

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

**Review Petition No. 12/RP/2022
in Petition No. 308/TT/2020**

Coram:

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

Date of Order: 29.06.2022

In the Matter of:

Review Petition under Section 94(1)(f) of the Electricity Act, 2003 read with Regulation 17 and Regulation 103 of the Central Electricity Regulatory Commission (Conduct of Business) Regulations, 1999 seeking review of the order dated 28.2.2022 in Petition No. 308/TT/2020.

And in the matter of

North East Transmission Company Limited,
Corporate Office: 2C, 3rd Floor, D-21,
DMRC Building, Corporate Park,
Dwarka, Sector-21, Delhi - 110077.

Registered Office: Vill- East Champamura,
Khayerpur By-Pass Road, P.O. & PS- Old Agartala,
Distt.- West Tripura - 799008.

...Petitioner

Versus

1. **A.** Power Grid Corporation of India Limited,
"Saudamini" Plot No-2, Sector - 29,
Gurgaon - 122001.
B. Central Transmission Utility of India Limited,
Plot No-2, Sector – 29,
Gurgaon, Haryana- 122001.
2. Tripura State Electricity Corporation Limited,
Bidyut Bhawan, North Banamalipur,
Agartala, Tripura- 799001.
3. Assam Electricity Grid Corporation Limited,



Bijulee Bhawan, Paltan Bazar,
Guwahati - 781001.

4. Meghalaya Energy Corporation Limited,
(Formerly Meghalaya State Electricity Board),
Lumjingshai, Short Round Road,
Shillong, Meghalaya - 793001.
5. Department of Power, Government of Nagaland,
Electricity House, A.G. Colony,
Kohima, Nagaland - 797001.
6. Power & Electricity Department, Government of Mizoram,
Kawlphetha Building,
New Secretariat Complex, Khatla,
Aizwal, Mizoram - 796001.
7. Manipur State Electricity Distribution Company Limited,
(Formerly Electricity Department, Government of Manipur),
3rd Floor, New Directorate Building
Near 2nd MR Gate, Imphal Dimapur Road
Imphal West, Imphal, Manipur - 795001.
8. Department of Power, Government of Arunachal Pradesh,
Vidyut Bhawan, O-Point Tinali,
Itanagar, Arunachal Pradesh - 791111.
9. ONGC Tripura Power Company Limited,
10th floor, Core IV & Central,
Scope Minar Laxmi Nagar
Delhi 110092.
10. North Eastern Regional Power Committee,
NERPC Complex, Dong Parmaw, Lapalang,
Shillong, Meghalaya - 793006. **...Respondent(s)**

For Petitioner : Shri M. G. Ramachandran, Senior Advocate, NETCL
Shri Shubham Arya, Advocate, NETCL
Ms. Poorva Saigal, Advocate, NETCL
Shri Ravi Nair, Advocate, NETCL
Ms. Nipun Dave, Advocate, NETCL
Ms. Reeha Singh, Advocate, NETCL

For Respondent : None



ORDER

North East Transmission Company Limited (NETCL) has filed the instant review petition seeking review and modification of the order dated 28.2.2022 in Petition No. 308/TT/2020 whereby tariff for 2014-19 period was trued up and tariff for 2019-24 period was determined in respect of the following assets:

Asset I: 400 kV D/C Platana-Silchar Twin Moose Conductor Transmission line- 247.30 km,

Asset II: 400 kV D/C Silchar- Byrnihat (one circuit on D/C towers) Twin Moose Conductor Transmission Line- 214.41 km,

Asset III: 400 kV D/C Byrnihat-Bongaigaon (one circuit on D/C towers) Twin Moose Conductor Transmission Line-201 km,

Asset IV: 400 kV D/C Silchar- Azara (one circuit on D/C towers) Twin Moose Conductor Transmission Line- 256.41 km,

Asset V: 400 kV D/C Azara-Bongaigaon (one circuit on D/C towers) Twin Moose Conductor Transmission Line-159 km.

