

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Review Petition No. 13/RP/2022

in

Petition No. 660/TT/2020

Coram:

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

Date of Order: 12.01.2023

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 and modification of the order dated 3.1.2022 in Petition No. 660/TT/2020.

And in the Matter of:

Power Grid Corporation of India Limited,
“Saudamini”, Plot No. 2,
Sector 29, Gurgaon-122001
Haryana.

....Review Petitioner

Vs.

1. Assam Electricity Grid Corporation Limited,
Bijulee Bhawan, Paltan Bazar,
Guwahati – 781001, Assam.
2. Meghalaya Energy Corporation Limited,
Short Round Road, “Lumjingshai”,
Shillong – 793001, Meghalaya.
3. Government of Arunachal Pradesh,
Itanagar, Arunachal Pradesh.



4. Power and Electricity Department,
Government of Mizoram,
Aizawl, Mizoram.
5. Manipur State Power Distribution Corporation Limited,
Keishampat, Imphal.
6. Department of Power,
Government of Nagaland,
Kohima, Nagaland.
7. Tripura State Electricity Corporation Limited,
Vidyut Bhawan, North Banamalipur,
Agartala, Tripura (W) – 799001, Tripura. **... Respondent(s)**

For Review Petitioner : Ms. Swapna Seshadri, Advocate, PGCIL
Shri S. S. Raju, PGCIL
Shri D. K. Biswal, PGCIL
Shri Ved Prakash Rastogi, PGCIL
Shri A. K. Verma, PGCIL

For Respondents : None

ORDER

Power Grid Corporation of India Limited (hereinafter referred to as “PGCIL/Review Petitioner”) has filed the present Review Petition No.13/RP/2022 seeking review and modification of the order dated 3.1.2022 in Petition No. 660/TT/2020 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 whereby the Commission determined tariff of 2019-24 period in respect of 1 X 500 MVA, 400/220/33 kV, 3- Ph ICT-3 with GIS bays in 400 kV side and AIS bays in 220 kV side at Misa Sub-station in North-Eastern Region (hereinafter referred to as the “transmission asset”) under “North-Eastern Region Strengthening Scheme-IV (NERSS-IV)” (hereinafter referred to as the “transmission system”).



2. The Review Petitioner has sought review of the impugned order dated 3.1.2022 on the disallowance of IDC and IEDC due to non-condonation of time over-run. The Commission in the impugned order has held that the Review Petitioner has only submitted the details of time over-run in Form-12 and has not submitted any documentary evidence in support of the time over-run. Further, in the absence of supporting documents, it is not possible for the Commission to conduct a prudence check on the time over-run. Accordingly, the Commission disallowed the entire time over-run for the transmission asset. The relevant portion of the order dated 3.1.2022 is extracted hereunder:

“21. We have considered the submissions of the Petitioner. It is noted that in response to technical validation letter dated 6.9.2021, the Petitioner has only submitted the details of time over-run in Form-12 vide affidavit dated 25.11.2021 and has not submitted any documentary evidence in support of the time overrun. In the absence of supporting documents, it is not possible to conduct a prudence check on the time over-run.

22. Accordingly, we disallow the entire time over-run for the said asset. The details of time over-run not condoned is as follows:

SCOD	COD	Time over-run	Time over-run condoned	Time over-run not condoned
25.5.2018	29.8.2019	461 days	-	461 days

3. The Review Petitioner has made the following prayers:

- “a. Recall, review and modify the Impugned Order dated 03.01.2022 passed by this Hon'ble Commission in Petition No. 660/TT/2020, in terms of the submissions set out in the present Review Petition;*
- b. consider the documentary evidence submitted by the Review Petitioner in support of Form 12 and conduct a prudence check to capitalise the disallowed IDC and IEDC in Petition No. 660/TT/2020; and*
- c. Without prejudice to the foregoing prayers and in the alternative to the prayers sought in point (a) and (b) above, allow the Review Petitioner to submit the documentary evidence along with Form – 12 at the time of truing-up of transmission tariff of transmission asset (1 X 500 MVA, 400/220/33 kV, 3-Ph ICT-3 with GIS bays in 400 KV side and AIS bays in 220 KV side at Misa Substation), and claim the disallowed IDC and IEDC after prudence check of the Hon'ble Commission at the truing up stage.*



- d. *pass any such further order or orders as this Hon'ble Commission may deem just and proper in the circumstances of the case."*

4. The matter was heard through video conference. The Commission admitted the instant review petition on 24.6.2022 and issued notice to the parties. However, none of the Respondents have either entered appearance or filed any reply in the matter. Subsequently, the matter was heard through video conference on 12.8.2022 and order was reserved after hearing the Review Petitioner.

