

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 186/TT/2025

Coram:

**Shri Ramesh Babu V., Member.
Shri Ravinder Singh Dhillon, Member**

Date of Order: 31st August, 2025

In the matter of:

Approval under Section 62 read with Section 79 (1) (d) of the Electricity Act, 2003 and under Regulation 15 (1) (a) and Regulation 23 of the Central Electricity Regulatory Commission (Conduct of Business) Regulations, 2023 for truing up of the transmission tariff for the 2019-24 period under the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2019 and determination of the transmission tariff for the 2024-29 period under the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2024 for 400 kV S/C Chamera II Pooling Station Transmission Line, 400/220 kV GIS Pooling Station at Rajera with 400/220 kV 315 MVA ICT-I and ICT-II under Chamera II System and 400 kV S/C Chamera II Pooling Station Transmission Line, 400/220 kV GIS Pooling Station at Rajera with 80 MVar Bus Reactor at Pooling Point under Chamera II System in the Northern Region.

And

In the matter of:

**Power Grid Corporation of India Limited,
SAUDAMINI, Plot No-2,
Sector-29, Gurgaon-122001 (Haryana).**

...Petitioner

Versus

- 1. Uttar Pradesh Power Corporation Limited,
Shakti Bhawan, 14, Ashok Marg
Lucknow - 226 001**
- 2. Ajmer Vidyut Vitran Nigam Limited,
Corporate Office, Vidyut Bhawan, Panchsheel Nagar, Makarwali Road
Ajmer-305004 (Rajasthan)**
- 3. Jaipur Vidyut Vitran Nigam Limited,
132 Kv, Gss Rvpnl Sub- Station Building, Caligiri Road, Malviya Nagar,
Jaipur-302017 (Rajasthan)**



- 4. Jodhpur Vidyut Vitran Nigam Limited,**
New Power House, Industrial Area,
Jodhpur – 342 003(Rajasthan)
- 5. Himachal Pradesh State Electricity Board Limited,**
Vidyut Bhawan, Kumar House Complex Building II,
Shimla-171 004
- 6. Punjab State Power Corporation Limited,**
The Mall, Pseb Head Office,
Patiala - 147 001
- 7. Haryana Power Purchase Centre,**
Shakti Bhawan, Sector-6,
Panchkula (Haryana) 134 109
- 8. Jammu Kashmir Power Corporation Limited**
220/66/33 Kv Gladni Ss Sldc Buliding,
Narwal, Jammu
- 9. BSES Yamuna Power Limited,**
B-Block, Shakti Kiran, Bldg. (Near Karkadooma Court), Karkadooma 2nd Floor,
New Delhi-110092
- 10. BSES Rajdhani Power Limited,**
Bses Bhawan, Nehru Place,
New Delhi
- 11. Tata Power Delhi Distribution Limited,**
33 kV Substation, Building, Hudson Lane, Kingsway Camp,
North Delhi – 110009
- 12. Chandigarh Electricity Department,**
Chandigarh Administration, Sector -9,
Chandigarh
- 13. Uttarakhand Power Corporation Limited,**
Urja Bhawan, Kanwali Road,
Dehradun
- 14. North Central Railway,**
Allahabad
- 15. New Delhi Municipal Council,**
Palika Kendra, Sansad Marg,



Parties Present: Shri Angaru Naresh Kumar, PGCIL
Shri G. Vijay, PGCIL
Shri Vivek Kumar Singh, PGCIL

ORDER

The instant Petition has been filed by Power Grid Corporation of India Limited, a deemed transmission licensee, for truing up of the transmission tariff for the 2019-24 tariff period under the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2019 (hereinafter referred to as “the 2019 Tariff Regulations”) and determination of transmission tariff under the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2024 (hereinafter referred to as “the 2024 Tariff Regulations”) for the 2024-29 tariff period with respect to the transmission asset (hereinafter referred to as “the transmission asset”) appertaining to 400 kV S/C Chamera II Pooling Station Transmission Line, 400/220 kV GIS Pooling Station at Rajera with 400/220 kV 315 MVA ICT-I and ICT-II under Chamera II System and 400 kV S/C Chamera II Pooling Station Transmission Line, 400/220 kV GIS Pooling Station at Rajera with 80 MVAR Bus Reactor at Pooling Point under Chamera II System in the Northern Region.

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

“a) Approve the trued-up Transmission Tariff for 2019-24 block and transmission tariff for 2024-29 block for the assets covered under this petition, as per para 15 and 16 above.

b) Admit the capital cost claimed and additional capitalization incurred during 2019-24.

c) 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 Regulations 2019 and Tariff Regulations, 2024 as per para 15 and 16 above for respective block.



d) Approve the reimbursement of expenditure by the beneficiaries towards petition filing fee, and expenditure on publishing of notices in newspapers in terms of Regulation 94 (1) Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2024, and other expenditure (if any) in relation to the filing of petition.

e) Allow the petitioner to bill and recover RLDC fees & charges and Licensee fee separately from the respondents in terms of Regulation 94 (3) and (4) Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2024.

f) 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 2024-29 period, if any, from the respondents.

g) 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 22 above.

h) Allow the petitioner to file a separate petition before Hon'ble Commission for claiming the overall insurance expenses and consequential IOWC on that insurance expenses as mentioned at para 22 above.

i) Allow the petitioner to file a separate petition before Hon'ble Commission for claiming the overall capital spares separately as per actual as mentioned at Para 22 above.

j) Allow the petitioner to claim expenses of CTUIL borne by POWERGRID through a separate petition as mentioned at para 23 above.

k) Allow the Petitioner to bill and recover GST on Transmission Charges separately from the respondents, if GST on transmission is levied at any rate 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."

Background

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

a) The Administrative Approval (AA) and expenditure sanction of the transmission system has been said to be accorded by the Board of Directors (BoD) of the Petitioner vide Memorandum dated 7.9.2007 at an estimated cost of ₹26210.00 lakh, including an IDC of ₹1656.00 lakh based on 1st quarter, 2007 price level.

b) The details of scope of work are as follows:

i. **Budhil Time Frame (Part-I)**



Transmission Line:

- Chamera Pooling station-Chamera-II HEP 400 kV S/C Line-1 kms

Sub-stations:

- New 400/220 kV GIS Pooling Station near Chamera-II HEP-2 X 315 MVA
 - 2 numbers of 220 kV line bays for lines from Bhudil*;
 - 2 numbers of 400/220 kV, 2X315 MVA transformer along with associated bays;
 - 400 kV line bay for Chamera Pooling Station-Chamera II HEP line;
 - 220 kV bus coupler/transfer bays.

* to be carried out on work depository basis on behalf of project Promoter (M/s Lanco) and cost has not been included in the Feasibility Report.

- Extension of 400 kV Chamera-II HEP Switchyard (NHPC)**

** Work associated with bay is to be executed by NHPC on work deposit basis. Cost estimates for the work is tentative and has been included in the estimated cost and actual cost incurred after the completion of job to be paid to NHPC.

Chamera-III Time Frame Part-II

Sub-station:

- Extension of 400/220 kV GIS Pooling Station near Chamera-II HEP created under Budhil time frame (Part-I)
 - 2 numbers of 400 kV line bays for Pooling Station-Jallandhar 400 kV D/C Line;
 - 80 MVAR Bus Reactor;
 - Bus Reactor bay;
 - 2 numbers of 220 kV line bays for lines from Chamera-III HEP; and
 - 4 numbers of 220 kV line bays for lines for HPSEB

c) The entire scope of work is covered in the present petition. The transmission system was commissioned on 1.11.2011.

d) The tariff for the 2009-14 tariff period was determined vide order dated 2.1.2013 in Petition No. 94/TT/2011. The respective time and cost over-run



with respect to Part-I and II of the transmission systems was also condoned vide order dated 2.1.2013. The transmission tariff for the 2009-14 period was trued-up and tariff for 2014-19 period was determined vide order dated 17.2.2016 in Petition No. 528/TT/2014.

e) The transmission tariff for the 2014-19 period was trued-up and tariff for 2019-24 period was determined vide order dated 13.9.2021 in Petition No. 715/TT/2020.

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

5. The Petitioner has served a copy of the Petition on the Respondents and notice regarding the filing of this Petition has been published in the newspapers in accordance with Section 64 of the Electricity Act, 2003. No comments or suggestions have been received from the general public in response to the aforesaid notices published in the newspapers. None of the Respondents has filed reply in the matter despite notice.

6. This order is issued considering the submissions made by the Petitioner vide affidavits dated 17.9.2024 and 21.4.2025.

7. The final hearing in this matter was held on 30.5.2025 and the order was reserved. Having heard the representatives of the Petitioner and perused the material on record, we proceed to dispose of the Petition.

Truing up of Annual Fixed Charges for 2019-24 tariff period

8. The details of the trued-up transmission charges claimed by the Petitioner with respect to the transmission asset are as :



(₹ in lakh)					
Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
Depreciation	1092.80	1092.87	1092.87	1092.87	1092.87
Interest on Loan	617.36	519.33	423.76	328.49	230.53
Return on Equity	1227.01	1227.35	1230.19	1232.76	1232.76
Interest on Working Capital	67.74	62.72	58.02	57.59	65.22
O&M Expenses	540.82	560.09	579.75	600.41	620.88
Total	3545.73	3462.36	3384.59	3312.12	3242.26

9. The details of the trued-up Interest on Working Capital (IWC) claimed by the Petitioner with respect to the transmission asset are as under:

(₹ in lakh)					
Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
O&M Expenses	45.07	46.67	48.31	50.03	51.74
Maintenance Spares	81.12	84.01	86.96	90.06	93.13
Receivables	435.95	426.87	417.28	408.34	398.64
Total Working Capital	562.14	557.55	552.55	548.43	543.51
Rate of Interest (in %)	12.05	11.25	10.50	10.50	12.00
Interest on Working Capital	67.74	62.72	58.02	57.59	65.22

Capital Cost

10. The capital cost of the transmission project has been calculated in accordance with Regulation 19(1) and 19(3) of the 2019 Tariff Regulations.

