

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Review Petition No. 15/RP/2022

**in
Petition No. 644/TT/2020**

Coram:

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

Date of Order: 20.01.2023

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 18.2.2022 in Petition No. 644/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. Ajmer Vidyut Vitran Nigam Limited,
132 kV, GSS RVPNL Sub-Station Building,
Caligiri Road, Malviya Nagar,
Jaipur-302017 (Rajasthan).
2. Jaipur Vidyut Vitran Nigam Limited,
132 kV, GSS RVPNL Sub-Station Building,
Caligiri Road, Malviya Nagar,
Jaipur-302017 (Rajasthan).
3. Jodhpur Vidyut Vitran Nigam Limited,
132 kV, GSS RVPNL Sub-Station Building,
Caligiri Road, Malviya Nagar,
Jaipur-302017 (Rajasthan).



4. Himachal Pradesh State Electricity Board,
Vidyut Bhawan, Kumar House Complex Building II,
Shimla – 171004.
5. Punjab State Power Corporation Limited,
The Mall, PSEB Head Office,
Patiala-147001 (Punjab).
6. Haryana Power Purchase Centre,
Shakti Bhawan, Sector -6,
Panchkula – 134109.
7. Power Development Department,
Government of Jammu & Kashmir,
Mini Secretariat, Jammu.
8. Uttar Pradesh Power Corporation Limited,
Shakti Bhawan-14,
Ashok Marg, Lucknow – 226001.
9. BSES Yamuna Power Limited,
B-Block, Shakti Kiran Building,
Karkadooma 2nd Floor,
New Delhi-110092.
10. BSES Rajdhani Power Limited,
BSES Bhawan, Nehru Place,
Delhi – 110 019.
11. Tata Power Delhi Distribution Limited,
NDPL house, Hudson Lines Kingsway Camp,
Delhi – 110 009.
12. Chandigarh Administration,
Sector-9, Chandigarh.
13. Uttarakhand Power Corporation Limited,
Urja Bhawan, Kanwali Road,
Dehradun.
14. North Central Railway,
DRM Office, Nawab Yusuf Road,
Prayagraj, Uttar Pradesh – 211 011.



15. New Delhi Municipal Council,
Palika Kendra, Sansad Marg,
New Delhi – 110002.

... Respondents

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. 15/RP/2022 seeking review and modification of the order dated 18.2.2022 in Petition No. 644/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 allowed tariff from the date of commercial operation (COD) to 31.3.2024 under Central Electricity Regulatory Commission in respect of Singrauli-Allahabad 400 kV Single Circuit (S/C) line along with associated bays at both ends including 1x50 MVAR Line Reactor at Allahabad end (hereinafter referred to as the “transmission asset”) under “NRSS-XXX in Northern Region” (hereinafter referred to as the “transmission system”).

2. The Commission vide order dated 18.2.2022 in Petition No. 644/TT/2020 allowed tariff in respect of the transmission asset from COD to 31.3.2024. In the said order, the time over-run of 212 days was not condoned by the Commission, which resulted in disallowance of IDC and IEDC of ₹ 6.18 crore. Besides this, the said order of the



Commission dated 18.2.2022 did not give any finding on the issue of O&M Expenses for single circuit line of 214.851 km though submissions of the Review Petitioner with regard to the same were recorded in paragraph 51 of the aforesaid order. Hence, the Review Petitioner has filed the present Review Petition.

3. The Review Petitioner has made the following prayers:

- (a) *“Admit the present Review Petition;*
- (b) *Review the Order dated 18.02.2022 passed by this Hon’ble Commission;*
- (c) *Condone the time over run of 212 days and allow the IDC & IEDC to the tune of ₹6.23 crores with respect to the time over run of 212 days;*
- (d) *Allow the O&M expenses for line of 214.851 km consisting of 154.529 km new line and 60.322 km of existing Singrauli-Kanpur line from 26.10.2019 as double circuit;*
- (e) *Pass such other further order(s) as the Hon’ble Commission may deem just in the facts of the present case.”*

Submissions of the Review Petitioner

4. The Review Petitioner has made the following submissions in support of the instant Review Petition:

- a. The Review Petitioner had earlier filed Petition No. 370/TT/2018, seeking approval of transmission tariff of the transmission asset from its anticipated COD i.e. 1.1.2019 under the 2014 Tariff Regulations. However, the Review Petitioner later submitted that the transmission asset was anticipated to be put into commercial operation on 31.7.2019. Accordingly, the Commission *vide* order dated 15.7.2019 in Petition No. 370/TT/2018 directed the Review Petitioner to file a fresh petition as per the provisions of the 2019 Tariff Regulations.



b. Thereafter, the Review Petitioner filed Petition No. 644/TT/2020, seeking approval of transmission tariff of the transmission asset from COD i.e. 26.10.2019 to 31.3.2024 as per the provisions of the 2019 Tariff Regulations.