Submissions of the Review Petitioner

5. The Review Petitioner has made the following submissions in support of the instant review petition:

- a. The Review Petitioner has filed the instant Review Petition seeking review of order dated 3.1.2022 in Petition No. 660/TT/2020 wherein tariff of 2019-24 period was approved for 1X500 MVA, 400/220/33 kV, 3- Ph ICT-3 with GIS bays in 400 kV side and AIS bays in 220 kV side at Misa Sub-station under the transmission scheme.
- b. The transmission scheme consists of Asset-1: Dismantling/Removal of 4 X 105 MVA, 400/220 kV ICT at Misa Sub-station of POWERGRID and addition of 1X500 MVA, 400/220 kV ICT at Misa Sub-station (4x105 MVA, 400/220 kV ICT thus released shall be kept as Regional Spare), Asset-2: (a) Upgradation of existing 2X50 MVA, 132/33 kV Imphal (POWERGRID) Sub-station to 400 kV by installation of 400/132 kV, 2X315 MVA (7X105 MVA, 1-Ph) ICTs, 2 number of 400 kV line bays for termination of 400 kV D/C Silchar-Imphal line and 80 MVAR,



420 kV Bus Reactor alongwith associated bays at Imphal Sub-station, Asset-2(b) Extension of existing 400/132 kV Silchar (POWERGRID) Sub-station with 2 number of 400 kV GIS line bays for termination of Silchar Imphal 400 kV D/C line, Asset-2 (c) Installation of 1X125 MVAR, 420 kV Bus Reactor alongwith GIS bays at Silchar Sub-station, Asset-3: 1x125 MVAR, 420 kV Bus Reactor along with associated bay at Balipara (POWERGRID) Sub-station, Asset-4: 1x125 MVAR, 420 kV Bus Reactor alongwith associated bay at Bongaigaon (POWERGRID) Sub-station and Asset-5: Reconductoring of Agartala GBPP - Agartala (State) 132 kV D/C line with High Capacity HTLS conductor alongwith necessary upgradation/modification in bay equipment at both ends.

- c. As Asset-1 was not put into commercial operation upto 31.3.2019, the Commission vide order dated 5.7.2019 in Petition No. 237/TT/2018 directed the Review Petitioner to file a fresh petition as per the provisions of the 2019 Tariff Regulations. The Review Petitioner has split Asset-1 into two assets on the basis of the COD of the asset and claimed tariff for “Dismantling/Removal of 4 X 105 MVA, 400/220 kV ICT at Misa Sub-station of POWERGRID and addition of 1X500 MVA, 400/220 kV ICT at Misa Sub-station”, put into commercial operation on 29.3.2019, in Petition No. 68/TT/2021 and “1X500 MVA, 400/220/33 kV, 3-Ph ICT-3 with GIS bays in 400 kV side and AIS bays in 220 kV side at Misa Sub-station” put into commercial operation on 29.8.2019 in Petition No.660/TT/2020. Accordingly, the details of the transmission assets covered in the transmission scheme and the petitions in which they were covered are as follows:



Sl. No.	Asset	SCOD as per IA	Actual COD	Petition
1	(a) Upgradation of existing 2X50 MVA, 132/33 kV Imphal (POWERGRID) Sub-station to 400 kV by installation of 400/132 kV, 2X315 MVA (7X105 MVA, 1-Ph) ICTs, 2 numbers 400 kV line bays for termination of 400 kV D/C Silchar-Imphal line and 80 MVAR, 420 kV Bus Reactor along with associated bays at Imphal Sub-station.	26.5.2018	29.1.2019	Petition No. 237/TT/2018
	(b) Extension of existing 400/132 kV Silchar (POWERGRID) Sub-station with 2 numbers of 400 kV GIS line bays for termination of Silchar Imphal 400 kV D/C line.		20.12.2018	
	(c) 1x125 MVAR, 420 kV Bus Reactor along with GIS bays at Silchar Sub-station.		22.7.2018	
2	1x125 MVAR, 420 kV Bus Reactor along with associated bay at Balipara (POWERGRID) Sub-station		8.2.2018	
3	1x125 MVAR, 420 kV Bus Reactor along with associated bay at Bongaigaon (POWERGRID) Sub-station		31.3.2018	
4	Reconductoring of Agartala GBPP - Agartala (State) 132 kV D/C line with High Capacity HTLS conductor along with necessary up-gradation/modification in bay equipment at both ends.		29.3.2019	Petition No. 68/TT/2021
5	Dismantling/ Removal of 4 X 105 MVA, 400/220 kV ICT at Misa Sub-station of POWERGRID and addition of 1X500 MVA, 400/220 kV ICT at Misa Sub-station (4x105 MVA, 400/220 kV ICT thus released shall be kept as Regional Spare)	29.8.2019	Petition No. 660/TT/2020	
6	1X500 MVA, 400/220/33 kV, 3-Ph ICT-3 with GIS bays in 400 kV side and AIS bays in 220 kV side at Misa Sub-station.			

d. The time over-run in case of the transmission assets at serial number 1 to 4, in the above table, was considered and condoned by the Commission in order dated 5.7.2019 in Petition No. 237/TT/2018, due to delay in transportation of transformer, severe rainfall, water logging in the region and economic blockade/



bandh in Assam. The relevant portion of the order dated 5.7.2019 is extracted hereunder:

“30. Thus, out of the total time delay of 248 days and 208 days in commissioning of Asset 2(a & b) and 2(c) respectively, a time delay of 116 (64+15 +37) days in respect of these assets which was beyond the control of the Petitioner has been condoned.

31. With regard to Assets 3 and 4, the Petitioner has submitted that delay is due to unprecedented rains, flash floods and bandh. In support of the documentary evidence, the Petitioner has submitted paper clippings and images of rain effected area. From the submissions made by the Petitioner, it is observed that about 37 days is affected due to bandhs during the time period from 24.4.2017 to 21.6.2018 and about 54 days was affected due to rain and water logging during the time period from 9.9.2017 to 28.7.2018. Factoring the same, the total time delay of 69 days and 57 days in commissioning of the Asset 3 and 4 was beyond the control of the Petitioner and therefore, the same has been condoned.”

- e. The Review Petitioner submitted the reasons for time over-run of 281 days in case of the transmission asset at srl. no. 5 above in Petition No. 68/TT/2021 and time over-run of 461 days in case of the instant transmission asset in Petition No. 660/TT/2020.
- f. The Review Petitioner upon putting into commercial operation the final transmission asset (i.e.1x 500 MVA, 400/220 kV, 3-Ph ICT-3 with GIS bays in 400 kV side and AIS bays in 220 kV side at Misa Sub-station) of the transmission scheme, approached the Commission in the original Petition No. 660/TT/2020. In the original Petition, the Review Petitioner had claimed condonation of time over-run of 461 days as the work was hampered by bandhs, delay in transportation of transformer due to floods in Bihar and restrictions of extra heavy loads on bridges of Brahmaputra river crossing, unprecedented rains and flash floods in Assam during the year 2017-18, site hindrances and working space constraints etc.