11. The Commission vide its order dated 13.9.2021 in Petition No. 715/TT/2020 allowed capital cost as on 31.3.2019 with respect to the transmission asset and Additional Capital Expenditure (ACE) for the 2019-24 tariff period. The details of the capital cost as allowed by the Commission in the aforesaid order are as under:

(₹ in lakh)		
Capital Cost allowed as on 1.4.2019	ACE	Capital Cost allowed as on 31.3.2024
	2019-24	
21986.24	0.00	21986.24

12. The Petitioner in the instant truing up Petition has claimed the following opening capital cost and actual ACE incurred for the 2019-24 tariff period:



(₹ in lakh)

Assets	FR Apportioned Approved Cost as per RCE	Capital Cost claimed as on 1.4.2019	ACE Claimed			Capital Cost claimed as on 31.3.2024
			2019-20	2020-21	2021-22	
Asset	24006.44	21986.24	2.36	9.72	91.19	22089.52

13. The capital cost of ₹21986.24 lakh was approved by the Commission as on 31.3.2019 vide order dated 13.9.2021 in Petition No. 715/TT/2020 and accordingly the same has been considered as opening capital cost as on 1.4.2019 for the purpose of truing up of transmission tariff for the 2019-24 period in accordance with Regulation 19 (3) (a) of the 2019 Tariff Regulations.

Additional Capital Expenditure (ACE)

14. The Commission vide order dated 13.9.2021 in Petition No. 715/TT/2020 did not allow any ACE with respect to the transmission asset for the 2019-24 tariff period as none was claimed by the Petitioner. However, the Petitioner had prayed for 'in-principle' approval for booking of cost of acquisition of Private Land measuring 1 Bigha 3 Biswa under Khasra no. 461 at 400/200 kV GIS Chamera-II Sub-station at the time filing of truing up Petition for the 2019-24 tariff period as per Regulation 14(3)(i) of 2014 Tariff Regulations.

15. The Commission vide order dated 13.9.2021 in Petition No. 715/TT/2020 held as under:

"39. We have considered the submissions of the Petitioner. The Petitioner has prayed for 'in-principle' approval for an amount of ₹83.83 lakh towards acquisition of private land stating that tariff for the same shall be claimed at the time of truing up of tariff for 2019-24 tariff period. For the additional 1 Bigha 3 Biswa of private land under Khasra no. 461 at village Rajera, the Petitioner has submitted that the land is under the possession of the Petitioner since 2008 whose acquisition was pending due to obstruction by landowner at site and through court cases. It is not clear as to how this land is under possession of the Petitioner when it has neither been acquired under LA Act nor purchased from landowners. The Petitioner has also not clarified the use of this land as regards the transmission system. Moreover, the Petitioner has not claimed tariff for ACE for an amount of ₹83.83 lakh towards private land acquisition. Therefore, ACE on this count is not allowed in the instant petition. However, the Petitioner is at liberty to approach the Commission with

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actual amount paid towards private land acquisition at the time of true-up with proper justification and relevant regulations.”

16. Against this, the Petitioner has claimed the following ACE with respect to the transmission asset based on the actual expenditure in accordance with Regulations 25(1)(d) of the 2019 Tariff Regulations:

Particulars	Regulations	(₹ in lakh) Actual ACE		
		2019-20	2020-21	2021-22
Payment made towards liability admitted for works within the original scope executed prior to the cut-off date	25(1)(d)	2.36	9.72	91.19
Total				103.27

17. The Petitioner has claimed an ACE of ₹2.36 lakh under 25(1)(d) of 2019 Tariff Regulations against sub-station head in the FY 2019-20 on account of final payment released against retention payment to M/S Ahuja during contract closing

18. Further, the Petitioner has claimed an ACE of ₹100.91 lakh towards the acquisition of land in FY 2020-21 & FY 2021-22. The Petitioner has submitted the following reasons for claiming the ACE during the 2019-24 tariff period:

- a) The Petitioner has claimed an ACE of ₹9.72 lakh under Regulation 25(1)(d) of the 2019 Tariff Regulations against Land head in the FY 2020-21 on account of mutation charges paid towards transfer of 4 Bigha 01 Biswa land from NHPC to POWERGRID for the construction of 400/220 kV GIS Chamera-II Sub-station at Rajera, Chamba. The said land forms part of a total 36 Bigha 16 Biswa acquired from NHPC Chamera-II project, wherein payment @ ₹1.5 lakh per Biswa was made in 2012. As per revenue records, 32 Bigha 15 Biswa is registered under the Govt. of Himachal Pradesh and 4 Bigha 01 Biswa under NHPC. While the transfer of 32 Bigha 15 Biswa from Govt. of Himachal Pradesh to NHPC and further to



POWERGRID is under process with DC Chamba and not claimed in the instant Petition, expenditure of ₹9.72 lakh towards stamp duty and registration charges (8% mutation charges) for transfer of 4 Bigha 01 Biswa from NHPC to POWERGRID has been incurred and considered in the present claim.

- b) The Petitioner has claimed an ACE of ₹91.19 lakh under Regulation 25(1)(d) of the 2019 Tariff Regulations against Land head in the FY 2020-21 on account of acquisition of 1 Bigha 3 Biswa private land under Khasra No. 461 at village Rajera, which has been under possession of the Petitioner since 2008. The acquisition was delayed due to obstruction by the landowner and prolonged litigation in the District Court, Chamba. As acquisition through the LA Act, 1884 faced abnormal delays, the land is now being procured through private negotiation. The claimed amount of ₹91.19 lakh includes base sale consideration, interest @11%, stamp duty, registration charges, and other miscellaneous expenses.

19. The Commission vide its technical validation letter dated 11.4.2025 had directed the Petitioner to provide documentary evidence and detailed justification of ACE claimed in the 2019-24 tariff period. Furthermore, the Commission had directed the Petitioner to submit year-wise, asset-wise breakup of the capital cost from the COD to 31.3.2029.

20. The Petitioner, vide affidavit dated 21.4.2025, has furnished the supporting documents and reiterated the reasons for justification of ACE in the 2019-24 tariff period as already stated in the Petition. In addition, the Petitioner has submitted the Record Notes of the negotiation meeting of Chief General Manager, NR-II PGCIL and



his team, held on 28.5.2021, with the land owners. It was stated that in view of the long pendency and stay already taken by land owners from District Courts and piece of land urgently required by POWERGRID for ongoing NRSS XLI scheme works, POWERGRID after protracted deliberations, negotiated with the land owners and agreed for a Base Rate of 1.5 Lakh per biswa in line with the rate awarded during land acquisition in 2008 for GIS Chamba, however the demand for interest @ 15% per annum, being on higher side, was not accepted.

21. Petitioner has further stated that after much persuasion and deliberations and in consultation with advocates of both sides, an agreement could be reached for simple Rate of Interest @ 11% per annum over a base rate of Rs. 1.5 lakh per Biswa for a period of 13 years i.e. from 01.06.2008 (date of award letter in 2008) to 31.05.2021 (the date taken for finalizing the amount of compensation). Upon agreement, the landowners consented and signed the undertaking for parting with said piece of 1 Bigha 3 Biswa of land at Khasra No. 461 situated in Village Rajera, Chamba. The total sale consideration for 1 Bigha 3 Biswa (total 23 Biswa) based on the base rate @1.5 Lac/ biswa and interest portion @ 11% per annum for 13 years period amounts to Rs. 83,83,500/- (@ Rs. 3,64,500 per Biswa). For acquiring the land, sale consideration was Rs 91.19 lakh consisting of base rate & interest portion, stamp duty, registration charges and other miscellaneous charges.

22. Further, in the context of year-wise, asset-wise breakup of the capital cost, the Petitioner has submitted the same breakup of capital cost as on 31.3.2019 and up to 31.3.2029 as has already been stated in the Petition.

23. The vendor-wise details of the ACE claimed by the Petitioner for the transmission asset are as under:



(₹ in lakh)

Party-wise	Particulars	Year of Actual Capitalization	Outstanding Liability as on 31.3.2019	Discharge		Additional Liability Recognized (Land Compensation Payment)		Outstanding Liability as on 31.3.2024
				2019-20	2019-20	2020-21	2021-22	
Ahuja Construction	Land	0.00	0.00	0.00	0.00	9.72	91.19	0.00
	Sub-station work	2011	2.36	2.36	0.00	0.00	0.00	0.00

24. We have considered the Petitioner's submissions. We observe that the 1 Bigha 3 Biswa land is within the PGCIL sub- station boundary and the adjoining private land was already acquired by the Petitioner in 2008. The land portion being claimed for ACE in the petition, has been under the possession of the Petitioner since 2008, though not acquired. Being under the sub- station boundary, the Petitioner intended to utilise it for the construction of "2 Nos. 400 kV GIS Line bays at Chamera s/s under NRSS-XLI". The acquisition was delayed due to obstruction by the landowner and prolonged litigations in the Civil Court. Petitioner has informed that because of the delay in resolution of the issue by means of the Local Administration, land acquisition was initiated through Private Negotiation mode as per the Policy of Himachal Pradesh Government. The landowners agreed to sell their land based on the 2008 rate (consented rate in line with Section 11(2) of Land Acquisition Act 1884), with interest @11% per annum w.e.f date of award/disbursement of compensation. We are cognizant of the fact that the "2 Nos. Line Bays under NRSS-XLI" had its COD on 12.5.2022 vide Order dated 19.9.2024 in Petition No 85/TT/2023, wherein the land cost was not claimed by the Petitioner. The ACE claimed for the 2019-24 period, in the instant petition, is towards liability admitted for works executed prior to the cut-off date and is accordingly allowed, for the purpose of tariff, under Regulation 25(1)(d) of the 2019 Tariff Regulations.