Issue of time over-run

c. As regards the time over-run, the Review Petitioner has submitted that immediately after the Investment Approval (IA), letters of award were issued on 28.2.2014 and 19.5.2014 onwards, the working gangs were timely mobilized to achieve the scheduled completion target. Pro-active actions involving various adaptive and mitigative steps were taken to overcome the hurdles associated with construction of the transmission asset.

d. Review Petitioner encountered Right of Way (RoW) issues at various locations (169/0, 162/0, 157/1, 156/0, 147/5, 146/0, 145/0, 141A/2, 127/1, 126/5, 124C/0-125A/0, 120A/0, 120A/1, 118/01-118A/0, 91/0, 90A/0, 89/0, 88/1, 87/3, 85/0, 84/3, 81/0, 81A/0, 81C/5, 84/2, 79/0, 78/0, 78A/0 , 77/0, 77/01, 77/02, 77/03, 76/0, 76/3, 75/0, 75A/0, 74/0, 68/2, 56/0, 42/0, 37/0, 36/0, 34/0, 33/0, 32/0, 31/0, 28/0, 27/0, 25/0, 25A/3, 25A/1, 18/0, 13/0, etc.) while executing the transmission system.

e. During construction work in November, 2014, stiff resistance was noticed from the land-owners in the districts of Allahabad in Uttar Pradesh, Singrauli, Siddhi and Rewa in Madhya Pradesh and many court cases were filed by the farmers which hampered the progress of the work. The RoW issues involved demand of exorbitant amount of crop compensation, land compensation, construction of structures/buildings and manhandling of gang workers etc. To pacify the land-owners/villagers



agitating against the construction of transmission line, help of District Administration and Police Department was sought to mitigate the RoW issues. Correspondences/letters issued to District Administration and Police Department with regard to the RoW issues being faced by the Review Petitioner are available at page nos. 77 to 177 of Petition No. 644/TT/2020.

- f. After resolving all major the RoW issues, the Review Petitioner applied to CEA for energisation certificate on 28.3.2019. Inspection by CEA was carried out on 3.4.2019 and 4.4.2019 and CEA *vide* inspection report dated 5.4.2019 made few observations and directions to be carried out before charging of the transmission line. After complying with all the observations of CEA, compliance report was submitted on 6.5.2019 and CEA granted approval for energization on 6.5.2019. One of the observations of CEA was about jumpers installation and while carrying out the work of jumper installation, obstructions/ROW issues were faced at location nos. 78/0 and 78A/0. Letter dated 10.4.2019 was written to SDM-Shihwal to resolve the obstructions/ROW issues. Thus, the delay from 28.3.2019 to 6.5.2019 was on account obstructions/ROW issues for complying with the CEA observations.
- g. While inspection, testing and commissioning of the transmission line by the commissioning team was under progress, three towers at location nos. 118/02, 118/03 and 118A/0 were damaged/collapsed due to heavy wind storm on 24.5.2019. Therefore, the Review Petitioner had to carry out restoration works at these locations and obstructions/ ROW issues were faced while restoring the same. During pre-commissioning inspection, obstructions/ROW issues were faced in stretch between Tower nos. 75A/0 to 78/0. Thus, even after CEA approval for



energization, obstructions/ROW issues were faced up to 7.9.2019. The documentary proof and letters written by the Review Petitioner to resolve the obstructions/ROW issues encountered during restoration are placed on record. These works were required to be carried out by the Review Petitioner only for the collapsed towers caused by windstorms and rectification works during the final checking of line before charging. Despite its best efforts, the Review Petitioner was continuously encountering the obstruction/RoW issues while carrying out the above restoration and rectification works and was only able to commission the transmission asset on 26.10.2019 after resolution of the obstruction/RoW issues on 7.9.2019.