- g. The reasons for time over-run in the instant petition are the same and coincide with the time over-run reasons submitted in Petition No. 237/TT/2018 and Petition No. 68/TT/2021. Further, the Review Petitioner has referred to submissions made in this regard in Petition No. 237/TT/2018 and Petition No. 68/TT/2021 along with documentary evidence submitted therein, for the consideration of the Commission. Petition No. 68/TT/2021 pertains to Misa Sub-station in Assam and time over-run of 6 months in transportation of both the transformers occurred due to Bihar floods and construction of Brahmaputra River Crossing. Further, time over-run of about 1 month occurred due to economic blockade & bandhs and the same was brought out in Petition No. 68/TT/2021 as well as in Petition No. 237/TT/2018. The Petitioner has also claimed that there has been a time over-run in execution due to heavy rainfall from March, 2017 to July, 2017. This had led to cascading effect that pushed the schedule of the Review Petitioner beyond its target date and severity of flood and contractors delay impacted the timely completion among other undesired consequences.
- h. At the time of hearing the Petition No. 660/TT/2020, the Review Petitioner failed to note that it had missed to place on record the supporting documents with respect to delay in execution of the transmission asset. However, in the course of hearing the Petition No. 660/TT/2020 on 29.10.2021, the Review Petitioner referred to the detailed justifications for time over-run and submitted that the same was owing to site constraints, delay in transportation of transformers on account of floods in Bihar and Brahmaputra river crossing, damage in GIS ducts, site hindrances, extreme weather conditions, etc. which were all uncontrollable
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factors, and that the documents relating to them had already been placed in Petition No. 237/TT/2018 and Petition No. 68/TT/2021. The Commission vide RoP for the hearing dated 29.10.2021 in Petition No. 660/TT/2020 also directed the Review Petitioner to submit Form-12 (details of time over-run) which was duly submitted by it.

- i. The Review Petitioner while filing Petition No. 660/TT/2020 lost sight of the fact that the supporting documents pertaining to reasons for delay as have been set out in the original petition in paragraph no. 6 were not there on record and as such it was not with purpose or with any objective/ motive that the Review Petitioner did not submit the relevant documents. The Commission, while considering the supporting documents submitted with Petition No. 237/TT2018 has condoned considerable time over-run of the transmission assets covered in the transmission scheme.
- j. Non-submission of the supporting documents in the original petition has resulted in disallowance of IDC of ₹333.33 lakh and IEDC of ₹158.16 lakh from the capital cost of transmission asset of the Review Petitioner. The documentary proof of various reasons causing delay in execution of the transmission asset is collated item-wise and is placed in this petition as Annexure RP-4. Further, the relief sought by the Review Petitioner in the instant Review Petition will cause no injury to any Respondent as the Review Petitioner is seeking review of the time over-run documents and conduct a prudence check for allowing the rightful claims of the Review Petitioner.



- k. In the instant case, the Review Petitioner has made detailed submissions under paragraph no. 6 of the original petition with regard to time over-run and also submitted Form-12 in support of its *force majeure* claims. The Commission while passing the impugned orders discovered the shortcomings of the impugned proceedings and for want of evidence, disallowed the IDC and IEDC of the transmission asset covered under the impugned proceedings.
 - l. The Review Petitioner has approached the Commission under the provisions of 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 the impugned orders and submitting the documentary evidence in support of Form-12 on record which is demanded by the Commission in the impugned orders.
 - m. The Commission must take into cognizance the documentary evidence placed on record herewith in support of Form-12 and approve the IDC and IEDC after conducting prudence check.
6. During the hearing on 12.8.2022, the Review Petitioner reiterated its submissions.

Analysis and Decision

7. We have considered the submissions of the Review Petitioner and have perused the material on record. The Review Petitioner has sought review and revision of the impugned order on the following two grounds, (a) Revision of IDC and IEDC restricted due to time over-run not condoned; and (b) Consider the documentary evidence submitted by the Review Petitioner in support of Form 12 and conduct a prudence check



to capitalise the disallowed IDC and IEDC in Petition No. 660/TT/2020, which according to the Review Petitioner, are on the grounds of discovery of new and important matter or evidence which, after the exercise of due diligence, was not within the knowledge of the party or could not be produced by him at the time when the order was passed. The Review Petitioner has submitted that the Commission in the impugned order dated 3.1.2022 has held that the Review Petitioner has only submitted the details of time over-run in Form-12 and has not submitted any documentary evidence in support of the time over-run. Further, in the absence of supporting documents, it was not possible for the Commission to conduct a prudence check on the time over-run. Accordingly, the Commission disallowed the entire time over-run for the said transmission asset.

8. According to the Review Petitioner, the reasons of time over-run were mentioned by it in paragraph no.6 of the original petition as well as in Form-12 attached with the original petition. However, inadvertently, the supporting documents of time over-run were missed to be placed on record by the Review Petitioner. The Review Petitioner has also submitted that the matter of non-submission of documents regarding time over-run came to its knowledge only after the passing of the impugned order by the Commission.

