.40	55.40	58.57	61.92	65.46
Total	244.69	245.45	244.04	242.42	241.85

32. AFC allowed vide order dated 14.3.2016 in Petition No. 191/TT/2014 for 2009-14 period, the revised AFC claimed in the instant petition and revised AFC approved in the instant order is as follows:

(₹ in lakh)					
Particulars	2009-10	2010-11	2011-12	2012-13	2013-14
AFC allowed vide order dated 14.3.2016 in Petition No. 191/TT/2014	238.38	239.15	237.71	236.11	235.58
AFC claimed by the Petitioner in the instant petition	244.69	245.45	244.04	242.42	241.86
AFC approved in the instant order	244.69	245.45	244.04	242.42	241.85

Truing Up of Annual Fixed Charges from 1.4.2014 to 31.10.2015

33. Confirmation from the Petitioner was sought through Technical Validation letter that whether the asset (Series Compensation on Panki-Muradnagar 400 kV S/C Line of UPPCL in the Northern Region) is currently in use and to furnish information in respect of de-capitalisation, if any. In response, the Petitioner has submitted that the Fixed Series Capacitor (FSC) unit (76.5 MVAR) was installed in 400 kV Muradnagar-Panki Transmission Line at 400/220 kV UPPTCL Muradnagar Sub-station on 1.2.2004. After loop-in loop-out (LILO) of the transmission line at Aligarh (UPPTCL)



Sub-station in October 2015, the length of 400 kV Muradnagar-Aligarh Transmission Line has got reduced to 177 km from the earlier length of 396 km. FSC is currently in healthy condition. However, based on system condition, it has been kept out of service by System Operator and can be taken into service as per requirement. The Petitioner has requested to allow the transmission tariff as the transmission asset is out of service due to system requirement and its useful life is still remaining.

34. During the hearing on 24.3.2021, in response to a specific query of the Commission regarding the feasibility of shifting/ using the asset, the representative of the Petitioner submitted that they will be able to clarify the same after discussion with CTU.

35. We have considered the submission made by the Petitioner. The Petitioner has submitted that the transmission asset has been kept out of service as per the decision of the system operator. It is clear that the system operator is not the appropriate body to decide to keep transmission assets out of service. UPPCL has constructed LILO of the transmission line (instant transmission asset) and the reasons for LILO are not clear from the submissions of the Petitioner. It is also noted that the Petitioner has not discussed issue of keeping the transmission asset out of service in any RPC meeting and rather this is the Petitioner's decision.

36. Regulation 9(6)(a) of the 2014 Tariff Regulations provides as follows:

“9(6) The following shall be excluded or removed from the capital cost of the existing and new project:

(a) The assets forming part of the project, but not in use;

.....”

37. Therefore, we are not inclined to allow the tariff from the day the transmission asset is not in use, i.e., from 31.10.2015. The Petitioner is at liberty to approach the



concerned RPC and CTU for feasibility of shifting/ using the transmission asset and based on the decision of RPC and CTU, the Petitioner may approach the Commission.

38. The details of the transmission charges claimed by the Petitioner in respect of the transmission asset is as follows:

(₹ in lakh)					
Particulars	2014-15	2015-16	2016-17	2017-18	2018-19
Depreciation	67.10	67.10	33.67	33.67	33.67
Interest on Loan	25.13	20.04	16.21	13.60	11.05
Return on Equity	72.36	72.69	72.65	72.65	72.85
Interest on Working Capital	7.12	7.12	6.38	6.44	6.50
O&M Expenses	60.30	62.30	64.37	66.51	68.71
Total	232.01	229.25	193.28	192.87	192.78

39. The details of IWC claimed by the Petitioner in respect of the transmission asset is as follows:

(₹ in lakh)					
Particulars	2014-15	2015-16	2016-17	2017-18	2018-19
O&M Expenses	5.03	5.19	5.36	5.54	5.73
Maintenance Spares	9.05	9.35	9.66	9.98	10.31
Receivables	38.67	38.21	32.21	32.15	32.13
Total Working Capital	52.75	52.75	47.23	47.67	48.17
Rate of Interest (in %)	13.50	13.50	13.50	13.50	13.50
Interest on Working Capital	7.12	7.12	6.38	6.44	6.50

Capital Cost as on 1.4.2014

40. The capital cost of ₹1273.22 lakh as admitted by the Commission as on 31.3.2014 has been considered as opening capital cost as on 1.4.2014 by the Petitioner for determination of tariff. The same capital cost has been considered to work out true-up tariff for the 2014-19 tariff period in accordance with Regulation 9(3) of the 2014 Tariff Regulations.