- h. Time over-run has been caused mainly by RoW issues. The application for CEA Energisation Certificate was made by the Review Petitioner after resolving the RoW issues in the entire line and further delay on account of time taken to comply with the observations made by CEA, obstructions/ROW issues faced during restoration works of the damaged towers due to wind storm and other restoration works required during pre-commissioning activities, for the period between 10.4.2019 and 7.9.2019 for reasons beyond the control of the Review Petitioner.
- i. The details of letters for follow-up by the Review Petitioner with the concerned authorities requesting them for early resolution of the RoW issues are as follows:

Date	Particulars
10.4.2019	Letter to SDM-Shihwal Distt-Sidhi, MP regarding resolving ROW problems at location nos. 78/0 and 78A/0 wherein it is written that the line construction has been completed with your support with little work left like jumper copper bond, etc and obstruction/ROW issues is being faced to complete the small work.



Date	Particulars
26.5.2019	Letter to Thana In-charge (Naigarhi) regarding collapse of 3 Nos. tower during Heavy Windstorm wherein, it is written that due to heavy windstorm on 24.5.2019, tower nos. 118/02, 118/03 and 118A/0 have collapsed and stringing of 2 km have fallen, the restoration of the same will require one to two month and nearby villagers are stealing the tower/line materials.
14.6.2019	Letter to Tahsildar-Naigarhi, Distt-Rewa, MP for resolving ROW issues wherein, it is written about obstruction being created by villagers to restore the towers collapsed due to heavy windstorm on 24.5.2019.
26.7.2019	Letter to SDM-Shihwal Distt-Sidhi, MP for resolving ROW issue wherein it is written that obstruction is being faced at location no. 75A/0 and 76/0 during rectification of shortcomings occurred during final checking of the line.
6.9.2019	Letter to DM-Sidhi, MP for resolving ROW issues wherein, it is written that obstruction is being faced at location nos. 75A/0 and 76/0 during rectification of shortcomings occurred during final checking of the line.
6.9.2019	Letter to SP-Sidhi, MP regarding resolving ROW issue wherein it is written that obstruction is being faced at location no. 78A/0 near Diholi Village during rectification work of the line during final checking.
7.9.2019	Letter to Thana In-charge Bahri, Distt-Sidhi, MP regarding resolving obstruction/ROW issue wherein it is written that obstruction/ROW issues is being faced between location nos. 75A/0 -76A/0 – Sri Sukh Sagar Dixit, Vill-Dadhiya during rectification of shortcoming occurred during final checking of the line.

- j. The Commission in the impugned order has split the period affected by RoW issues and disallowed the time over-run of 212 days caused for the period 28.3.2019 (date of application of the CEA Energisation certificate) to 26.10.20219 (date of execution of the transmission asset).
- k. The Commission has failed to appreciate that RoW issues still prevailed at the damaged locations after the submission of application to CEA for Energisation certificate which were not within the control of the Review Petitioner. There were RoW issues from 25.11.2014 to 7.9.2019 (1748 days). However, with the best efforts, the delay was reduced to 1239 days (4.6.2016 to 26.10.2019).



- I. The Commission in the impugned order in paragraph no. 21 has observed that the Review Petitioner could carry out the consequential activities like foundation work, tower erection, stringing, testing and commissioning only after the resolution of the RoW issues.

Issue of O&M Expenses

- m. The Commission ought to have allowed the O&M Expenses for the line length of 214.851 km consisting of 154.529 km new line and 60.322 km of existing Singrauli-Kanpur line in Petition No. 644/TT/2020, particularly when the same was stopped vide order dated 7.2.2022 in Petition No. 209/TT/2020. Accordingly, appropriate addition of O&M Expenses for 60.322 km of double circuit line right from 26.10.2019 is required to be allowed in Petition No. 644/TT/2020.

5. The matter was heard through video conference and the present Review Petition was admitted on 24.6.2022. Notice was issued to the Respondents. However, none of the Respondents entered appearance nor 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 Petitioner.