25. In view of above deliberations, the capital cost and ACE allowed for truing up of the tariff for the 2019-24 period with respect to the transmission asset are as follows:

Assets	FR Apportioned Approved Cost as per RCE	Capital Cost allowed as on 1.4.2019	Allowed ACE			Capital Cost as on 31.3.2024
			2019-20	2020-21	2021-22	
Asset	24006.44	21986.24	2.36	9.72	91.19	22089.51

(₹ in lakh)

Debt-Equity Ratio

26. The details of the debt-equity ratio considered and allowed under Regulation 18 of the 2019 Tariff Regulations for computation of tariff of the transmission asset during the 2019-24 tariff period are as follows:

Funding	Capital Cost as on 1.4.2019 (₹ in lakh)	(in %)	ACE in 2019-24 (₹ in lakh)	(in %)	Capital Cost as on 31.3.2024 (₹ in lakh)	(in %)
Debt	15453.72	70.29	72.29	70.00	15526.01	70.29
Equity	6532.52	29.71	30.98	30.00	6563.50	29.71
Total	21986.24	100.00	103.27	100.00	22089.51	100.00

Depreciation

27. The Petitioner has claimed depreciation for Batteries for the control period 2019-24 @ 5.28% against the Gross Block of Batteries at Rs.71.38 lakh accordingly the depreciation for batteries amounts to Rs.3.77 lakh p.a. for the control period 2019-24. However, as the depreciation rate for batteries during 2019-24 period is same as that for sub- station, for depreciation calculation purpose, batteries have been considered as part of sub-station. Accordingly, the annual depreciation has been worked out considering the admitted capital expenditure as on 1.4.2019 and, thereafter, up to 31.3.2024. The Weighted Average Rate of Depreciation (WAROD) has been worked out for the transmission asset as per the rates of depreciation specified in Regulation 33 of the 2019 Tariff Regulations.



28. The depreciation allowed for the transmission asset for the 2019-24 tariff period is as follows:

(₹ in lakh)						
	Asset					
	Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
	Depreciation					
A	Opening Gross Block	21986.24	21988.60	21998.32	22089.51	22089.51
B	Addition during 2019-24 due to ACE	2.36	9.72	91.19	0.00	0.00
C	Closing Gross Block (A+B)	21988.60	21998.32	22089.51	22089.51	22089.51
D	Average Gross Block (A+C)/2	21987.42	21993.46	22043.92	22089.51	22089.51
E	Average Capital Cost (90% depreciable assets)	21987.42	21993.46	22043.92	22089.51	22089.51
F	Average Capital Cost (100% depreciable assets)	0.00	0.00	0.00	0.00	0.00
G	Depreciable Value (excluding IT equipment and software) (E*90%)	19385.73	19386.79	19386.79	19386.79	19386.79
H	Depreciable Value of IT equipment and software (F*100%)	0.00	0.00	0.00	0.00	0.00
I	Total Depreciable Value (G+H)	19385.73	19386.79	19386.79	19386.79	19386.79
J	Weighted average rate of Depreciation (WAROD) (in %)	4.97	4.97	4.96	4.95	4.95
K	Balance useful life of the asset	18	17	16	15	14
L	Elapsed life at the beginning of the year	7	8	9	10	11
M	Combined Depreciation during the year (D*J)	1092.80	1092.86	1092.86	1092.86	1092.86
N	Cumulative Depreciation at the end of the year	9098.43	10191.29	11284.15	12377.01	13469.87
O	Remaining Aggregate Depreciable Value at the end of the year	10287.30	9195.50	8102.64	7009.78	5916.92

29. The details of depreciation allowed vide order dated 13.9.2021 in Petition No. 715/TT/2020 with respect to the transmission asset, depreciation claimed by the Petitioner in the instant Petition and trued-up depreciation approved in the instant order are as follows:

(₹ in lakh)					
Asset	2019-20	2020-21	2021-22	2022-23	2023-24
Allowed vide order dated	1092.74	1092.74	1092.74	1092.74	1092.74



Asset	2019-20	2020-21	2021-22	2022-23	2023-24
13.9.2021 in Petition No. 715/TT/2020					
Claimed by the Petitioner in the instant Petition	1092.80	1092.87	1092.87	1092.87	1092.87
Approved after true-up in this order	1092.80	1092.86	1092.86	1092.86	1092.86

Interest on Loan (IoL)

30. The Petitioner has claimed the Weighted Average Rate of IoL based on its actual loan portfolio and rate of interest.

31. We have considered the submissions of the Petitioner. The IoL has been calculated based on the actual interest rate submitted by the Petitioner in accordance with Regulation 32 of the 2019 Tariff Regulations. The trued-up IoL allowed with respect to the transmission asset is as follows:

(₹ in lakh)						
	Particulars	Asset				
		2019-20	2020-21	2021-22	2022-23	2023-24
	Interest on Loan					
A	Gross Normative Loan	15453.72	15455.37	15462.18	15526.01	15526.01
B	Cumulative Repayments upto Previous Year	8005.63	9098.43	10191.29	11284.15	12377.01
C	Net Loan-Opening (A-B)	7448.09	6356.94	5270.89	4241.86	3149.00
D	Additions	1.65	6.80	63.83	0.00	0.00
E	Repayment during the year	1092.80	1092.86	1092.86	1092.86	1092.86
F	Net Loan-Closing (C+D-E)	6356.94	5270.89	4241.86	3149.00	2056.14
G	Average Loan (C+F)/2	6902.52	5813.91	4756.37	3695.43	2602.57
H	Weighted Average Rate of Interest on Loan (in %)	8.9440	8.9326	8.9094	8.8891	8.8580
I	Interest on Loan (G*H)	617.36	519.33	423.77	328.49	230.53

32. The details of IoL allowed vide order dated 13.9.2021 in Petition No. 715/TT/2020 for the transmission asset, IoL claimed by the Petitioner in the instant Petition and trued-up IoL approved in the instant order are as follows:

(₹ in lakh)					
Asset	2019-20	2020-21	2021-22	2022-23	2023-24
Allowed vide order dated	617.36	519.25	421.12	322.94	224.57



Asset	2019-20	2020-21	2021-22	2022-23	2023-24
13.9.2021 in Petition No. 715/TT/2020					
Claimed by the Petitioner in the instant Petition	617.36	519.33	423.76	328.49	230.53
Approved after true-up in this order	617.36	519.33	423.77	328.49	230.53

Return on Equity (RoE)

33. The Petitioner has submitted that its Income Tax Assessment has been completed, and assessment orders have been issued by the Income Tax Department for the FY 2019- 20 and FY 2020-21 and the income has been assessed under MAT (115JB of the Income Tax Act, 1961). The Petitioner has further submitted that the Income Tax Returns (ITR) have been filed for FY 2021-22 and FY 2022-23 and FY 2023-24 (submitted in Petition No. 401/TT/2024).

34. The Petitioner has further submitted that it is liable to pay the income tax at the MAT rates (17.472%, i.e., 15% Income Tax +12% Surcharge on Income Tax+4% Health and Education Cess on Income Tax and Surcharge) and has claimed the following effective tax rates for the 2019-24 tariff period:

Year	Claimed effective tax rate (in %)	Grossed-up RoE [(Base Rate)/(1-t)] (in %)
2019-20	17.472	18.782
2020-21	17.472	18.782
2021-22	17.472	18.782
2022-23	17.472	18.782
2023-24	17.472	18.782

35. We have considered the Petitioner's submissions and have also gone through the record. We have noted that the entities covered under the MAT regime are paying Income Tax as per the MAT rates notified for the respective financial year under the IT Act, 1961, which is levied on the book profit of the entity computed as per Section 115 JB of the IT Act, 1961. Section 115 JB (2) defines book profit as net profit in the



Statement of Profit and Loss prepared in accordance with Schedule-II of the Companies Act, 2013, subject to some additions and deductions as mentioned in the IT Act, 1961. Since the Petitioner has been paying the MAT rates of the respective financial year, the notified MAT rates for the respective financial year shall be considered as an effective tax rate for the purpose of grossing up the RoE for truing up the 2019-24 tariff period in terms of the provisions of the 2019 Tariff Regulations. Interest imposed on any additional income tax demand as per the Assessment Order of the Income Tax Authorities shall be considered on the actual payment. However, the penalty (for default on the part of the Assessee), if any, imposed shall not be taken into account for the purpose of grossing up of the rate of RoE. Any under recovery or over-recovery of the grossed-up rates on the RoE after truing up shall be recovered or refunded to the beneficiaries or the long-term customers, as the case may be on a year-to-year basis. Therefore, the following effective tax rate based on the notified MAT rates are considered for the purpose of grossing up the rate of RoE:

Year	Notified MAT rates (in %) (inclusive of surcharge & cess)	Effective Tax (in %)	Base rate of RoE (in %)	Grossed-up RoE [(Base Rate)/(1-t)] (in %)
2019-20	17.472	17.472	15.500	18.782
2020-21	17.472	17.472	15.500	18.782
2021-22	17.472	17.472	15.500	18.782
2022-23	17.472	17.472	15.500	18.782
2023-24	17.472	17.472	15.500	18.782

36. Accordingly, the trued-up RoE allowed with respect to the transmission asset for the 2019-24 tariff period is as follows:

(₹ in lakh)						
	Particulars	Asset				
		2019-20	2020-21	2021-22	2022-23	2023-24
	Return on Equity					
A	Opening Equity	6532.52	6533.23	6536.14	6563.50	6563.50
B	Additions	0.71	2.92	27.36	0.00	0.00
C	Closing Equity (A+B)	6533.23	6536.14	6563.50	6563.50	6563.50
D	Average Equity (A+C)/2	6532.87	6534.69	6549.82	6563.50	6563.50



	Particulars	Asset				
		2019-20	2020-21	2021-22	2022-23	2023-24
E	Return on Equity (Base Rate) (in %)	15.500	15.500	15.500	15.500	15.500
F	MAT Rate for respective year (in %)	17.472	17.472	17.472	17.472	17.472
G	Rate of Return on Equity (in %)	18.782	18.782	18.782	18.782	18.782
H	Return on Equity (D*G)	1227.00	1227.34	1230.19	1232.76	1232.76

37. The details of RoE allowed vide order dated 13.9.2021 in Petition No. 715/TT/2020 for the transmission asset, RoE claimed by the Petitioner in the instant Petition and trued-up RoE approved in the instant order are as follows:

(₹ in lakh)					
Asset	2019-20	2020-21	2021-22	2022-23	2023-24
Allowed vide order dated 13.9.2021 in Petition No. 715/TT/2020	1226.94	1226.94	1226.94	1226.94	1226.94
Claimed by the Petitioner in the instant Petition	1227.01	1227.35	1230.19	1232.76	1232.76
Approved after true-up in this order	1227.00	1227.34	1230.19	1232.76	1232.76

Operation & Maintenance Expenses (O&M Expenses)

38. The Petitioner in the instant truing up Petition has claimed the following O&M Expenses:

(₹ in lakh)					
O&M Expenses	2019-20	2020-21	2021-22	2022-23	2023-24
	540.82	560.09	579.75	600.41	620.88

39. We have considered the submission of the Petitioner. The O&M Expenses allowed for the transmission asset as per norms specified in the 2019 Tariff Regulations are as follows:

(₹ in lakh)					
Particulars	Asset				
	2019-20	2020-21	2021-22	2022-23	2023-24
Transmission Line – Chamera Pooling Station-Chamera-II (Single Circuit Twin Conductor) (0.375 Km)					
Norms (₹ lakh/km)	0.503	0.521	0.539	0.558	0.578



Particulars	Asset				
	2019-20	2020-21	2021-22	2022-23	2023-24
Length in Km	0.375	0.375	0.375	0.375	0.375
O&M expenses allowed for Transmission Line	0.19	0.20	0.20	0.21	0.22
400 kV Sub-station – Chamera: ICT-I Bay, ICT-II Bay, Bus Reactor Bay, Chamera III HEP Line II Bay, Chamera Pooling Station, Jalandher bay I and Bay II					
Norms (₹ lakh/Bay)	32.15	33.28	34.45	35.66	36.91
No. of Bays	7	7	7	7	7
O&M expenses allowed for Sub-stations	225.05	232.96	241.15	249.62	258.37
220 kV Sub-station – Chamera: ICT-I Bay, ICT-II Bay, Chamera-III HEP, Chamera-II					
Norms (₹ lakh/Bay)	22.51	23.30	24.12	24.96	25.84
No. of Bays	4	4	4	4	4
O&M expenses allowed for Sub-stations	90.04	93.20	96.48	99.84	103.36
400 kV Sub-station ICT 315 MVA Capacity at Chamera Sub-station					
Norms (₹ lakh/MVA)	0.358	0.371	0.384	0.398	0.411
No. of Units	2	2	2	2	2
O&M expenses allowed for Transformer	225.54	233.73	241.92	250.74	258.93
Total O&M Expenses allowed (₹ in lakh)	540.82	560.09	579.75	600.41	620.88

40. Accordingly, the details of O&M Expenses allowed vide order dated 13.9.2021 in Petition No. 715/TT/2020, O&M Expenses claimed by the Petitioner in the instant Petition and trued-up O&M Expenses approved in the instant order are as follows:

(₹ in lakh)					
Asset	2019-20	2020-21	2021-22	2022-23	2023-24
Allowed vide order dated 13.9.2021 in Petition No. 715/TT/2020	540.82	560.09	579.75	600.41	620.88
Claimed by the Petitioner in the instant Petition	540.82	560.09	579.75	600.41	620.88
Approved after true-up in this order	540.82	560.09	579.75	600.41	620.88

Interest on Working Capital (IWC)

41. The IWC has been worked out in accordance with Regulation 34 of the 2019 Tariff Regulations. The Rate of Interest (ROI) considered is 12.05% (SBI 1-year



MCLR applicable as on 1.4.2019 of 8.55% plus 350 basis points) for the FY 2019-20, 11.25% (SBI 1-year MCLR applicable as on 1.4.2020 of 7.75% plus 350 basis points) for the FY 2020-21, 10.50% (SBI 1-year MCLR applicable as on 1.4.2021 of 7.00% plus 350 basis points) for the FY 2021-22 & FY 2022-23 and 12.00% (SBI 1-year MCLR applicable as on 1.4.2023 of 8.50% plus 350 basis points) for the FY 2023-24.

42. The components of the working capital and interest allowed thereon for the transmission asset for the 2019-24 are as follows:

(₹ in lakh)						
	Particulars	Asset				
		2019-20	2020-21	2021-22	2022-23	2023-24
	Interest on Working Capital					
A	Working Capital for O&M Expenses (O&M Expenses for one month)	45.07	46.67	48.31	50.03	51.74
B	Working Capital for Maintenance Spares (15% of O&M Expenses)	81.12	84.01	86.96	90.06	93.13
C	Working Capital for Receivables (Equivalent to 45 days of annual fixed cost /annual transmission charges)	435.95	426.86	417.28	408.34	398.64
D	Total Working Capital (A+B+C)	562.14	557.55	552.55	548.44	543.51
E	Rate of Interest for working capital (in %)	12.05	11.25	10.50	10.50	12.00
F	Interest on working capital (D*E)	67.74	62.72	58.02	57.59	65.22

43. The details of IWC allowed vide order dated 13.9.2021 in Petition No. 715/TT/2020 for transmission asset, IWC claimed by the Petitioner in the instant Petition and trued-up IWC approved in the instant order are as follows:

(₹ in lakh)					
Asset	2019-20	2020-21	2021-22	2022-23	2023-24
Allowed vide order dated 13.9.2021 in Petition No. 715/TT/2020	67.74	62.72	57.94	57.44	56.81
Claimed by the Petitioner in the instant Petition	67.74	62.72	58.02	57.59	65.22
Approved after true-up in this order	67.74	62.72	58.02	57.59	65.22



Trued-up of Annual Fixed Charges for 2019-24 Tariff Period

44. Accordingly, the Annual Fixed Charges approved after the true-up for the 2019-24 tariff period with respect to the transmission asset are as follows:

(₹ in lakh)

	Particulars	Asset				
		2019-20	2020-21	2021-22	2022-23	2023-24
	Annual Transmission Charges					
A	Depreciation	1092.80	1092.86	1092.86	1092.86	1092.86
B	Interest on Loan	617.36	519.33	423.77	328.49	230.53
C	Return on Equity	1227.00	1227.34	1230.19	1232.76	1232.76
D	O & M Expenses	540.82	560.09	579.75	600.41	620.88
E	Interest on Working Capital	67.74	62.72	58.02	57.59	65.22
F	Total (A+B+C+D+E)	3545.72	3462.34	3384.59	3312.10	3242.25

45. The details of AFC allowed vide order dated 13.9.2021 in Petition No. 715/TT/2020 for transmission asset, AFC claimed by the Petitioner in the instant Petition and trued-up AFC approved in the instant order are as follows:

(₹ in lakh)

Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
Allowed vide order dated 13.9.2021 in Petition No. 715/TT/2020	3545.59	3461.72	3378.49	3300.46	3221.93
Claimed by the Petitioner in the instant Petition	3545.73	3462.36	3384.59	3312.12	3242.26
Approved after true-up in this order	3545.72	3462.34	3384.59	3312.10	3242.25

Determination of Annual Fixed Charges for the 2024-29 Tariff Period

46. The Petitioner has claimed the following transmission charges with respect to the transmission asset for the 2024-29 tariff period:

(₹ in lakh)

Particulars	Asset				
	2024-25	2025-26	2026-27	2027-28	2028-29
Depreciation	455.14	455.14	455.14	455.15	455.14
Interest on Loan	160.90	120.17	79.34	39.04	9.59
Return on Equity	1232.76	1232.76	1232.76	1232.76	1232.76
Interest on Working Capital	48.01	48.49	49.00	49.49	50.42
O&M Expenses	475.59	500.71	526.67	554.17	583.90
Total	2372.40	2357.27	2342.91	2330.61	2331.81



47. The details of IWC claimed by the Petitioner for the 2024-29 tariff period for the transmission asset are as under:

(₹ in lakh)

Particulars	Asset				
	2024-25	2025-26	2026-27	2027-28	2028-29
O&M Expenses	39.63	41.73	43.89	46.18	48.66
Maintenance Spares	71.34	75.11	79.00	83.13	87.59
Receivables	292.49	290.62	288.85	286.55	287.48
Total Working Capital	403.46	407.46	411.74	415.86	423.73
Rate of Interest (in %)	11.90	11.90	11.90	11.90	11.90
Interest on Working Capital	48.01	48.49	49.00	49.49	50.42

Capital Cost

48. Regulation 19 of the 2024 Tariff Regulations provides as under:

“19. Capital Cost: (1) The Capital cost of the generating station or the transmission system, as the case may be, as determined by the Commission after prudence checks in accordance with these regulations shall form the basis for the determination of tariff for existing and new projects.