41. BRPL has submitted that the Petitioner has opted for deemed cost exemption as per paragraph D7 AA of IND AS 101 'First time Adoption' of Indian Accounting Standard which is resulting in increase of tariff. It has also submitted that adoption of Indian Accounting Standard is for the purposes of the Companies Act, 2013 and not for the purposes of the Tariff Regulations which provides its own procedure for computation of tariff.

42. We have considered the submissions of BRPL. The Commission vide order dated 24.1.2021 in Petition No. 136/TT/2020 has already dealt with the concerns of the BRPL. In terms of our findings in Petition No. 136/TT/2020, there is no merit in the submissions of the BRPL and, hence, the same are rejected.

Additional Capital Expenditure (ACE)

43. The Commission vide order dated 14.3.2016 in Petition No. 191/TT/2014 had not allowed any ACE during the 2014-19 tariff period. The Petitioner in the instant true-up petition has not claimed any ACE for the 2014-19 tariff period.

44. Accordingly, the details of the capital cost as on 1.4.2014, and capital cost as on 31.10.2015 for the transmission asset is as follows:

(₹ in lakh)		
Admitted Capital Cost as on 31.3.2014	ACE for 2014-15 and 2015-16	Total Capital Cost as on 31.10.2015
1273.22	0.00	1273.22

Debt-Equity ratio

45. The Petitioner has claimed opening debt-equity ratio as approved by the Commission vide order dated 14.3.2016 in Petition No. 191/TT/2014. The debt and equity allowed for the transmission asset for determination of tariff for the period ending 31.3.2014 has been considered as opening debt and equity of the project as



on 1.4.2014. The details of the debt-equity ratio allowed in respect of the transmission asset as on 1.4.2014 and as on 31.10.2015 is as follows is as follows:

Particulars	Capital Cost as on 1.4.2014 (₹ in lakh)	(in %)	Capital Cost as on 31.10.2015 (₹ in lakh)	(in %)
Debt	904.51	71.04	904.51	71.04
Equity	368.71	28.96	368.71	28.96
Total	1273.22	100.00	1273.22	100.00

Depreciation

46. The Gross Block has been depreciated at weighted average rate of depreciation (WAROD) during 2014-15 and 2015-16. WAROD at Annexure-I has been worked out after taking into account the depreciation rates of assets as prescribed in the 2014 Tariff Regulations. Accordingly, the depreciation allowed during the 2014-19 period is as follows:

Particulars	(₹ in lakh)	
	2014-15	2015-16 (pro-rata 214 days)
Opening Gross Block	1273.22	1273.22
ACE	0.00	0.00
Closing Gross Block	1273.22	1273.22
Average Gross Block	1273.22	1273.22
Freehold Land	2.47	2.47
Weighted average rate of Depreciation (WAROD) (in %)	5.27	5.27
Balance useful life of the asset (Years)	15	14
Lapsed life at the beginning of the year (Years)	10	11
Aggregate Depreciable Value	1143.68	1143.68
Combined Depreciation during the year	67.10	39.23
Aggregate Cumulative Depreciation	638.84	678.07
Remaining Aggregate Depreciable Value	504.84	465.61

47. Accordingly, depreciation allowed vide order dated 14.3.2016 in Petition No. 191/TT/2014, claimed by the Petitioner in the instant petition and trued-up depreciation is as follows:



(₹ in lakh)

Particulars	2014-15	2015-16 (pro-rata 214 days)
Allowed vide order dated 14.3.2016 in Petition No. 191/TT/2014	67.10	67.10
Claimed by the Petitioner in the instant petition	67.10	67.10
Approved after true-up in this order	67.10	39.23