Analysis and Decision

6. Learned counsel for the Review Petitioner contended that the Commission in the order dated 18.2.2022 in Petition No. 644/TT/2020, allowed tariff from COD to 31.3.2019 in respect of the transmission asset i.e. Singrauli-Allahabad 400 kV S/C line along with associated bays at both ends including 1X50 MVAR Line Reactor at Allahabad end under the transmission system. He further contended that out of the total delay of 1239 days,



delay of 1027 days was condoned by the Commission in the impugned order. Learned counsel contended that as a result of non-condonation of delay of 212 days in the impugned order, there was disallowance of ₹6.18 crore towards IDC and IEDC. Learned counsel further contended that the Commission in the impugned order observed that the Review Petitioner applied for CEA clearance on 28.3.2019, but it did not accept the plea of the Review Petitioner that there were subsequent RoW issues during 6.5.2019 to 26.10.2019. Learned counsel contended that all the documents and chronology of events with regard to RoW issues were placed in the original petition, and that the Commission in the impugned order split the period affected by RoW issues and disallowed the time over-run.

7. We have given our thoughtful consideration to the contentions of the Review Petitioner and have perused the record. On perusal of the order dated 18.2.2022, we find that the Review Petitioner applied for CEA Energization Certificate on 28.3.2019, and it was granted to it on 6.5.2019. We further note that transmission asset was executed on 26.10.2019. The Commission in the order dated 18.2.2022, observed that the Review Petitioner has claimed that delay was due to RoW issues. The Commission in its order dated 18.2.2022, did not agree with the plea of the Review Petitioner that after applying to CEA for Energization Certificate on 28.3.2019, subsequent RoW issues persisted during 6.5.2019 to 26.10.2019. Accordingly, the Commission in the order dated 18.2.2022 did not condone delay from 28.3.2019 to 26.10.2019 (212 days).

8. On perusal of the said order dated 18.2.2022, it is apparent that the Review Petitioner applied to CEA for Energization Certificate on 28.3.2019, after resolving the



RoW issues. The Review Petitioner has contended that on 3rd/4th April, 2019, CEA carried out electrical inspection of the transmission asset and directed the Review Petitioner vide letter dated 5.4.2019 to carry out necessary rectification and other statutory requirements for final charging clearance. Accordingly, the Review Petitioner carried out necessary rectification and submitted compliance report to CEA vide letter dated 6.5.2019. Thereafter, CEA Energization approval was granted vide letter dated 6.5.2019. The Review Petitioner has contended that one of the observations of CEA was with regard to jumpers installation and the Review Petitioner while executing the work of jumpers installation, faced RoW obstructions at location nos. 78/0 and 78A/0. The Review Petitioner has contended that in order to overcome from the obstructions of RoW, it wrote letter dated 10.4.2019 to SDM, Shihwal and as such delay from 28.3.2019 to 6.5.2019 being on account of RoW obstructions to comply with CEA observation should have been condoned by the Commission in its order dated 18.2.2022.

9. As regards the claim of the Review Petitioner for delay beyond 28.3.2019 to 6.5.2019 (39 days) i.e. from the date of CEA application for energization to the date of CEA charging approval is concerned, we are of the view that the said delay of about 39 days is a combination of routine time taken between provisional and final clearance and some amount of RoW encountered by the Review Petitioner. In our view, the Review Petitioner is expected to carry out the installation of transmission line complete in all respects and thereafter offer the transmission line for the inspection of CEA. Therefore, extra time taken for rectification of pre-commissioning defects and consequent RoW



issues could have been avoided. In these circumstances, we do not find it appropriate to condone the delay of about 39 days from 28.3.2019 to 6.5.2019.

10. With regard to delay beyond 6.5.2019, i.e. after grant of CEA approval for energization, the Review Petitioner has contended that its commissioning team while testing and commissioning the line noticed that some work of the line was under progress. It has further contended that at that time, three towers at location nos. 118/02, 118/03 and 118A/0 were found collapsed/damaged due to heavy wind storm on 24.5.2019, as a result of which the Review Petitioner had to carry out restoration works at these locations and it faced RoW issues. The Review Petitioner has also contended that during pre-commissioning inspection, RoW issues were faced in the stretch of location no. 75A/0 to 78/0. The Review Petitioner has contended that even after CEA approval for Energization, RoW issues continued till 7.9.2019. With regard to tower collapse and damage as well as RoW issues, the Review Petitioner has placed reliance on letters dated 10.4.2019, 26.5.2019, 14.6.2019, 26.7.2019, 6.9.2019 and 7.9.2019 addressed to various authorities which were placed in the original file.