(2) The Capital Cost of a new project shall include the following:

- (a) The expenditure incurred or projected to be incurred up to the date of commercial operation of the project;
- (b) Interest during construction and financing charges, on the loans (i) being equal to 70% of the funds deployed and, in the event actual equity is in excess of 30% on a pari-passu basis, by treating the excess equity over and above 30% of the funds deployed as a normative loan, or (ii) being equal to the actual amount of the loan in the event of actual equity being less than 30% of the funds deployed;
- (c) Any gain or loss on account of foreign exchange risk variation pertaining to the loan amount availed during the construction period;
- (d) Interest during construction and incidental expenditure during construction as computed in accordance with these regulations;
- (e) Capitalised initial spares subject to the ceiling rates in accordance with these regulations;
- (f) Expenditure on account of additional capitalization and de-capitalisation determined in accordance with these regulations;
- (g) Adjustment of revenue due to the sale of infirm power in excess of fuel cost prior to the date of commercial operation as specified under Regulation 6 of these regulations;
- (h) Adjustment of revenue earned by the transmission licensee by using the assets before the date of commercial operation;
- (i) Capital expenditure on account of ash disposal and utilization including handling and transportation facility;



- (j) Capital expenditure incurred towards railway infrastructure and its augmentation for transportation of coal up to the receiving end of the generating station but does not include the transportation cost and any other appurtenant cost paid to the railway;
- (k) Capital expenditure on account of biomass handling equipment and facilities, for co-firing;
- (l) Capital expenditure on account of emission control system necessary to meet the revised emission standards and sewage treatment plant;
- (m) Expenditure on account of the fulfilment of any conditions for obtaining environment clearance for the project;
- (n) Expenditure on account of change in law and force majeure events; and
- (o).....
- (p).....

(3) The Capital cost of an existing project shall include the following:

- (a) Capital cost admitted by the Commission prior to 1.4.2024 duly trued up by excluding liability, if any, as on 1.4.2024;
- (b) Additional capitalization and de-capitalization for the respective year of tariff as determined in accordance with these regulations;
- (c) Capital expenditure on account of renovation and modernisation as admitted by this Commission in accordance with these regulations;
- (d) to (h).....
- (i) Expenditure on account of change in law and force majeure events;

(4) & (5)

(6) The following shall be excluded from the capital cost of the existing and new projects:

- (a) The assets forming part of the project but not in use, as declared in the tariff petition;
- (b) De-capitalised Assets after the date of commercial operation on account of obsolescence;
- (c) De-capitalised Assets on account of upgradation or shifting from one project to another project:
 Provided that in case such an asset is recommended for further utilisation by the Regional Power Committee in consultation with CTU, such asset shall be decapitalised from the original project only after its redeployment;
 Provided further that unless shifting of an asset from one project to another is of a permanent nature, there shall be no de-capitalization of the concerned assets.
- (d).....
- (e) Proportionate cost of land of the existing generation or transmission project, as the case may be, which is being used for generating power from a generating station based on renewable energy as may be permitted by the Commission; and



(f) Any grant received from the Central or State Government or any statutory body or authority for the execution of the project that does not carry any liability of repayment.”

49. The Petitioner has claimed the following capital cost of the transmission asset for the 2024-29 tariff period:

(₹ in lakh)		
Capital Cost claimed as on 31.3.2024	ACE Claimed	Estimated Completion Cost
	2024-25	
22089.51	0.00	22089.51

50. We have considered the submissions of the Petitioner. The capital cost has been dealt in line with Regulation 19(3) (a) of the 2024 Tariff Regulations. The trued-up capital cost of ₹22089.51 lakh for the transmission asset as on 31.3.2024 is considered as opening capital cost as on 1.4.2024 for working out the tariff for the 2024-29 tariff period.

Additional Capital Expenditure (ACE)

51. The Petitioner has not claimed any ACE with respect to the transmission asset for the 2024-29 tariff period.

Debt-Equity Ratio

52. Regulation 18 of the 2024 Tariff Regulations provides as follows:

“18. Debt-Equity Ratio: (1) For new projects, the debt-equity ratio of 70:30 as on date of commercial operation shall be considered. If the equity actually deployed is more than 30% of the capital cost, equity in excess of 30% shall be treated as normative loan:

Provided that:

- where equity actually deployed is less than 30% of the capital cost, actual equity shall be considered for determination of tariff:
- the equity invested in foreign currency shall be designated in Indian rupees on the date of each investment:
- any grant obtained for the execution of the project shall not be considered as a part of capital structure for the purpose of debt: equity ratio.

Explanation.-The premium, if any, raised by the generating company or the transmission licensee, as the case may be, while issuing share capital and investment of internal resources created out of its free reserve, for the funding of the



project, shall be reckoned as paid up capital for the purpose of computing return on equity, only if such premium amount and internal resources are actually utilised for meeting the capital expenditure of the generating station or the transmission system.

(2) The generating company or the transmission licensee, as the case may be, shall submit the resolution of the Board of the company or approval of the competent authority in other cases regarding infusion of funds from internal resources in support of the utilization made or proposed to be made to meet the capital expenditure of the generating station or the transmission system including communication system, as the case may be.

(3) In case of the generating station and the transmission system including communication system declared under commercial operation prior to 1.4.2024, debt: equity ratio allowed by the Commission for determination of tariff for the period ending 31.3.2024 shall be considered:

Provided that in case of a generating station or a transmission system including communication system which has completed its useful life as on or after 1.4.2024, if the equity actually deployed as on 1.4.2024 is more than 30% of the capital cost, equity in excess of 30% shall not be taken into account for tariff computation;

Provided further that in case of projects owned by Damodar Valley Corporation, the debt: equity ratio shall be governed as per sub-clause (ii) of clause (2) of Regulation 96 of these regulations.

(4) In case of the generating station and the transmission system including communication system declared under commercial operation prior to 1.4.2024, but where debt: equity ratio has not been determined by the Commission for determination of tariff for the period ending 31.3.2024, the Commission shall approve the debt: equity ratio in accordance with clause (1) of this Regulation.

(5) Any expenditure incurred or projected to be incurred on or after 1.4.2024 as may be admitted by the Commission as additional capital expenditure for determination of tariff, and renovation and modernisation expenditure for life extension shall be serviced in the manner specified in clause (1) of this Regulation.

(6) Any expenditure incurred for the emission control system during the tariff period as may be admitted by the Commission as additional capital expenditure for determination of supplementary tariff, shall be serviced in the manner specified in clause (1) of this Regulation.”

53. The debt-equity ratio considered for the purpose of computation of tariff with respect to the transmission asset for the 2024-29 tariff period is allowed as per Regulation 18(3) of the 2024 Tariff Regulations is as follows:

Funding	Capital Cost as on 1.4.2024 (₹ in lakh)	(In %)	Capital Cost as on 31.3.2029 (₹ in lakh)	(In %)
Debt	15526.01	70.29	15526.01	70.29



Funding	Capital Cost as on 1.4.2024 (₹ in lakh)	(In %)	Capital Cost as on 31.3.2029 (₹ in lakh)	(In %)
Equity	6563.50	29.71	6563.50	29.71
Total	22089.51	100.00	22089.51	100.00

Depreciation

54. Regulation 33 of the 2024 Tariff Regulations provides as under:

"33. Depreciation: (1) Depreciation shall be computed from the date of commercial operation of a generating station or unit thereof or a transmission system or element thereof including communication system. In the case of the tariff of all the units of a generating station or all elements of a transmission system including the communication system for which a single tariff needs to be determined, the depreciation shall be computed from the effective date of commercial operation of the generating station or the transmission system taking into consideration the depreciation of individual units:

Provided that the effective date of commercial operation shall be worked out by considering the actual date of commercial operation and installed capacity of all the units of the generating station or capital cost of all elements of the transmission system, for which a single tariff needs to be determined.

(2) The value base for the purpose of depreciation shall be the capital cost of the asset admitted by the Commission. In case of multiple units of a generating station or multiple elements of a transmission system, the weighted average life for the generating station or the transmission system shall be applied. Depreciation shall be chargeable from the first year of commercial operation. In the case of commercial operation of the asset for a part of the year, depreciation shall be charged on a pro rata basis.

(3) The salvage value of the asset shall be considered as 10%, and depreciation shall be allowed up to the maximum of 90% of the capital cost of the asset:

Provided that the salvage value for IT equipment and software shall be considered as NIL and 100% value of the assets shall be considered depreciable;

.....

Provided also that any depreciation disallowed on account of lower availability of the generating station or unit or transmission system, as the case may be, shall not be allowed to be recovered at a later stage during the useful life or the extended life.

