

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 95/TT/2024

Coram:

**Shri Jishnu Barua, Chairperson
Shri Ramesh Babu V., Member
Shri Harish Dudani, Member**

Date of Order: 28.10.2025

In the matter of:

Petition for approval under Regulation 86 of the Central Electricity Regulatory Commission (Conduct of Business) Regulations, 1999 and the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2019 for the determination of transmission tariff from COD to 31.3.2024 for transmission assets under the "Reliable Communication Scheme under Central Sector for the Western Region".

And in the matter of:

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

... Petitioner

Versus

- 1. Madhya Pradesh Power Management Company Limited,
Shakti Bhawan, Rampur,
Jabalpur-482008.**
- 2. Madhya Pradesh Audyogik Kendra Vikas Nigam (Indore) Limited,
3/54, Press Complex, Agra-Bombay Road,
Indore-452008.**
- 3. Maharashtra State Electricity Distribution Company Limited,
Hongkong Bank Building, 3rd Floor,
M.G. Road, Fort, Mumbai-400001.**
- 4. Gujarat Urja Vikas Nigam Limited,
Sardar Patel Vidyut Bhawan,
Race Course Road, Vadodara-390007.**
- 5. Electricity Department,
Government of Goa, Vidyut Bhawan,
Panaji, Near Mandvi Hotel, Goa-403001.**



6. **Electricity Department,**
Administration of Daman & Diu,
Daman-396210.
7. **DNH Power Distribution Corporation Limited,**
Vidyut Bhawan, 66 kV Road,
Near Secretariat Amli, Silvassa-396230.
8. **Chhattisgarh State Power Distribution Company Limited,**
P.O. Sunder Nagar, Dangania, Raipur,
Chhattisgarh-492013.

... Respondent(s)

For Petitioner : Shri Mohd. Mohsin, PGCIL
Shri Zafrul Hasan, PGCIL
Shri Arjun Malhotra, PGCIL

For Respondents : Ms. Nishtha Goel, Advocate, MSEDCL

ORDER

The Petitioner, Power Grid Corporation of India Limited (PGCIL), has filed this Petition under the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2019 (hereinafter referred to as “the 2019 Tariff Regulations”) for the determination of transmission tariff from the date of commercial operation (COD) to 31.3.2024 for the assets under the “Reliable Communication Scheme under the Central Sector for the Western Region” (hereinafter referred to as the “Communication System”). The details of the communication assets covered by this Petition (hereinafter referred to as “the communication assets”) are as follows:

Asset	Communication Asset's Name
Asset-1	OPGW link for 220 kV Kakrapar - Vav TL
Asset-2	OPGW link for 400 kV Emco - Bhadrawati TL
Asset-3	OPGW link for 400 kV Bhatapara - Bhilai TL and 400 kV Korba – Bhilai TL
Asset-4	OPGW link for 400 kV MB TPS (Annupur) - Jabalpur
Asset-5	OPGW link for 400 kV ACBIL - Bilaspur TL and LILO of ACBIL - Bilaspur TL
Asset-6	OPGW link for LILO of 400 kV Bhadrawati - Parli TL and 220 kV GMR-Raipur Pool
Asset-7	OPGW link for Lanco - Bilaspur Pooling Station 400 kV D/C (Quad) TL and 400 kV Tarapur - Phadge-I TL



Asset	Communication Asset's Name
Asset-8	OPGW link for 400 kV Tarapur - Boiser TL
Asset-9	OPGW link for 400 kV KWPCCL - Raigarh TL
Asset-10	OPGW link for 132 kV Spectrum – Bilaspur TL
Asset-11	OPGW link for 765 kV Raipur PS – Wardha TL
Asset-12	OPGW link for portion of 765 kV Seoni – Bina TL
Asset-13	OPGW link for 220 kV JPL - Raipur TL
Asset-14	OPGW link for 400 kV Bhilai – Bhadrawati TL and communication equipment at WRLDC, POSOCO - Kalwa and Mauda (NTPC)
Asset-15	OPGW link for 400 kV DB Power - Raigarh (Kotra) TL
Asset-16	OPGW link for 765 kV Vadodara - Indore TL
Asset-17	OPGW link for 400 kV Bilaspur - Mahan TL along with end equipment
Asset-18	OPGW link for 765 kV Orai - Jabalpur TL
Asset-19	OPGW link for 765 kV 400 kV DGEN - Navsari TL

2. The Petitioner has made the following prayers:

- “1) Condone the delay in completion of the assets, wherever applicable, on merit of the same being out of the control of Petitioner in line with CERC Regulations’2019 22(2) “uncontrollable factors” and approve the tariff as claimed.*
- 2) Admit the capital cost as claimed in the Petition and approve the Additional Capitalization incurred/projected to be incurred.*
- 3) Approve the Transmission Tariff for the tariff block 2019-24 block for the assets covered under this petition, as per para –8 above.*
- 4) 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 Regulation 2019 as per para 8 above for respective block.*
- 5) Approve the reimbursement of expenditure by the beneficiaries towards petition filing fee, and expenditure on publishing of notices in newspapers in terms of Regulation 70 (1) Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2019, and other expenditure (if any) in relation to the filing of petition.*
- 6) Allow the petitioner to bill and recover Licensee fee and RLDC fees and charges, separately from the respondents in terms of Regulation 70 (3) and (4) Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2019.*
- 7) 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 2019-24 period, if any, from the beneficiaries.*
- 8) Allow the Petitioner to claim the overall security expenses and consequential IOWC on that security expenses separately.*
- 9) Allow the petitioner to claim the capital spares at the end of tariff block as per actual.*
- 10) 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.