Interest on Loan (IoL)

48. The Petitioner has claimed the weighted average rate of IoL based on its actual loan portfolio and rate of interest. UPPCL has requested to direct the Petitioner to rectify the cumulative loan repayment to ₹571.77 lakh as against the Petitioner's submitted figures of ₹520.71 lakh. Further, UPPCL has requested to consider IoL as nil for 2016-17, 2017-18 and 2018-19 as the asset has already completed 12 years of life during 2015-16. In response, the Petitioner has submitted that the cumulative loan repayment of ₹520.71 lakh can be verified from the tariff calculation of the 2009-14 tariff period. Further, IoL has been computed as per the 2014 Tariff Regulations and depends on loan outstanding instead of completion of 12 years of useful life.

49. We have considered the submissions of the Petitioner and the Respondent, UPPCL. IoL has been calculated based on actual interest rate, in accordance with Regulation 26 of the 2014 Tariff Regulations. IoL allowed in respect of the transmission asset for the 2014-19 tariff period is as follows:

(₹ in lakh)

Particulars	2014-15	2015-16 (pro-rata 214 days)
Gross Normative Loan	904.51	904.51
Cumulative Repayments up to Previous Year	520.69	587.79
Net Loan-Opening	383.82	316.72
Additions	0.00	0.00
Repayment during the year	67.10	39.23
Net Loan-Closing	316.72	277.49
Average Loan	350.27	297.11
Weighted Average Rate of Interest on Loan (in %)	7.1748	7.0783
Interest on Loan	25.13	12.30



50. Accordingly, IoL allowed vide order dated 14.3.2016 in Petition No. 191/TT/2014, claimed by the Petitioner in the instant petition and trued-up IoL is as follows:

Particulars	(₹ in lakh)	
	2014-15	2015-16 (pro-rata 214 days)
Allowed vide order dated 14.3.2016 in Petition No. 191/TT/2014	19.03	14.03
Claimed by the Petitioner in the instant petition	25.13	20.04
Approved after true-up in this order	25.13	12.30

Return on Equity (RoE)

51. The Petitioner has claimed RoE for the transmission asset in terms of Regulations 24 and 25 of the 2014 Tariff Regulations. The Petitioner has submitted that it is liable to pay income tax at MAT rates and has claimed following effective tax rates for the 2014-19 period:

Year	Claimed effective tax rate (in %)	Grossed-up RoE [(Base Rate/(1-t)) (in %)]
2014-15	21.018	19.625
2015-16	21.382	19.716
2016-17	21.338	19.705
2017-18	21.337	19.704
2018-19	21.549	19.758

52. UPPCL submitted that RoE in respect of the transmission asset covered under this petition has to be revised on the basis of MAT rates approved by Income Tax authority.

53. In response, the Petitioner has submitted that effective rate of tax considered for the years 2014-15, 2015-16 and 2016-17 are based on Assessment Orders issued by IT Authorities, for the purpose of grossing up of RoE rate. Further, the effective rate of tax considered for the years 2017-18 and 2018-19 are based on the IT returns filed, for the purpose of grossing up of RoE rates of respective years. Further, it is submitted that the Petitioner has so far been granted trued-up tariff of 2014-19 period by the



Commission vide order dated 18.4.2020 in Petition No. 247/TT/2019, order dated 27.4.2020 in Petition No. 274/TT/2019, order dated 23.4.2020 in Petition No. 245/TT/2019 and order dated 16.4.2020 in Petition No. 307/TT/2019 for transmission assets under the respective petitions.

54. The Petitioner has requested to allow the differential tariff on account of the trued-up ROE based on effective tax rate calculated on completion of IT assessment/ re-assessment for the years 2014-15, 2015-16, 2016-17, 2017-18 and 2018-19 on receipt of the respective assessment orders, directly from the beneficiaries, on year to year basis as provided in the 2014 Tariff Regulations.