2. Order dated 28.2.2022 in Petition No. 308/TT/2020 was issued by the Commission consisting of Shri P. K. Pujari, Chairperson; Shri I. S. Jha, Member; Shri Arun Goyal, Member and Shri P. K. Singh, Member. Shri P. K. Pujari, Chairperson has recently demitted the office. Hence, the instant review petition was heard by coram comprising all the three members of The Commission namely Shri I. S. Jha, Member, Shri Arun Goyal, Member and Shri P. K. Singh, Member.

3. The Review Petitioner has contended that the order dated 28.2.2022 in Petition No.308/TT/2020 consists of apparent errors and has filed the instant review petition on the following grounds:

- (i) The Commission while truing up the Interest on Loan for 2014-19 tariff period considered net interest rate after deducting the rebate from the



interest rate. However, there are arithmetical errors/mismatch in the interest rate considered by the Commission and furnished by the Review Petitioner as per its audited accounts for financial years 2014-15, 2015-16, 2016-17, 2017-18 and 2018-19. The Review Petitioner has submitted a table comparing the interest rates considered by the Commission and submitted by the Review Petitioner in the petition, which is as follows:

ASSETS	2014-15		2015-16		2016-17		2017-18		2018-19	
	As per Audited Financial	As per Order dated 28.02.2022	As per Audited Financial	As per Order dated 28.02.2022	As per Audited Financial	As per Order dated 28.02.2022	As per Audited Financial	As per Order dated 28.02.2022	As per Audited Financial	As per Order dated 28.02.2022
ASSET I	12.22%	12.25%	11.65%	11.40%	11.43%	10.40%	10.60%	9.89%	8.73%	8.79%
ASSET II	12.22%	12.25%	11.65%	11.40%	11.43%	10.40%	10.60%	9.89%	8.73%	8.79%
ASSET III	12.22%	12.25%	11.65%	11.40%	11.43%	10.40%	10.60%	9.89%	8.73%	8.79%
ASSET IV	12.22%	12.25%	11.65%	11.40%	11.43%	10.40%	10.60%	9.89%	8.73%	8.79%
ASSET V	12.22%	12.25%	11.65%	11.40%	11.43%	10.40%	10.60%	9.89%	8.73%	8.79%

Accordingly, order dated 28.2.2022 is required to be modified taking into consideration the interest rates submitted by the Review Petitioner as per the audited financial statements submitted by the Review Petitioner.

- (ii) The Commission in order dated 28.2.2022 while grossing up the rate of Return on Equity has inadvertently considered the tax rate approved vide order dated 27.4.2020 in Petition No. 274/TT/2019, which is applicable to Powegrid Corporation of India Limited. The rate considered in order dated 27.4.2020 is different from the actual effective tax rate paid by the Review Petitioner and the same was furnished by the Review Petitioner vide affidavit dated 5.10.2020. Accordingly, order dated 28.2.2022 is required to be modified by considering the actual tax paid by the Review Petitioner.



(iii) As per order dated 28.2.2022 in Petition No. 308/TT/2020, the Review Petitioner is required to refund the surplus amount to the beneficiaries alongwith applicable interest rates as per Regulation 10(7) of the 2019 Tariff Regulations. The Review Petitioner with a view to reduce the interest liability has offered to refund the excess amount to the beneficiaries through CTU as per the 2020 Sharing Regulations. However, the same cannot be done in the absence of order of the Commission. The Review Petitioner has prayed to exercise its power to relax under Regulation 76 of the 2019 Tariff Regulations to relax the provisions of Regulation 10(7) of the 2019 Tariff Regulations to exempt the Review Petitioner from paying carrying cost to the beneficiaries.

4. The matter was heard through video conference on 24.6.2022.

5. We have considered the submissions of the Review Petitioner. It is ordered as under:-

(i) Admit. Issue notice to the Respondents.

(ii) The Review Petitioner to serve a copy of the Review Petition on the Respondents by 7.7.2022 and the Respondents to file their reply by 21.7.2022. The Review Petitioner may file rejoinder to the reply of Respondents, if any, by 30.7.2022.

6. The parties to comply with above directions within the specified timelines and no extension of time shall be granted.



7. The matter shall be listed for further hearing in due course for which separate notice will be issued.

sd/-
(P. K. Singh)
Member

sd/-
(Arun Goyal)
Member

sd/-
(I. S. Jha)
Member