9. It is observed that the Review Petitioner has narrated the reasons of time over-run in paragraph no. 6 of the original petition and that had also submitted the documents regarding the time over-run in Petition No. 237/TT/2018 and Petition No. 68/TT/2021 which has a direct nexus with the execution of the transmission asset in the original petition. As the documents submitted by the Review Petitioner in the instant petition seeking condonation of time over-run were already filed by the Review Petitioner in case



of the other transmission assets of the transmission system and have been referred to by the Review Petitioner in the original petition, they are not being considered as new documents. Taking into consideration that the documents were not placed on record by the Review Petitioner in the original petition inadvertently, we consider the documentary evidence now placed on record in support of Form-12 (details of time over-run) for conducting prudence check.

10. We find that in this connection, the Commission has already done exhaustive exercise while deciding to condone the time over-run in said orders dated 5.7.2019 in Petition No. 237/TT/2018 and dated 2.3.2022 in Petition No. 68/TT/2021. Therefore, we consider it prudent to rely on our view taken in the said orders dated 5.7.2019 and 2.3.2022.

11. The Commission *vide* order dated 2.3.2022 in Petition No. 68/TT/2021 with respect to condonation of time over-run in execution of 1 No. 500 MVA ICT along with other associated works at 400/220 kV Misa Sub-station in Assam has held as follows:

“23. We have considered the submissions of the Petitioner. The Petitioner has submitted that the time over-run was on account of delay in transportation of transformer, bandhs called by various organisations, heavy rainfall and the modification of Tertiary System Inter-Connection. The petitioner has submitted documents in support of its contentions along with the petition.

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28. In view of the above discussions, out of total time overrun of 307 days, the delay of only 26 days due to bandhs by various organisations is condoned.”

12. From the perusal of record, it is found that the transmission asset, i.e. 1 No. of 500 MVA ICT along with associated bays at 400/220 kV Misa Sub-station is the second ICT



out of two ICTs at Misa sub-station. The first ICT installed at Misa Sub-station is covered in order dated 2.3.2022 in Petition No. 68/TT/2021. Both the ICTs were transported together and were brought to Misa Sub-station in similar time frame. Both the transformers were erected and put into commercial operation under similar conditions and face the same hindrances such as, delay in transportation of transformer, bands called by various organizations, heavy rainfall and the modification of Tertiary System Inter-Connection etc. claimed by the Review Petitioner. The Commission has already taken into consideration these submissions of the Review Petitioner and condoned time over-run of 26 days in execution of 1st 500 MVA ICT at Misa Sub-station.

13. In addition to the common reasons of delay applicable to both the ICTs as discussed above, the Review Petitioner has submitted that the transmission asset i.e. 2nd 500 MVA ICT at Misa Sub-station was further delayed due to time over-run in putting into commercial operation of 1st 500 MVA ICT at Misa Sub-station. The Review Petitioner has submitted that some civil/erection works such as 2 nos. 220 kV CC and 2 nos. 220 kV CTBN Towers, 33 kV BPI etc. were directly related to the execution of 1st 500 MVA ICT as work front could be made available only after putting into commercial operation of 1st ICT. Thus, the installation of these works could be started only after putting into commercial operation of 1st ICT during March, 2019 and completed in July, 2019. Thereafter, 2nd ICT was put into commercial operation in August, 2019.

14. From the submissions made by the Review Petitioner, we are of the view that the Review Petitioner should have assessed the compatibility of the infrastructure and accordingly planned the installation of both the ICTs by deploying proper manpower,



machinery and technique. Therefore, we are not inclined to condone any further time over-run on this count.

15. In view of above, we are of the considered view that similar constraints and conditions were applicable to both the 500 MVA 400/220 kV ICTs installed at Misa Sub-station, covered in Petition No. 68/TT/2021 and Petition No. 660/TT/2021. The Commission has already taken a view in the matter of 1st ICT having COD of 29.3.2019 in order dated 2.3.2022 in Petition No. 68/TT/2021 and condoned time over-run of 26 days in execution of 1st 500 MVA ICT at Misa Sub-station. We are of opinion that the matter does not relates to adjudication within the meaning of Section 79(f) of the Act and it relates to *the determination of tariff* within the meaning of section 79(d), in which a more lenient and pragmatic approach is to be adopted, while rectifying errors in a review petition. We are of view that in order to rectify our error sufficient materials have been placed. Accordingly, we hereby condone the time over-run of 26 days, out of total time over-run of 461 days, in putting into commercial operation the 2nd ICT i.e. 1x500 MVA 400/220 kV ICT along with associated bays at Misa Sub-station covered in Petition No. 660/TT/2020 in partial modification of the impugned order dated 3.1.2022.