55. We have considered the submissions of the Petitioner and UPPCL. In view of the issues having been decided in several previous petitions, we are of the view that there is no merit in the contention of UPPCL and, hence, reject the same. The Commission *vide* order dated 27.4.2020 in Petition No. 274/TT/2019 had arrived at the effective tax rate for the Petitioner based on the notified MAT rates as follows:

Year	Notified MAT rates (in %) (inclusive of surcharge & cess)	Effective tax (in %)
2014-15	20.961	20.961
2015-16	21.342	21.342
2016-17	21.342	21.342
2017-18	21.342	21.342
2018-19	21.549	21.549

56. The MAT rates considered for the purpose of grossing up of rate of RoE for truing up of the tariff of the 2014-19 period in terms of the provisions of the 2014 Tariff Regulations, is considered in the instant case, which is as follows:

Year	Notified MAT rates (in %) (inclusive of surcharge & cess)	Base rate of RoE (in %)	Grossed-up RoE [(Base Rate/(1-t))] (in %)
2014-15	20.961	15.50	19.610
2015-16	21.342	15.50	19.705



2016-17	21.342	15.50	19.705
2017-18	21.342	15.50	19.705
2018-19	21.549	15.50	19.758

57. The Petitioner has claimed RoE for the 2014-19 period after grossing up the RoE of 15.50% with Effective Tax rates (based on MAT rates) of each year as per the above said Regulation. The trued-up RoE for the 2014-19 tariff period is allowed on the basis of the MAT rate applicable in the respective years and is allowed as follows:

(₹ in lakh)

Particulars	2014-15	2015-16 (pro-rata 214 days)
Opening Equity	368.71	368.71
Additions	0.00	0.00
Closing Equity	368.71	368.71
Average Equity	368.71	368.71
Return on Equity (Base Rate) (in %)	15.500	15.500
MAT Rate for respective year (in %)	20.961	21.342
Rate of Return on Equity (in %)	19.610	19.705
Return on Equity	72.30	42.48

58. Accordingly, RoE allowed vide order dated 14.3.2016 in Petition No. 191/TT/2014, claimed by the Petitioner in the instant petition and trued-up RoE is as follows:

(₹ in lakh)

Particulars	2014-15	2015-16 (pro-rata 214 days)
Allowed vide order dated 14.3.2016 in Petition No. 191/TT/2014	72.30	72.30
Claimed by the Petitioner in the instant petition	72.36	72.69
Approved after true-up in this order	72.30	42.48

Operation & Maintenance Expenses (O&M Expenses)

59. Regulation 29(3) of the 2014 Tariff Regulations specifies the norms for O&M Expenses for the transmission system. The trued-up O&M Expenses for the transmission asset claimed by the Petitioner is as follows:



(₹ in lakh)

Particulars	2014-15	2015-16	2016-17	2017-18	2018-19
Sub-station (400 kV bay for Series Compensation on Panki-Muradnagar)					
O&M Expenses	60.30	62.30	64.37	66.51	68.71

60. The Commission has considered the submissions made by the Petitioner. The O&M expenses determined are in line with the norms specified in Regulation 29(3) of the 2014 Tariff Regulations and are allowed as follows:

Particulars	2014-15	2015-16 (pro-rata 214 days)
Sub-station		
1 Number of 400 kV bay for Series Compensation on Panki-Muradnagar		
Number of bays	1	1
Norms (₹ lakh/Bay)	60.30	62.30
Total O&M Expense (₹ in lakh)	60.30	36.43

61. Accordingly, O&M Expenses approved vide order dated 14.3.2016 in Petition No. 191/TT/2014, claimed by the Petitioner in the instant petition and true-up O&M Expenses are as follows:

(₹ in lakh)

Particulars	2014-15	2015-16 (pro-rata 214 days)
Allowed vide order dated 14.3.2016 in Petition No. 191/TT/2014	60.30	62.30
Claimed by the Petitioner in the instant petition	60.30	62.30
Approved after true-up in this order	60.30	36.43

Interest on Working Capital (IWC)

62. IWC has been worked out as per the methodology provided in Regulation 28 of the 2014 Tariff Regulations and allowed for the 2014-19 tariff period as follows:

(₹ in lakh)