11. We have gone through the submissions of the Petitioner. The Petitioner has submitted that three number of towers (at location nos. 118/02, 118/03 and 118A/0 of 400 kV Singrauli-Allahabad transmission line) were uprooted due to storm on 24.5.2019. The towers at location nos. 118/02, 118/03 and 118A/0 of 400 kV Singrauli-Allahabad transmission line collapsed during the construction of the transmission line. We are of the view that as the towers collapsed before commissioning, the Petitioner is directed to submit whether any action has been taken against the contractor; correspondence



exchanged with the contractor and the details of the compensation/ LD recovered from the contractor. The petitioner is given liberty to approach the Commission with these details at the time of truing-up. The time overrun beyond 6.5.2019 will be reviewed at the time of truing-up.

No Finding on O&M Expenses for Single Circuit Line of 214.851 km length

12. The Review Petitioner has contended that O&M Expenses were claimed for 214.851 km line length consisting of 154.529 km new line and 60.322 km of existing Singrauli-Kanpur line which was earlier covered in Singrauli TPS in Petition No. 209/TT/2020. The Review Petitioner has further contended that it informed the Commission that O&M Expenses for 60.322 km single circuit line which was earlier claimed in Singrauli TPS covered in Petition No. 209/TT/2020 may be stopped from 26.10.2019 onwards and adjustment of the same may be done in the tariff Petition No. 644/TT/2020 and in Petition No. 209/TT/2020. The said facts were recorded by the Commission in the order dated 18.2.2022 in paragraph no. 51. It is contended that deduction in O&M Expenses has been made in Petition No. 209/TT/2020 for 60.332 km of Singrauli-Kanpur line while appropriate additions were not made in Petition No. 644/TT/2020 from 26.10.2019 onwards and as such O&M Expenses for 60.322 km for double circuit may be allowed in Petition No. 644/TT/2020.

13. We have considered the above contentions of the Review Petitioner and perused the record including the order dated 18.2.2022 in Petition No. 644/TT/2020. The main contention of the Review Petitioner is that the Commission in its order dated 7.2.2022 in Petition No. 209/TT/2020 has stopped the O&M Expenses for 60.332 km single circuit



line as claimed in Singrauli TPS from 26.10.2019 onwards and sought adjustment of the same in tariff Petition No. 644/TT/2020 and in Petition No. 209/TT/2020. It is contended that the Commission did not give any finding on the aspect of O&M Expenses for single circuit line of 214.851 km whose submissions were recorded in paragraph no. 51 of the order dated 18.2.2022 in Petition No. 644/TT/2020. In the facts and circumstances of the present case, we feel it appropriate to extract the relevant portions of the Commission's order dated 7.2.2022 in Petition No. 209/TT/2020 and the same are as follows:

"80. O&M Expenses in respect of the elements covered under the transmission system as claimed by the Petitioner for the 2019-24 period are as follows:

Particulars	(₹ in lakh)				
	2019-20	2020-21	2021-22	2022-23	2023-24
2374.862 km Single Circuit (Twin Conductor)	1194.57	1237.29	1280.06	1325.18	1372.66
(19 numbers) 400 kV bay	610.85	632.32	654.55	677.54	701.29
Total O&M Expenses	1805.42	1869.61	1934.61	2002.72	2073.95

81. Further, the Petitioner during the course of hearing dated 26.10.2021 in Petition No. 644/TT/2020 has submitted as follows:

k. O&M Expenses have been claimed for single circuit line of 214.851 km consisting of 154.529 km single circuit new line and 60.322 km of existing Singrauli-Kanpur line earlier covered in Singrauli TPS in Petition No. 209/TT/2020. The Petitioner has prayed that O&M Expenses from 26.10.2019 for single circuit line which was claimed in Singrauli TPS covered in Petition No. 209/TT/2020 for 60.322 km may be stopped and adjustment of the same may be done in the tariff of the instant petition and in Petition No. 209/TT/2020 wherein order has already been reserved.