(4)

(5) Depreciation for Existing Projects shall be calculated annually based on the Straight Line Method and at rates specified in Appendix-I to these regulations for the assets of the generating station and transmission system:

Provided that the remaining depreciable value as on 31st March of the year closing after a period of 12 years from the effective date of commercial



operation of the generating station or transmission system, as the case may be, shall be spread over the balance useful life of the assets.

.....

(6) Depreciation for New Projects shall be calculated annually based on the Straight Line Method and at rates specified in Appendix-II to these regulations for the assets of the generating station and transmission system:

Provided that the remaining depreciable value as on 31st March of the year closing after a period of 15 years from the effective date of commercial operation of the generating station or the transmission system, as the case may be, shall be spread over the balance useful life of the assets.

.....

(7) In the case of the existing projects, the balance depreciable value as on 1.4.2024 shall be worked out by deducting the cumulative depreciation as admitted to by the Commission up to 31.3.2024 from the gross depreciable value of the assets.

(8) The generating company or the transmission licensee, as the case may be, shall submit the details of capital expenditure proposed to be incurred during five years before the completion of useful life along with proper justification and proposed life extension. The Commission, based on prudence check of such submissions, shall approve the depreciation by equally spreading the depreciable value over the balance Operational Life of the generating station or unit thereof or fifteen years, whichever is lower, and in case of the transmission system shall equally spread the depreciable value over the balance useful life of the Asset or 10 years whichever is higher.

(9) In case of de-capitalization of assets in respect of generating station or unit thereof or transmission system or element thereof, the cumulative depreciation shall be adjusted by taking into account the depreciation recovered in tariff by the de-capitalised asset during its useful service.....

(10) Xxxxx

(11) Xxxxx

(12) Xxxxx”

55. The depreciation has been worked out considering the admitted capital expenditure as on 1.4.2024 and thereafter up to 31.3.2029. The WAROD has been worked out for the transmission asset as per the rates of depreciation specified in the 2024 Tariff Regulations. The transmission asset has already completed 12 years of its life before 1.4.2024, the remaining depreciable value of ₹ 5916.92 lakh as on 1.4.2024 has been spread across the balance useful life of the transmission asset in accordance with the 2024 Tariff Regulations. The depreciation allowed for the



transmission asset under Regulation 33 of the 2024 Tariff Regulations for the 2024-29 tariff period is as follows:

(₹ in lakh)						
		Asset				
	Particulars	2024-25	2025-26	2026-27	2027-28	2028-29
	Depreciation					
A	Opening Gross Block	22089.5 1	22089.5 1	22089.5 1	22089.5 1	22089.5 1
B	Addition during 2024-29 due to ACE	0.00	0.00	0.00	0.00	0.00
C	Closing Gross Block (A+B)	22089.5 1	22089.5 1	22089.5 1	22089.5 1	22089.5 1
D	Average Gross Block (A+C)/2	22089.5 1	22089.5 1	22089.5 1	22089.5 1	22089.5 1
E	Average Capital Cost (90% depreciable assets)	22089.5 1	22089.5 1	22089.5 1	22089.5 1	22089.5 1
F	Average Capital Cost (100% depreciable assets)	0.00	0.00	0.00	0.00	0.00
G	Depreciable Value (excluding IT equipment and software) (E*90%)	19386.7 9	19386.7 9	19386.7 9	19386.7 9	19386.7 9
H	Depreciable Value of IT equipment and software (F*100%)	0.00	0.00	0.00	0.00	0.00
I	Total Depreciable Value (G+H)	19386.7 9	19386.7 9	19386.7 9	19386.7 9	19386.7 9
J	Weighted average rate of Depreciation (WAROD) (in %)	Spread-over Depreciation				
K	Balance useful life of the asset	13	12	11	10	9
L	Elapsed life at the beginning of the year	12	13	14	15	16
M	Combined Depreciation during the year (D*J)	455.15	455.15	455.15	455.15	455.15
N	Cumulative Depreciation at the end of the year	13925.0 2	14380.1 7	14835.3 2	15290.4 7	15745.6 2
O	Remaining Aggregate Depreciable Value at the end of the year	5461.77	5006.62	4551.47	4096.32	3641.17

Interest on Loan (IoL)

56. Regulation 32 of the 2024 Tariff Regulations provides as under:

“32. Interest on loan capital: (1) The loans arrived at in the manner indicated in Regulation 18 of these regulations shall be considered gross normative loans for the calculation of interest on loans.

(2) The normative loan outstanding as on 1.4.2024 shall be worked out by deducting the cumulative repayment as admitted by the Commission up to 31.3.2024 from the gross normative loan.



(3) The repayment for each of the years of the tariff period 2024-29 shall be deemed to be equal to the depreciation allowed for the corresponding year or period. In case of decapitalization of assets, the repayment shall be adjusted by taking into account cumulative repayment on a pro rata basis, and the adjustment should not exceed cumulative depreciation recovered up to the date of de-capitalisation of such asset.

(4) Notwithstanding any moratorium period availed of by the generating company or the transmission licensee, as the case may be, the repayment of the loan shall be considered from the first year of commercial operation of the project and shall be equal to the depreciation allowed for the year or part of the year.

(5) The rate of interest shall be the weighted average rate of interest calculated on the basis of the actual loan portfolio or allocated loan portfolio;

Provided that if there is no actual loan outstanding for a particular year but the normative loan is still outstanding, the last available weighted average rate of interest of the loan portfolio for the project shall be considered;

Provided further that if the generating station or the transmission system, as the case may be, does not have any actual loan, then the weighted average rate of interest of the loan portfolio of the generating company or the transmission licensee as a whole shall be considered.

Provided that the rate of interest on the loan for the installation of the emission control system commissioned subsequent to date of commercial operation of the generating station or unit thereof, shall be the weighted average rate of interest of the actual loan portfolio of the emission control system, and in the absence of the actual loan portfolio, the weighted average rate of interest of the generating company as a whole shall be considered, subject to a ceiling of 14%;

Provided further that if the generating company or the transmission licensee, as the case may be, does not have any actual loan, then the rate of interest for a loan shall be considered as 1-year MCLR of the State Bank of India as applicable as on April 01, of the relevant financial year.

(6) The interest on the loan shall be calculated on the normative average loan of the year by applying the weighted average rate of interest.

(7) The changes to the terms and conditions of the loans shall be reflected from the date of such re-financing.”

57. The Weighted Average Rate of IoL has been considered on the basis of the rate prevailing as on 1.4.2024. The Petitioner has prayed that the change in interest rate due to the floating rate of interest applicable, if any, during the 2024-29 tariff period may be adjusted. Accordingly, the floating rate of interest, if any, will be



considered at the time of truing up. The IoL has been allowed in accordance with Regulation 32 of the 2024 Tariff Regulations with respect to the transmission asset for the 2024-29 tariff period is as follows:

(₹ in lakh)						
	Particulars	2024-25	2025-26	2026-27	2027-28	2028-29
	Interest on Loan					
A	Gross Normative Loan	15526.01	15526.01	15526.01	15526.01	15526.01
B	Cumulative Repayments upto Previous Year	13469.87	13925.02	14380.17	14835.32	15290.47
C	Net Loan-Opening (A-B)	2056.14	1600.99	1145.84	690.69	235.54
D	Additions	0.00	0.00	0.00	0.00	0.00
E	Repayment during the year	455.15	455.15	455.15	455.15	235.54
F	Net Loan-Closing (C+D-E)	1600.99	1145.84	690.69	235.54	0.00
G	Average Loan (C+F)/2	1828.56	1373.41	918.26	463.11	117.77
H	Weighted Average Rate of Interest on Loan (in %)	8.7993	8.7499	8.6405	8.4308	8.1411
I	Interest on Loan (G*H)	160.90	120.17	79.34	39.04	9.59

Return on Equity (RoE)

58. Regulations 30 and 31 of the 2024 Tariff Regulations provide as follows:

“30. Return on Equity: (1) Return on equity shall be computed in rupee terms, on the equity base determined in accordance with Regulation 18 of these regulations.

(2) Return on equity for existing project shall be computed at the base rate of 15.50% for thermal generating station, transmission system including communication system and run-of river hydro generating station and at the base rate of 16.50% for storage type hydro generating stations, pumped storage hydro generating stations and run-of-river generating station with pondage;

(3) Return on equity for new project achieving COD on or after 01.04.2024 shall be computed at the base rate of 15.00% for the transmission system, including the communication system, at the base rate of 15.50% for Thermal generating station and run-of-river hydro generating station and at the base rate of 17.00% for storage type hydro generating stations, pumped storage hydro generating stations and run-of-river generating station with pondage;

Provided that return on equity in respect of additional capitalization beyond the original scope, including additional capitalization on account of the emission control system, Change in Law, and Force Majeure shall be computed at the base rate of one-year marginal cost of lending rate (MCLR) of the State Bank of India plus 350 basis points as on 1st April of the year, subject to a ceiling of 14%;

Provided further that:



i. In case of a new project, the rate of return on equity shall be reduced by 1.00% for such period as may be decided by the Commission if the generating station or transmission system is found to be declared under commercial operation without commissioning of any of the Free Governor Mode Operation (FGMO), data telemetry, communication system up to load dispatch centre or protection system based on the report submitted by the respective RLDC;

.....”

“31. Tax on Return on Equity. (1) The rate of return on equity as allowed by the Commission under Regulation 30 of these regulations shall be grossed up with the effective tax rate of the respective financial year. The effective tax rate shall be calculated at the beginning of every financial year based on the estimated profit and tax to be paid estimated in line with the provisions of the relevant Finance Act applicable for that financial year to the concerned generating company or the transmission licensee by excluding the income of non-generation or non-transmission business, as the case may be, and the corresponding tax thereon.