Particulars	2014-15	2015-16 (pro-rata 214 days)
O&M Expenses (O&M Expenses for 1 month)	5.03	5.19
Maintenance Spares (15% of O&M Expenses)	9.05	9.35
Receivables (Equivalent to 2 months of annual fixed cost)	38.66	38.37



Total Working Capital	52.73	52.91
Rate of Interest (in %)	13.50	13.50
Interest on Working Capital	7.12	4.18

63. Accordingly, IWC allowed vide order dated 14.3.2016 in Petition No. 191/TT/2014, claimed by the Petitioner in the instant petition and trued-up IWC is as follows:

Particulars	(₹ in lakh)	
	2014-15	2015-16 (pro-rata 214 days)
Allowed vide order dated 14.3.2016 in Petition No. 191/TT/2014	6.98	6.97
Claimed by the Petitioner in the instant petition	7.12	7.12
Approved after true-up in this order	7.12	4.18

Approved Annual Fixed Charges of the 2014-19 Tariff Period

64. The trued-up annual fixed charges approved for the transmission asset for the 2014-19 tariff period is as follows:

Particulars	(₹ in lakh)	
	2014-15	2015-16 (pro-rata 214 days)
Depreciation	67.10	39.23
Interest on Loan	25.13	12.30
Return on Equity	72.30	42.48
Interest on Working Capital	7.12	4.18
O&M Expenses	60.30	36.43
Total	231.95	134.61

65. Accordingly, the Annual Transmission Charges allowed vide order dated 14.3.2016 in Petition No. 191/TT/2014, claimed by the Petitioner and approved after truing up in the instant order is as follows:

Particulars	(₹ in lakh)	
	2014-15	2015-16 (pro-rata 214 days)
AFC allowed vide order dated 14.3.2016 in Petition No. 191/TT/2014	225.71	222.70
AFC claimed by the Petitioner in the instant petition	232.01	229.25
AFC approved in the instant order	231.95	134.61



Filing Fee and the Publication Expenses

66. The Petitioner has sought reimbursement of fee paid by it for filing the petition and publication expenses. BRPL has submitted that though the Commission can allow filing fee and publication expenses at its discretion under Regulation 52(1) of the 2014 Tariff Regulations, but the exercise of such discretion is a judicial discretion in the adjudication of tariff for which no justification has been filed by the Petitioner. BRPL also referred to the Commission's order dated 11.9.2008 in Petition No. 129 of 2005 where it declined the claim of Central Power Sector undertakings for allowing the reimbursement of the application filing fee.

67. In response to BRPL's query, the Petitioner has submitted that similar queries are being raised by respondents in almost all the petitions and a detailed reply has already been submitted in Petition No. 24/TT/2020 vide affidavit dated 10.8.2020 Accordingly, the Petitioner has requested the Commission to consider the reply filed in Petition No. 24/TT/2020 for the instant petition.

68. We have considered the submissions of the Petitioner and BRPL. We allow the Petitioner's claim for reimbursement of the filing fees and publication expenses in connection with the present petition, directly from the beneficiaries on pro-rata basis in accordance with Regulation 52(1) of the 2014 Tariff Regulations.

Licence Fee & RLDC Fees and Charges

69. UPPCL has submitted that the license fee is the onus of the Petitioner. In response, the Petitioner submitted that Regulation 52 of 2019 Tariff Regulation authorizes to recover Licensee fee separately from the respondents. The fees and charges to be paid by the Petitioner as ISTS licensee (deemed ISTS licensee) under



Central Electricity Regulatory Commission (Fees and Charges of RLDC and other matters) Regulations, 2015 as amended from time to time shall also be recoverable from the DICs as provided under Regulation 52 of the 2014 Tariff Regulations.

70. We have considered the submission made by the Petitioner and the Respondent, UPPCL. We allow the Petitioner's claim for reimbursement of licence fee in accordance with Regulations 52(2)(a) and 52(2)(b) of the 2014 Tariff Regulations.

Goods and Services Tax

71. The Petitioner has submitted that if GST is levied at any rate and at any point of time in future on Charges of Transmission of Electricity, the same shall be borne and additionally paid by the respondent(s) to the Petitioner and the same shall be charged & billed separately by the Petitioner. Further additional taxes, if any, are to be paid by the Petitioner on account of demand from Government/ Statutory authorities, the same may be allowed to be recovered from the beneficiaries.