16. Accordingly, the relevant paragraphs of the impugned order dated 3.1.2022 in Petition No. 660/TT/2020 pertaining to time over-run are revised as follows:

Time Over-run

17. The paragraph no. 21 and 22 of the impugned order dated 3.1.2022 in Petition No. 660/TT/2020 shall be revised as follows:



“21. We have considered the submissions of the Petitioner and the material on record. The Petitioner has submitted that the time over-run was on account of delay in transportation of transformer, bandhs called by various organisations, heavy rainfall, the modification of Tertiary System Inter-Connection and delay due to delay in commissioning of 1st 500 MVA ICT at Misa substation .

22. Accordingly, out of total time overrun of 461 days, the delay of only 26 days due to bandhs by various organisations is condoned. The details of time over-run not condoned/ not condoned is as follows:

SCOD	COD	Time over-run	Time over-run condoned	Time over-run not condoned
25.5.2018	29.8.2019	461 days	26 days	435 days

18. The revision of the number of days condoned in respect of time over-run allowed for the transmission asset for 2019-24 tariff period *vide* order dated 3.1.2022 in Petition No. 660/TT/2020 will have consequential impact on IDC, IEDC, capital cost, Debt-Equity Ratio, depreciation, Interest on Loan (IoL), Return on Equity (RoE), Interest on Working Capital (IWC) and the Annual Fixed Charges (AFC) approved for the transmission asset. Accordingly, the tariff approved for the transmission asset for 2019-24 period in order dated 3.1.2022 in Petition No. 660/TT/2020 is required to be revised and the same is revised as follows:

REVISION OF ANNUAL FIXED CHARGES OF 2019-24 PERIOD

Interest During Construction (IDC) and Incidental Expenditure During Construction (IEDC)

19. IDC and IEDC allowed in respect of the transmission asset for 2019-24 tariff period in paragraphs 26 and 27 of the order dated 3.1.2022 in Petition No. 660/TT/2020 is revised as follows:



(₹ in lakh)

IDC Claimed	IDC allowed	IDC disallowed (due to time over run/ computational difference)	IDC Discharged (as on COD)	IDC Un-discharged (as on COD)	IDC Discharge During 2019-20
A	B	C=A-B	D	E=B-D	F
333.33	4.11	329.22	4.11	0.00	0.00

(₹ in lakh)

IEDC claimed (as per Auditor's Certificate)	Pro-rata IEDC disallowed (due to time over-run)	Pro-rata IEDC allowed (as on COD)
1	2	3=(1-2)
408.62	149.03	259.59

Capital Cost allowed as on COD

20. Capital cost as on COD allowed in respect of the transmission asset for 2019-24 tariff period in paragraph 32 of the order dated 3.1.2022 in Petition No. 660/TT/2020 is revised as follows:

(₹ in lakh)

Capital Cost claimed in Auditor's Certificate (as on COD) (A)	IDC Disallowed due to time over-run/ Computational difference (B)	Un-discharged IDC (as on COD) (C)	IEDC Disallowed (D)	Expenditure up to COD (D) = (A-B-C)
6721.85	329.22	0.00	149.02	6243.61

Additional Capital Expenditure ("ACE")

21. ACE allowed in respect of the transmission asset for 2019-24 period in paragraph 35 of the order dated 3.1.2022 in Petition No. 660/TT/2020 is revised as follows:

(₹ in lakh)

FR	Capital Cost (as on COD)	ACE allowed			Capital Cost (as on 31.3.2024)
		2019-20	2020-21	2021-22	
10966.67	6243.61	429.91*	564.25	33.68	7271.45

*includes discharge of Initial Spares



Debt-Equity Ratio

22. The details of debt-equity considered in respect of the transmission asset for 2019-24 period in paragraph 37 of the order dated 3.1.2022 in Petition No. 660/TT/2020 is revised as follows:

Funding	Capital Cost (as on COD) (₹ in lakh)	(in %)	Total Capital Cost (as on 31.3.2024) (₹ in lakh)	(in %)
Debt	4370.53	70.00	5090.02	70.00
Equity	1873.08	30.00	2181.43	30.00
Total	6243.61	100.00	7271.45	100.00

Depreciation

23. Depreciation allowed in respect of the transmission asset for 2019-24 tariff period in paragraph 39 of the order dated 3.1.2022 in Petition No. 660/TT/2020 is revised as follows:

(₹ in lakh)						
	Particulars	2019-20 (Pro-rata for 216 days)	2020-21	2021-22	2022-23	2023-24
A	Opening Gross Block	6243.61	6673.52	7237.77	7271.45	7271.45
B	Addition during the year 2019-24 due to projected ACE	429.91	564.25	33.68	0.00	0.00
C	Closing Gross Block (A+B)	6673.52	7237.77	7271.45	7271.45	7271.45
D	Average Gross Block (A+C)/2	6458.56	6955.64	7254.61	7271.45	7271.45
E	Average Gross Block (90% depreciable assets)	6458.56	6955.64	7254.61	7271.45	7271.45
F	Average Gross Block (100% depreciable assets)	0.00	0.00	0.00	0.00	0.00
G	Depreciable value (excluding IT equipment and software) (E*90%)	5812.71	6260.08	6529.15	6544.30	6544.30
H	Depreciable value of IT equipment and software	0.00	0.00	0.00	0.00	0.00
I	Total Depreciable Value (G+H)	5812.71	6060.89	5967.04	5604.06	5225.16



	Particulars	2019-20 (Pro-rata for 216 days)	2020-21	2021-22	2022-23	2023-24
J	Weighted average rate of Depreciation (WAROD) (in %)	5.23	5.22	5.21	5.21	5.21
K	Lapsed useful life at the beginning of the year (Year)	0.00	1.00	2.00	3.00	4.00
L	Balance useful life at the beginning of the year (Year)	25.00	24.00	23.00	22.00	21.00
M	Depreciation during the year(D*J)	199.19	362.93	378.14	378.89	378.89
N	Aggregate Cumulative Depreciation at the end of the year	199.19	562.11	940.25	1319.14	1698.04
O	Remaining Aggregate Depreciable Value at the end of the year(I-N)	5613.52	5697.97	5588.90	5225.16	4846.27

Interest on Loan (“IoL”)

24. IoL allowed in respect of the transmission asset for 2019-24 period in paragraph 41 of the order dated 3.1.2022 in Petition No. 660/TT/2020 is revised as follows:

(₹ in lakh)						
	Particular	2019-20 (Pro-rata for 216 days)	2020-21	2021-22	2022-23	2023-24
A	Gross Normative Loan	4370.53	4671.46	5066.44	5090.02	5090.02
B	Cumulative Repayments upto Previous Year	0.00	199.19	562.11	940.25	1319.14
C	Net Loan-Opening (A-B)	4370.53	4472.28	4504.33	4149.77	3770.88
D	Addition due to Additional Capitalization	300.94	394.98	23.58	0.00	0.00
E	Repayment during the year	199.19	362.93	378.14	378.89	378.89
F	Net Loan-Closing (C+D-E)	4472.28	4504.33	4149.77	3770.88	3391.98
G	Average Loan (C+F)/2	4421.40	4488.30	4327.05	3960.32	3581.43
H	Weighted Average Rate of Interest on Loan (in %)	8.099	8.098	8.098	8.096	8.094
I	Interest on Loan (G*H)	211.34	363.45	350.39	320.65	289.87



Return on Equity (“RoE”)

25. RoE allowed in respect of the transmission asset for 2019-24 period in paragraph no. 43 of the order dated 3.1.2022 in Petition No. 660/TT/2020 is revised as follows:

(₹ in lakh)