Provided that in case a generating company or transmission licensee is paying Minimum Alternate Tax (MAT) under Section 115JB of the Income Tax Act, 1961, the effective tax rate shall be the MAT rate, including surcharge and cess;

Provided further that in case a generating company or transmission licensee has opted for Section 115BAA, the effective tax rate shall be tax rate including surcharge and cess as specified under Section 115BAA of the Income Tax Act, 1961.

(2) The rate of return on equity shall be rounded off to three decimal places and shall be computed as per the formula given below:

$$\text{Rate of pre-tax return on equity} = \text{Base rate} / (1-t)$$

(3) The generating company or the transmission licensee, as the case may be, shall true up the effective tax rate for every financial year based on actual tax paid together with any additional tax demand, including interest thereon, duly adjusted for any refund of tax including interest received from the income tax authorities pertaining to the tariff period 2024-29 on actual gross income of any financial year. Further, any penalty arising on account of delay in deposit or short deposit of tax amount shall not be considered while computing the actual tax paid for the generating company or the transmission licensee, as the case may be.

Provided that in case a generating company or transmission licensee is paying Minimum Alternate Tax (MAT) under Section 115JB, the generating company or the transmission licensee, as the case may be, shall true up the grossed up rate of return on equity at the end of every financial year with the applicable MAT rate including surcharge and cess.

Provided that in case a generating company or transmission licensee is paying tax under Section 115BAA, the generating company or the transmission licensee, as the case may be, shall true up the grossed up rate of return on equity at the end of every financial year with the tax rate including surcharge and cess as specified under Section 115BAA.

Provided that any under-recovery or over recovery of grossed up rate on return on equity after truing up, shall be recovered or refunded to beneficiaries or the long term customers, as the case may be, on a year to year basis.”



59. The Petitioner has submitted that the MAT rate applies to it.

60. We have considered the Petitioner's submissions, have gone through the record and considered the applicable MAT rate for the RoE, which will be trued-up in accordance with the 2024 Tariff Regulations. The RoE allowed with respect to the transmission asset for the 2024-29 tariff period is as follows:

(₹ in lakh)						
	Particulars	2024-25	2025-26	2026-27	2027-28	2028-29
	Return on Equity					
A	Opening Equity	6563.50	6563.50	6563.50	6563.50	6563.50
B	Additions	0.00	0.00	0.00	0.00	0.00
C	Closing Equity (A+B)	6563.50	6563.50	6563.50	6563.50	6563.50
D	Average Equity (A+C)/2	6563.50	6563.50	6563.50	6563.50	6563.50
E	Return on Equity (Base Rate) (in %)	15.500	15.500	15.500	15.500	15.500
F	MAT Rate for respective year (in %)	17.472	17.472	17.472	17.472	17.472
G	Rate of Return on Equity (in %)	18.782	18.782	18.782	18.782	18.782
H	Return on Equity (D*G)	1232.76	1232.76	1232.76	1232.76	1232.76

Operation & Maintenance Expenses (O&M Expenses)

61. The O&M Expenses claimed by the Petitioner with respect to the transmission asset for the 2024-29 period are as under:

(₹ in lakh)					
Particulars	2024-25	2025-26	2026-27	2027-28	2028-29
O&M Expenses	475.59	500.71	526.67	554.17	583.90

62. The norms specified under Regulation 36(3)(a) of the 2024 Tariff Regulations provide as under:

“36. Operation and Maintenance Expenses:

...

(3) Transmission system: (a) The following normative operation and maintenance expenses shall be admissible for the transmission system:

Particulars	2024-25	2025-26	2026-27	2027-28	2028-29
Norms for sub-station Bays (₹ Lakh per bay)					
765 kV	41.34	43.51	45.79	48.20	50.73
400 kV	29.53	31.08	32.71	34.43	36.23



Particulars	2024-25	2025-26	2026-27	2027-28	2028-29
220 kV	20.67	21.75	22.90	24.10	25.36
132 kV and below	15.78	16.61	17.48	18.40	19.35
Norms for Transformers/ Reactors (₹ Lakh per MVA or MVAR)					
O&M expenditure per MVA or per MVAR (₹ Lakh per MVA or MVAR)	0.262	0.276	0.290	0.305	0.322
Norms for AC and HVDC lines (₹ Lakh per km)					
Single Circuit (Bundled Conductor with six or more sub-conductors)	0.861	0.906	0.953	1.003	1.056
Single Circuit (Bundled conductor with four sub-conductors)	0.738	0.776	0.817	0.860	0.905
Single Circuit (Twin & Triple Conductor)	0.492	0.518	0.545	0.573	0.603
Single Circuit (Single Conductor)	0.346	0.259	0.272	0.287	0.302
Double Circuit (Bundled conductor with four or more sub-conductors)	1.291	1.359	1.430	1.506	1.585
Double Circuit (Twin & Triple Conductor)	0.861	0.906	0.953	1.003	1.056
Double Circuit (Single Conductor)	0.369	0.388	0.409	0.430	0.453
Multi Circuit (Bundled Conductor with four or more sub-conductor)	2.266	2.385	2.510	2.642	2.781
Multi Circuit (Twin & Triple Conductor)	1.509	1.588	1.671	1.759	1.851
Norms for HVDC stations					
HVDC Back-to-Back stations (₹ Lakh per MW) (Except Gazuwaka BTB)	2.07	2.18	2.30	2.42	2.55
Gazuwaka HVDC Back-to-Back station (₹ Lakh per MW)	1.83	1.92	2.03	2.13	2.24
HVDC bipole scheme (₹ Lakh per MW)	1.04	1.10	1.16	1.22	1.28

Provided that the O&M expenses for the GIS bays shall be allowed as worked out by multiplying 0.70 of the O&M expenses of the normative O&M expenses for bays;

Provided that the O&M expense norms of Double Circuit quad AC line shall be applicable to for HVDC bi-pole line;

Provided that the O&M expenses of ± 500 kV Mundra-Mohindergarh HVDC bipole scheme (2500 MW) shall be allowed as worked out by multiplying 0.80 of the normative O&M expenses for HVDC bipole scheme;

Provided further that the O&M expenses for Transmission Licensees whose transmission assets are located solely in NE Region (including Sikkim), States of Uttarakhand, Himachal Pradesh, the Union Territories of Jammu and Kashmir and Ladakh, district of Darjeeling of West Bengal shall be worked out by multiplying 1.50 to the normative O&M expenses prescribed above.

(b) The total allowable operation and maintenance expenses for the transmission system shall be calculated by multiplying the number of substation bays, transformer



capacity of the transformer/reactor/Static Var Compensator/Static Synchronous Compensator (in MVA/MVAR) and km of line length with the applicable norms for the operation and maintenance expenses per bay, per MVA/MVAR and per km respectively....”

63. We have considered the Petitioner’s submissions. The O&M Expenses have been worked out in accordance with Regulation 36 of the 2024 Tariff Regulations and the same are as under:

Particulars	Asset				
	2024-25	2025-26	2026-27	2027-28	2028-29
Transmission Line – Chamera Pooling Station-Chamera-II (Single Circuit Twin Conductor) (0.375 Km)					
Norms (₹ lakh/km)	0.492	0.518	0.545	0.573	0.603
Length in Km	0.375	0.375	0.375	0.375	0.375
O&M expenses allowed for Transmission Line	0.18	0.19	0.20	0.21	0.23
400 kV Sub-station – Chamera: ICT-I Bay, ICT-II Bay, Bus Reactor Bay, Chamera III HEP Line II Bay, Chamera Pooling Station, Jalandher bay I and II Bay					
Norms (₹ lakh/Bay)	29.53	31.08	32.71	34.43	36.23
No. of Bays	7	7	7	7	7
O&M expenses allowed for Sub-stations	206.71	217.56	228.97	241.01	253.61
220 kV Sub-station – Chamera: ICT-I Bay, ICT-II Bay, Chamera-III HEP, Chamera-II					
Norms (₹ lakh/Bay)	20.67	21.75	22.90	24.10	25.36
No. of Bays	4	4	4	4	4
O&M expenses allowed for Sub-stations	82.68	87.00	91.60	96.40	101.44
400 kV Sub-station ICT 315 MVA Capacity at Chamera Sub-station					
Norms (₹ lakh/MVA)	0.262	0.276	0.29	0.305	0.322
No. of Units	2	2	2	2	2
O&M expenses allowed for Transformer	165.06	173.88	182.70	192.15	202.86
400 kV Substation Reactor (1x80 MVAR)					
Norms (₹ lakh/MVAR)	0.262	0.276	0.29	0.305	0.322
No. of Units	1	1	1	1	1
O&M expenses allowed for Transformer	20.96	22.08	23.20	24.40	25.76
Total O&M Expenses allowed	475.59	500.71	526.67	554.17	583.90



Particulars	Asset				
	2024-25	2025-26	2026-27	2027-28	2028-29
(₹ in lakh)					

Interest on Working Capital (IWC)

64. Regulations 34(1)(d), 34(3) and 34(4) of the 2024 Tariff Regulations specify as under:

“34. Interest on Working Capital: (1) The working capital shall cover:

.....