72. BRPL has submitted that the demand of the Petitioner is premature and need not be considered at this juncture. In response to BRPL's query, the Petitioner has submitted that similar queries are being raised by respondents in almost all the petitions and a detailed reply has already been submitted in Petition No. 24/TT/2020 vide affidavit dated 10.8.2020. Accordingly, the Petitioner has requested the Commission to consider the reply filed in Petition No. 24/TT/2020 for the instant petition.

73. We have considered the submission of the Petitioner and BRPL. Since GST is not levied on transmission service at present, we are of the view that Petitioner's prayer is premature.



Sharing of Transmission Charges

74. The billing, collection and disbursement of the transmission charges for the tariff periods 2004-09 and 2009-14 (up to 30.6.2011), the transmission charges for inter-State transmission systems were being shared in accordance with the tariff regulations for the respective tariff periods. With effect from 1.7.2011, sharing of transmission charges for inter-State transmission systems is governed by the Central Electricity Regulatory Commission (Sharing of Transmission Charges and Losses) Regulations, 2010 and with effect from 1.11.2020, sharing is governed by the Central Electricity Regulatory Commission (Sharing of Transmission Charges and Losses) Regulations, 2020 (in short, 'the 2020 Sharing Regulations'). Accordingly, the liabilities of the DICs for arrears of transmission charges determined through this order shall be computed DIC-wise in accordance with the provisions of respective Tariff Regulations and shall be recovered from the concerned DICs through Bill 2 under Regulation 15(2)(b) of the 2020 Sharing Regulations.

75. To summarise:

- a) The revised Annual Fixed Charges allowed for the transmission assets for the 2001-04 and 2004-09 tariff periods as per the APTEL's judgements are:

Particulars	(₹ in lakh)					
	2003-04 (pro-rata 2 months)	2004-05	2005-06	2006-07	2007-08	2008-09
AFC	28.68	196.65	197.25	197.16	194.68	190.45

- b) The consequential revision of Annual Fixed Charges allowed for the instant asset for the 2009-14 tariff period are:

Particulars	(₹ in lakh)				
	2009-10	2010-11	2011-12	2012-13	2013-14
AFC	244.69	245.45	244.04	242.42	241.85



c) The trued-up Annual Fixed Charges allowed for the 2014-19 tariff period is as follows:

(₹ in lakh)		
Particulars	2014-15	2015-16 (pro-rata 214 days)
AFC	231.95	134.61

76. Annexure-I to this order shall form part of the order.

77. This order disposes of Petition No. 358/TT/2019 in terms of the above discussion and findings.

sd/-
(Pravas Kumar Singh)
Member

sd/-
(Arun Goyal)
Member

sd/-
(I. S. Jha)
Member

sd/-
(P. K. Pujari)
Chairperson



ANNEXURE-I**DETAILS OF WEIGHTED AVERAGE RATE OF DEPRECIATION FOR THE 2014-19
TARIFF PERIOD**

2014-19 Capital Expenditure	Combined Admitted Capital Cost as on 1.4.2014 (₹ in lakh)	Admitted Capital Cost as on 31.3.2019 (₹ in lakh)	Rate of Depreciation as per Regulations	Annual Depreciation as per Regulations (₹ in lakh)	
				2014-15	2015-16
Land – Freehold	2.47	2.47	0.00%	0.00	0.00
Land - Leasehold	0.00	0.00	3.34%	0.00	0.00
Building Civil Works & Colony	0.00	0.00	3.34%	0.00	0.00
Transmission Line	0.00	0.00	5.28%	0.00	0.00
Sub Station	1270.75	1270.75	5.28%	67.10	67.10
PLCC	0.00	0.00	6.33%	0.00	0.00
IT Equipment (Incl. Software)	0.00	0.00	5.28%	0.00	0.00
Total	1273.22	1273.22	Total	67.10	67.10
Average Gross Block (₹ in lakh)				1273.22	1273.22
Weighted Average Rate of Depreciation				5.27%	5.27%