	Particulars	2019-20 (Pro-rata for 216 days)	2020-21	2021-22	2022-23	2023-24
A	Opening Equity	1873.08	2002.05	2171.33	2181.43	2181.43
B	Addition due to Additional Capitalization	128.97	169.28	10.10	0.00	0.00
C	Closing Equity (A+B)	2002.05	2171.33	2181.43	2181.43	2181.43
D	Average Equity (A+C)/2	1937.57	2086.69	2176.38	2181.43	2181.43
E	Return on Equity (Base Rate) (%)	15.500	15.500	15.500	15.500	15.500
F	Tax Rate applicable (%)	17.472	17.472	17.472	17.472	17.472
G	Rate of Return on Equity (Pre-tax)	18.782	18.782	18.782	18.782	18.782
H	Return on Equity (Pre-tax) (D*G)	214.77	391.92	408.77	409.72	409.72

Interest on Working Capital (“IWC”)

26. IWC allowed in respect of the transmission asset for 2019-24 period in paragraph no. 48 of the order dated 3.1.2022 in Petition No. 660/TT/2020 is revised as follows:

(₹ in lakh)

	Particulars	2019-20 (Pro-rata for 216 days)	2020-21	2021-22	2022-23	2023-24
A	Working Capital for O&M Expenses (O&M Expenses for one month)	18.67	19.34	20.02	20.74	21.43
B	Working Capital for Maintenance Spares (15% of O&M Expenses)	33.60	34.81	36.04	37.34	38.58
C	Working Capital for Receivables (Equivalent to 45 days of annual fixed cost)	160.97	169.59	172.79	170.40	167.15



	/ annual transmission charges)					
D	Total of Working Capital	213.24	223.75	228.85	228.49	227.16
E	Rate of Interest for Working Capital (in %)	12.05	11.25	10.50	10.50	10.50
F	Interest of working capital	15.16	25.17	24.03	23.99	23.85

Revised Annual Fixed Charges for 2019-24 Tariff Period

27. The Annual Fixed Charges (AFC) approved in respect of the transmission asset for 2019-24 period in paragraph no. 49 of the order dated 3.1.2022 in Petition No. 660/TT/2020 is revised as follows:

(₹ in lakh)

Particulars	2019-20 (Pro-rata for 216 days)	2020-21	2021-22	2022-23	2023-24
Depreciation	199.19	362.93	378.14	378.89	378.89
Interest on Loan	211.34	363.45	350.39	320.65	289.87
Return on Equity	214.77	391.92	408.77	409.72	409.72
O&M Expenses	132.21	232.10	240.24	248.92	257.18
Interest on Working Capital	15.16	25.17	24.03	23.99	23.85
Total	772.67	1375.57	1401.57	1382.17	1359.51

28. The summary of tariff allowed for 2019-24 in respect of the transmission asset in paragraph no. 58 (a) of the order dated 3.1.2022 in Petition No. 660/TT/2020 is revised as follows:

(₹ in lakh)

2019-20 (Pro-rata for 216 days)	2020-21	2021-22	2022-23	2023-24
772.67	1375.57	1401.57	1382.17	1359.51

29. Except for the above, all other terms contained in order dated 3.1.2022 in Petition No. 660/TT/2020 shall remain unchanged.



30. Accordingly, Review Petition No. 13/RP/2022 in Petition No. 660/TT/2020 is disposed of in terms of the above discussions and findings.

sd/-
(P. K. Singh)
Member

sd/-
(Arun Goyal)
Member

sd/-
(I. S. Jha)
Member



2019-24

Depreciation

Annexure-I

(₹ in lakh)

Particulars	Admitted Capital Cost as on 1.4.2019 (₹ in lakh)	ACE 2019-24					Admitted Capital Cost as on 1.4.2024 (₹ in lakh)	Rate of Depreciation (in %)	Annual Depreciation as per Regulations (₹ in lakh)				
		2019-20	2020-21	2021-22	2022-23	2023-24			2019-20	2020-21	2021-22	2022-23	2023-24
Building	160.91	39.45	45.84	13.51	0.00	0.00	259.71	3.34%	6.03	7.46	8.45	8.67	8.67
Sub-station	6082.70	390.46	518.41	20.17	0.00	0.00	7011.74	5.28%	331.47	355.47	369.69	370.22	370.22
Total	6243.61	429.91	564.25	33.68	0.00	0.00	7271.45		337.51	362.93	378.14	378.89	378.89
Weighted Average Rate of Depreciation (in %)									5.23%	5.22%	5.21%	5.21%	5.21%
Average Gross Block (₹ in lakh)									6458.56	6955.64	7254.61	7271.45	7271.45