82. We have considered the submissions of the Petitioner. The O&M Expenses towards 400 kV Singrauli-Kanpur single circuit line of 60.322 km is not allowed from 26.10.2019 and, accordingly, the O&M Expenses have been worked out as per the norms specified in the 2019 Tariff Regulations and the same are as follows:



(₹ in lakh)					
Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
A. 2314.540 km Single Circuit Twin Conductor					
<i>Norm (₹ lakh/bay)</i>	0.503	0.521	0.539	0.558	0.578
<i>Total A</i>	1181.50	1205.88	1247.54	1291.51	1337.80
B. 19 numbers 400 kV bay					
<i>Norm (₹ lakh/bay)</i>	32.15	33.28	34.45	35.66	36.91
<i>Total A</i>	610.85	632.32	654.55	677.54	701.29
Total O&M Expenses allowed (₹ in lakh)(A+B)	1792.35	1838.20	1902.09	1969.05	2039.09

14. It is apparent from the above discussions that O&M Expenses for 60.322 km (2374.862-2314.540) for single circuit line has been stopped vide order dated 7.2.2022 in Petition No. 209/TT/2020 of Singrauli-Kanpur line from 26.10.2019 onwards.

15. On perusal of order 18.2.2022 in Petition No. 644/TT/2020, we find that the Review Petitioner claimed O&M Expenses of 214.851 km single circuit (Twin/Triple Conductor). However, the Commission in the said dated 18.2.2022 observed as follows:

“51. During the course of hearing dated 26.10.2021, the Petitioner submitted that O&M Expenses have been claimed for single circuit line of 214.851 km consisting of 154.529 km single circuit new line and 60.322 km of existing Singrauli-Kanpur line earlier covered in Singrauli TPS in Petition No. 209/TT/2020. The Petitioner has prayed that O&M Expenses from 26.10.2019 for single circuit line which was claimed in Singrauli TPS covered in Petition No. 209/TT/2020 for 60.322 km may be stopped and adjustment of the same may be done in the tariff of the instant petition and in Petition No. 209/TT/2020.

52. We have considered the submissions of the Petitioner and observe that in the RLDC trial run certificate of the transmission asset only 154.529 km is constructed, out of which 60.322 km is basically strung on the existing Singrauli-Kanpur double circuit line. Accordingly, we allow O&M Expenses for transmission line of 154.529 km out of which 151.118 km is single circuit, 1.098 km is double circuit and 2.131 km is multi-circuit line.”



16. On perusal of pleadings in Petition No. 644/TT/2020, we find that the Review Petitioner in paragraph no. 5.2 under the heading “Scope of the Project” with reference to Singrauli-Allahabad 400 kV single circuit line, has categorically stated that a section of Singrauli-Allahabad line (50 km) is to be strung on the existing 400 kV D/C tower from Singrauli end. On perusal of Investment Approval dated 14.2.2014 of transmission system (NRSS-XXX), as submitted in Petition No. 644/TT/2020, we find that there is categorical mention of the fact that *“due to RoW constraints of Singrauli-Allahabad line (~50 km) to be strung on existing 400 kV D/C tower from Singrauli end”*. However, this particular expression of the said Investment Approval of the transmission system i.e. NRSS-XXX, that Singrauli-Allahabad 400 kV single circuit line shall be installed for about 50 km on existing 400 kV D/C tower from Singrauli end and remaining portion shall be made as a single circuit line up to Allahabad, was not considered in our order dated 18.2.2022. Therefore, we are of the view that there is an error apparent on the face of the record by not taking into consideration the fact that the line was designed to be built in two sections from the very beginning and entire length of the line (including 60.322 km stretch) is to be considered for the purpose of O&M Expenses especially when O&M Expenses of 60.322 km has already been stopped vide order dated 7.2.2022 in Petition No. 209/TT/2020.

17. The Review Petitioner has contended that 400 kV Singrauli-Kanpur single circuit line under Singrauli ATS was installed during mid1980 and is functioning till date. It is further contended that it was decided to install 400 kV Singrauli-Allahabad single circuit line under the transmission system i.e. NRSS-XXX. However, there were constraints in



installing a new line near Singrauli area, therefore, it was decided that about 50 km of Singrauli-Allahabad line would be strung on existing 400 kV D/C tower from Singrauli end. It is further contended that the line has been constructed in two sections i.e. (a) line length of 60.322 km from Singrauli end was strung on spare circuit of existing double circuit towers of the existing 400 kV Singrauli-Kanpur single circuit line under Singrauli ATS, and that (b) remaining 154.529 km portion of 400 kV Singrauli-Allahabad line up to Allahabad end.