(d) For Hydro generating station (including Pumped Storage Hydro generating station) and Transmission System:

- (i) Receivables equivalent to 45 days of annual fixed cost;*
- (ii) Maintenance spares @ 15% of operation and maintenance expenses including security expenses; and*
- (iii) Operation and maintenance expenses, including security expenses for one month.*

(2)

(3) Rate of interest on working capital shall be on a normative basis and shall be considered at the Reference Rate of Interest as on 1.4.2024 or as on 1st April of the year during the tariff period 2024- 29 in which the generating station or a unit thereof or the transmission system including communication system or element thereof, as the case may be, is declared under commercial operation, whichever is later:

Provided that in case of truing-up, the rate of interest on working capital shall be considered at Reference Rate of Interest as on 1st April of each of the financial year during the tariff period 2024-29.

(4) Interest on working capital shall be payable on a normative basis, notwithstanding that the generating company or the transmission licensee has not taken a loan for working capital from any outside agency.”

65. The Petitioner has considered the rate of IWC as 11.90% as on 1.4.2024. IWC is worked out in accordance with Regulation 34 of the 2024 Tariff Regulations. The ROI considered is 11.90% (SBI 1-year MCLR applicable as on 1.4.2024 of 8.65% plus 325 basis points) for the FY 2024-25 to FY 2028-29. The components of the working capital and interest allowed thereon under Regulation 34 of the 2024 Tariff Regulations for the 2024-29 tariff period with respect to the transmission asset are as under:



(₹ in lakh)						
	Particulars	2024-25	2025-26	2026-27	2027-28	2028-29
A	Working Capital for O&M Expenses (O&M Expenses for one month)	39.63	41.73	43.89	46.18	48.66
B	Working Capital for Maintenance Spares (15% of O&M Expenses)	71.34	75.11	79.00	83.13	87.58
C	Working Capital for Receivables (Equivalent to 45 days of annual fixed cost /annual transmission charges)	292.49	290.62	288.85	286.55	287.48
D	Total Working Capital (A+B+C)	403.46	407.46	411.74	415.86	423.73
E	Rate of Interest for working capital (in %)	11.90	11.90	11.90	11.90	11.90
F	Interest on working capital (D*E)	48.01	48.49	49.00	49.49	50.42

Annual Fixed Charges of the 2024-29 Tariff Period

66. The Annual Fixed Charges allowed for the 2024-29 tariff period are as follows:

(₹ in lakh)					
Particulars	2024-25	2025-26	2026-27	2027-28	2028-29
Depreciation	455.15	455.15	455.15	455.15	455.15
Interest on Loan	160.90	120.17	79.34	39.04	9.59
Return on Equity	1232.76	1232.76	1232.76	1232.76	1232.76
O & M Expenses	475.59	500.71	526.67	554.17	583.90
Interest on Working Capital	48.01	48.49	49.00	49.49	50.42
Total	2372.42	2357.28	2342.92	2330.62	2331.82

Filing Fee and Publication Expenses

67. We have considered the Petitioner's submissions. The Petitioner shall be entitled to reimbursement of the filing fees and publication expenses in connection with the instant Petition, directly from the beneficiaries or long-term customers, as the case may be, in accordance with Regulation 94(1) of the 2024 Tariff Regulations.



Fees and Charges of Central Transmission Utility of India Limited (CTUIL)

68. The Petitioner has submitted that as per Regulation 99 of the 2024 Tariff Regulations, the fees and charges of the CTUIL may be allowed separately through a separate regulation. The Petitioner has further submitted that in the absence of such regulation, the expenses of CTUIL will be borne by the Petitioner, which will be recovered by the Petitioner as additional O&M Expenses through a separate Petition at the end of the tariff period.

69. It is apt here to refer to Regulation 99 of the 2024 Tariff Regulations, which provides as under:

“99. Special Provisions relating to Central Transmission Utility of India Ltd. (CTUIL): The fee and charges of CTUIL shall be allowed separately by the Commission through a separate regulation:

Provided that until such regulation is issued by the Commission, the expenses of CTUIL shall be borne by Power Grid Corporation of India Ltd. (PGCIL) which shall be recovered by PGCIL as additional O&M expenses through a separate petition.”

70. We have considered the Petitioner’s submissions and perused Regulation 99 of the 2024 Tariff Regulations. In view of the explicit provision made under Regulation 99 of the 2024 Tariff Regulations, we permit the Petitioner, i.e., PGCIL, to bear the fees and charges expenses of CTUIL and recover the same as additional O&M Expenses through a separate Petition until such regulation is notified and issued by the Commission.

Licence Fee and RLDC Fees and Charges

71. The Petitioner has claimed reimbursement of the licence fee, RLDC Fees and Charges. The Petitioner is allowed the reimbursement of the licence fee in accordance with Regulation 94(4) of the 2024 Tariff Regulations for the 2024-29 tariff period. The Petitioner shall also be entitled for recover of the RLDC fee and charges from the



beneficiaries in terms of Regulation 94(3) of the 2024 Tariff Regulations for the 2024-29 tariff period.

Goods and Services Tax

72. The Petitioner has submitted that the transmission charges claimed herein are exclusive of GST, and in case GST is levied in the future, the same shall be additionally paid by the Respondents and be charged and billed separately by the Petitioner. It is also prayed that additional taxes, if any, are paid by the Petitioner on account of the demand from the Government/ statutory authorities, and the Commission may allow the same to be recovered from the beneficiaries.

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

Security Expenses, Insurance and Capital Spares

74. The Petitioner has submitted that a separate Petition shall be filed for truing up of Security Expenses from 1.4.2019 to 31.3.2024 under Regulation 35(3)(c) of the 2019 Tariff Regulations and recovery of security expenses from 1.4.2024 to 31.3.2029 under Regulation 36 (3)(d) of the 2024 Tariff Regulations. According to the Petitioner, the Security Expenses regarding the transmission asset are not claimed in the instant Petition.

75. The Petitioner has also submitted that it has not claimed Insurance Expenses in the instant Petition and has submitted that it shall file a separate Petition for claiming the overall insurance expenses and consequential IWC on the same, considering the actual Insurance Expenses incurred by it for the FY 2023-24 after



escalating the same at 5.25% per annum to arrive at the estimated Insurance Expense for the FY 2024-25, FY 2025-26, FY 2026-27, FY 2027-28, and FY 2028-29.

76. The Petitioner has not claimed Capital Spares for the transmission asset in the instant Petition for 2024-29 tariff period. Accordingly, the Petitioner has submitted that it will file a separate Petition for the capital spares consumed and consequential IWC thereon on an actual basis for the 2024-29 tariff period as per the 2024 Tariff Regulations. The Petitioner has also submitted that it has filed Petition no. 45/MP/2024, claiming therein Capital Spares for the 2019-24 tariff period as per the 2019 Tariff Regulations.

77. We have considered the Petitioner's submissions and have perused the record. We deem it proper here to refer to Regulation 36(3) (d) of the 2024 Tariff Regulations which provides as follows:

"36(3)

(d) The Security Expenses, Capital Spares individually costing more than Rs. 10 lakh and Insurance expenses arrived through competitive bidding for the transmission system and associated communication system shall be allowed separately after prudence check:

Provided that in case of self insurance, the premium shall not exceed 0.12% of the GFA of the assets insured;

Provided that the transmission licensee shall submit the along with estimated security expenses based on assessment of the security requirement, capital spares and insurance expenses, which shall be trued up based on details of the year-wise actuals along with appropriate justification for incurring the same and along with confirmation that the same is not claimed as a part of additional capitalisation or consumption of stores and spares and renovation and modernization."

78. On perusal of Regulation 36(3)(d) of the 2024 Tariff Regulations and considering the Petitioner's submissions, the Petitioner is allowed to file a single consolidated Petition comprising security expenses, capital spares individually costing more than ₹10 lakh and insurance expenses on the estimated basis as per the 2024 Tariff Regulations for the 2024-29 tariff period.



Sharing of Transmission Charges

79. The Petitioner has submitted that the truing-up of the tariff for the 2019-24 tariff period will be recovered on a monthly basis in accordance with Regulation 57 of the 2019 Tariff Regulations and will be shared by the beneficiaries and long-term transmission customers. Further, the tariff for the 2024-29 tariff period will be recovered on a monthly basis in accordance with Regulation 78 of the 2024 Tariff Regulations and will be shared by the beneficiaries and long-term transmission customers as per the 2020 Sharing Regulations.

80. We have considered the Petitioner's submissions. The billing, collection, and disbursement of the transmission charges for the transmission asset shall be recovered in terms of provisions of the 2020 Sharing Regulations as provided in Regulation 57 of the 2019 Tariff Regulations for the 2019-24 tariff period and Regulation 78 of the 2024 Tariff Regulations for the 2024-29 tariff period.

81. To summarise:

- a) The details of AFC claimed by the Petitioner in the instant Petition and trued-up AFC approved in the instant order for the transmission asset are as follows:

(₹ in lakh)					
Assets	2019-20	2020-21	2021-22	2022-23	2023-24
AFC Claimed	3545.73	3462.36	3384.59	3312.12	3242.26
AFC Approved	3545.72	3462.34	3384.59	3312.10	3242.25

- b) The details of AFC claimed by the Petitioner in the instant Petition and AFC approved in the instant order for the transmission asset are as follows:

(₹ in lakh)					
Particulars	2024-25	2025-26	2026-27	2027-28	2028-29
AFC Claimed	2372.40	2357.27	2342.91	2330.61	2331.81



Particulars	2024-25	2025-26	2026-27	2027-28	2028-29
AFC Approved	2372.42	2357.28	2342.92	2330.62	2331.82

82. This order disposes of Petition No. 186/TT/2025, in terms of the above discussions and findings.

Sd/-
(Ravinder Singh Dhillon)
Member

sd/-
(Ramesh Babu V.)
Member

