

CENTRAL ELECTRICITY REGULATORY COMMISSION

NEW DELHI

Petition No. 333/TT/2022

Subject : Petition for revision of transmission tariff for 2019-24 tariff and approval for one-time reimbursement of unrecovered depreciation under Power to Relax and Power to Remove Difficulty in respect of one no. of asset.

Date of Hearing : 1.12.2022

Coram : Shri I.S. Jha, Member
Shri Arun Goyal, Member
Shri P. K. Singh, Member

Petitioner : Power Grid Corporation of India Ltd.

Respondents : Uttar Pradesh Power Corporation Ltd.
and 14 others

Parties present : Shri S.S. Raju, PGCIL
Shri Zafrul Hasan, PGCIL
Shri Ashish Alankar, PGCIL
Ms. Ashita Chauhan, PGCIL
Shri Pankaj Sharma, PGCIL

Record of Proceedings

Case was called out for hearing.

2. The representative of the Petitioner has made the following submissions:
 - a. The instant petition has been filed for revision of tariff of 2019-24 tariff period and approval of one-time reimbursement of unrecovered depreciation under Power to Relax and Power to Remove Difficulty 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.
 - b. Instant asset was put under commercial operation on 1.7.2002.
 - c. The Commission vide order dated 1.2.2021 in Petition No. 7/TT/2020 had determined the tariff for the instant transmission asset for the 2019-24 tariff period. However, the Commission had disallowed the ACE projected against upgradation of FSCs and directed the Petitioner to claim the same



at the time of truing up of the 2019-24 tariff period with a comprehensive report from OEM, system studies and to approach RPC/OCC to seek consent of beneficiaries.

d. The matter was taken up with CTU for carrying out the load flow study for requirement of FSC at Ballabgarh and meeting was held on 3.8.2021 with stakeholders under the chairmanship of Chief Engineer (PSPA-1), CEA. Based on the meeting with the CTU, the matter was taken up in the 49th NRPC held on 27.9.2021 and 47th TCC held on 23.9.2021 and 24.9.2021. Further, the matter was taken up for discussion in 4th meeting of NRPC-TP held on 5.10.2021 and 12.10.2021, wherein it was decided that there is no requirement of refurbishment of FSC at Kanpur-Ballabgarh Line-1.

e. Therefore, as discussed in CEA, TCC/NRPC and NRPC-TP, instant asset is not required and further the same cannot be reallocated to other location as FSC is being designed for a particular line with specific line parameters like Short Circuit MVA. Therefore, it is proposed to de-capitalise the instant asset w.e.f. 3.8.2021.

f. As the asset is being de-capitalised before the completion of useful life of the asset, the same will lead to financial loss to the Petitioner. De-capitalizing of the instant asset on account of non-utilization based on system requirement is beyond the control of Petitioner. Therefore, prayed for one-time reimbursement of unrecovered depreciation.

g. No reply has been received from any of the Respondents.

3. The Commission directed the Petitioner to approach the CTUIL to exclude the tariff approved for the instant transmission asset, vide order dated 1.2.2021 in Petition No. 7/TT/2020, from the PoC charges from the date of de-capitalization i.e. 3.8.2021 and to refund the transmission charges collected from the said date from the beneficiaries along with applicable interest in accordance with the 2019 Tariff Regulations.

4. The Commission directed the Respondents to file their reply by 19.12.2022 with an advance copy to the Petitioner, who may file its rejoinder, if any, by 30.12.2022. The Commission further directed the parties to adhere to the timeline for completion of written submissions and observed that no extension of time shall be granted.

5. The matter shall be listed for further hearing on 12.1.2023.

By order of the Commission

sd/-
(V. Sreenivas)
Joint Chief (Law)