18. From the above discussions, we are satisfied with the justification given by the Review Petitioner and documents placed on record that in the original petition clarification/explanation was given by the Review Petitioner with reference to 60.322 km line length. We are agreeable with the Review Petitioner's contention that the subject line has been installed by the Review Petitioner as per the Investment Approval in two sections by utilizing spare corridor available in the existing Singrauli-Kanpur line which was installed as a single circuit line but certain portion from Singrauli end was strung on double circuit towers (by stringing only one side of the double circuit tower) apparently considering future RoW constraints around Singrauli area due to coal mine and forest stretch. We have already allowed the O&M Expenses for 154.529 km portion of 400 kV Singrauli-Allahabad line upto Allahabad end (new line) out of total line length of 214.851 km. Therefore, the issue which remains to be decided is with reference to allowing O&M Expenses of line length of 60.322 km from Singrauli end strung on spare circuit of existing double circuit towers of the existing 400 kV Singrauli-Kanpur single circuit line under Singrauli ATS (old line).



19. As discussed above, the O&M Expenses of 60.322 km single circuit line has already been stopped vide order dated 7.2.2022 in Petition No. 209/TT/2020 in respect of the existing Singrauli-Kanpur line under Singrauli ATS. This is admitted fact that both the lines (new line and old line) are owned and serviced by the Review Petitioner. Therefore, we are of the view that O&M Expenses should be allowed for both the lines. However, the Review Petitioner has to be cautious of the fact that there is no duplication of any section. The Commission has allowed the O&M Expenses for the total line length of 2374.862 km Single Circuit (Twin Conductor) of Singrauli ATS including the old line i.e. Singrauli-Kanpur line. The Commission has taken into consideration the submissions of the Review Petitioner in the instant Review Petition and clarification given during the course of hearing the matter on 26.10.2021 in Petition No. 644/TT/2020. On perusal of the material on record including RLDC certificate for the subject new line, the Commission *vide* order dated 7.2.2022 in Petition No. 209/TT/2020 restricted the line length by 60.322 km and allowed O&M Expenses for total line length of 2314.540 km Single Circuit (Twin Conductor) of Singrauli ATS including the old line i.e., Singrauli-Kanpur line. Therefore, we are agreeable to consider the O&M Expenses for 60.322 km stretch of double circuit portion, originally under Singrauli ATS but now common to both the lines, i.e. existing Singrauli-Kanpur and Singrauli-Allahabad line under the transmission system i.e. NRSS-XXX for the purpose of calculation of O&M Expenses for 2019-24 tariff period. As this arrangement does not involve any capital cost, we are of the view that no cost adjustment is required to be done either in the case of Singrauli ATS (covered in Petition No. 209/TT/2020) or in the case of NRSS-XXX (covered in Petition No. 644/TT/2020).



20. In view of the above, we allow the additional O&M Expenses of 60.322 km double circuit (Twin/Triple conductor) in partial modification of our order dated 18.2.2022 in Petition No. 644/TT/2020. Accordingly, our order dated 18.2.2022 in Petition No. 644/TT/2020 is hereby modified to the extent indicated above pertaining to O&M Expenses.

21. The above revision in the O&M Expenses allowed for the transmission asset for 2019-24 tariff period *vide* order dated 18.2.2022 in Petition No. 644/TT/2020, will have consequential impact on Interest on Working Capital (IWC) and Annual Fixed Charges (AFC) approved for the transmission asset. Accordingly, the tariff approved for the transmission asset for 2019-24 tariff period *vide* order dated 18.2.2022 in Petition No. 644/TT/2020 is required to be revised and the same is revised as follows:

Revision of Annual Fixed Charges for 2019-24 Tariff Period

Operation & Maintenance Expenses (“O&M Expenses”)

22. O&M Expenses allowed in respect of the transmission asset for 2019-24 tariff period in paragraph nos. 52 and 53 of the order dated 18.2.2022 in Petition No. 644/TT/2020 is revised as follows:

“52. We have considered the submissions of the Petitioner and observe that RLDC trial run certificate of the transmission asset based on which 400 kV Allahabad (PG)-Singrauli (NTPC) line-3, total line length is 214.85 km, out of which 60.322 km is basically strung on the existing Singrauli-Kanpur double circuit line and 154.529 km is newly constructed line length. Accordingly, we allow O&M Expenses for transmission line of 214.85 km (60.322+154.529) out of which 151.118 km is single circuit, 61.420 km (60.322+1.098) is double circuit and 2.131 km is multi-circuit line.

53. In view of the above, O&M Expenses allowed in respect of the elements covered under the transmission asset are as follows:



(₹ in lakh)

Particulars	2019-20 (Pro-rata for 158 days)	2020- 21	2021- 22	2022- 23	2023- 24
Sub-station Bays					
400 kV (Number)	2	2	2	2	2
Norm (₹ lakh/bay)					
400 kV	32.15	33.28	34.45	35.66	36.91
Total Sub-station O&M Expenses	27.76	66.56	68.90	71.32	73.82
Transmission Line					
S/C (Twin/Triple Conductor) (km)	151.118	151.118	151.118	151.118	151.118
Norm (₹ lakh/km)					
S/C (Twin/Triple Conductor)	0.503	0.521	0.539	0.558	0.578
Sub-Total	32.81	78.73	81.45	84.32	87.35
D/C (Twin/Triple Conductor) (km)	61.420	61.420	61.420	61.420	61.420
Norm (₹ lakh/km)					
D/C (Twin/Triple Conductor)	0.881	0.912	0.944	0.977	1.011
Sub-Total	23.36	56.02	57.98	60.01	62.10
M/C (Twin/Triple Conductor) (km)	2.131	2.131	2.131	2.131	2.131
Norm (₹ lakh/km)					
M/C (Twin/Triple Conductor)	1.544	1.598	1.654	1.713	1.773
Sub-Total	1.42	3.41	3.52	3.65	3.78
Total O&M Expenses	85.35	204.71	211.86	219.30	227.04

Interest on Working Capital (“IWC”)

23. IWC allowed in respect of the transmission asset for 2019-24 tariff period in paragraph no. 55 of the order dated 18.2.2022 in Petition No. 644/TT/2020 is revised as follows:

(₹ in lakh)

Particulars	2019-20 (Pro-rata for 158 days)	2020-21	2021-22	2022-23	2023-24
Working Capital for O&M Expenses (O&M Expenses for one month)	16.48	17.06	17.65	18.28	18.92
Working Capital for Maintenance Spares (15% of O&M Expenses)	29.66	30.71	31.78	32.90	34.06



Working Capital for Receivables (Equivalent to 45 days of annual fixed cost/annual transmission charges)	363.95	379.53	390.53	392.07	382.30
Total Working Capital	410.08	427.30	439.96	443.24	435.27
Rate of Interest on Working Capital (in %)	12.05	11.25	10.50	10.50	10.50
Interest of Working Capital	21.33	48.07	46.20	46.54	45.70

Revised Annual Fixed Charges for 2019-24 Tariff Period

24. The Annual Fixed Charges (AFC) approved in respect of the transmission asset for 2019-24 tariff period in paragraph no. 56 of the order dated 18.2.2022 in Petition No. 644/TT/2020 is revised as follows:

Particulars	(₹ in lakh)				
	2019-20 (Pro-rata for 158 days)	2020-21	2021-22	2022-23	2023-24
Depreciation	382.86	938.54	986.87	1011.03	1011.03
Interest on Loan	379.99	884.01	865.28	818.65	741.00
Return on Equity	408.33	1003.07	1057.40	1084.57	1084.57
Operation and Maintenance Expense	85.35	204.71	211.86	219.30	227.04
Interest on Working Capital	21.33	48.07	46.20	46.54	45.70
Total	1277.86	3078.40	3167.61	3180.09	3109.34

25. The summary of tariff allowed for 2019-24 period in respect of the transmission asset in paragraph no. 65 (a) of the order dated 18.2.2022 in Petition No. 644/TT/2020 is revised as follows:

Particulars	(₹ in lakh)				
	2019-20 (Pro-rata for 158 days)	2020-21	2021-22	2022-23	2023-24
Approved vide order dated 18.02.2022 in Petition No.644/TT/2020	1253.92	3021.15	3108.50	3118.92	3046.05
Approved in the instant Review Petition	1277.86	3078.40	3167.61	3180.09	3109.34



26. Except for the above, all other terms contained in order dated 18.2.2022 in Petition No. 644/TT/2020 remain unchanged.

27. Accordingly, Review Petition No. 15/RP/2022 in Petition No. 644/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