11) Allow interim tariff in accordance with Regulation 10 (3) of Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2019 for purpose of inclusion in the PoC charges.

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 Investment Approval (IA) for the Communication System was accorded by the Board of Directors of the Petitioner at its 360th meeting held on 3.1.2019 and communicated vide Memorandum dated 24.1.2019, with an estimated cost of ₹11212 lakh, which includes an Interest During Construction (IDC) of ₹700 lakh at June 2018 price level.
- b. The scope of work covered under the Communication System as per the IA is as follows:
 - Implementation of OPGW fiber optic cable on the EHV transmission line of Central Sector, the estimate length of such cable is approximately 3402 km.
 - 58 Nos. of Terminal Equipment for communication based upon Synchronous Digital Hierarchy (SDH) technology to be installed in the substations of the Petitioner and its constituents. The project would also involve installation of 56 nos. of Mux/D&I/DACS at wideband nodes. To monitor the network, NMS system is also envisaged.
 - Presently DC Power Supply has been envisaged at all the wideband locations where equipment is to be installed. However, the requirement shall be optimized during the detailed engineering.
 - Approach cable for providing connectivity between OPGW and the equipment.
- c. The Communication System was discussed and deliberated upon at the 33rd TCC/WRPC meeting held from 31.1.2017 to 1.2.2017 in Diu. The scope of the



Communication System was revised during the 3rd SCADA and Communication Meeting at WRPC on 5.11.2019, where Vadinar-Hadala-Chornia-Ranchodpura was deleted from the scope, and the 765 kV Vadodara - Indore and 765 kV Orai - Jabalpur links were added in the Communication System. Further, the 40th TCC/WRPC held on 7.6.2021 through video conferencing, approved the change and substitution of the OPGW link/TL from LILO of Bhadrawali-Chandrapaul to LILO of Bhadrawati-Parli, and replaced 400 kV LANCO–Champa Pooling Station with the 400 kV LANCO–Bilaspur transmission line. Furthermore, in line with the 4th ISTS Communication Planning Meeting conducted by CTU on 26.7.2023, the Essar Hazira link has been removed.

d. The details of the scope of work for the Communication System are as follows:

Sl. No.	Name of the Line	Length as per DPR (in km)	Actual executed length (in km)	Remarks
Western Region I				
1	ACBIL-Bilaspur	50	55.55	Under original scope
2	Bhatapara - Bhilai	91	92.32	
3	DB Power-Raigarh (Kotra)	22	18.36	
4	LILO of Bhadrawati – Parli (Formerly LILO of Bhadrawati-Chandrapaul)	10	17.66	Name substituted and approved in 40 th WRPC
5	400 kV Bilaspur-Mahan	60	336.93	Under original scope
6	400 kV Emco-Bhadrawati	28	33.82	
7	Jindal Power-Raigarh (Tamnar)	50	-	Deleted
8	KSK-Raigarh	114	-	Deleted
9	KWPCL-RAIGARH	40	18.56	Under original scope
10	400 kV LANCO – BILASPUR TL (Formerly Lanco - Champa Pooling Station 400 kV D/c (Quad))	50	75.03	Name substituted and approved in 40 th WRPC
11	LILO of ACBIL-Bilaspur	50	16.24	Under original scope
12	NSPCL-Raipur	50	-	Deleted
13	RKM-Raigarh Kotra B	50	-	Deleted
14	Tarapur-Boiser	25	20.62	Under original scope
15	Vandana Vidhyut- Korba	50	-	Deleted
16	Spectrum - Bilaspur	50	11.76	Under original scope
17	JPL-Raipur	217	258.75	
18	Balco-Korba	50	-	Deleted
19	DCPP Jindal - JPL	34	-	Deleted
20	Jind IE-JPL	10	-	Deleted
21	GMR-RAIPUR POOL	50	64.86	
22	Bhilai - Bhadrawati	322	321.89	



Sl. No.	Name of the Line	Length as per DPR (in km)	Actual executed length (in km)	Remarks
23	Tarapur - Phadga-I	91	88.91	Under original scope
24	Korba - Bhilai	197	196.99	
25	Raipur PS - Wardha	369	355.44	
Western Region II				
1	Navsari-DGEN	138	105	Under original scope
2	Essar Hazira	35	-	Deleted in 4th ISTS communication planning meeting conducted by CTU on 26.7.2023
3	Vadinar-Hadala-Chornia-Ranchodpura	382	-	Deleted in 3 rd SCADA and Communication Meeting held at WRPC on 5.11.2019
4	MB TPS (Annupur)- Jabalpur	246	246	Under original scope
5	Magarwada - Kala	16	-	Deleted
6	Kakrapar - Vav	43	43	Under original scope
7	Part of Seoni - Bina	292	178	Under original scope
8	Nigrie-Vindhyachal	120	-	Deleted
9	765 kV Vadodara-Indore	-	320	New addition in Scope in 3 rd SCADA and Communication Meeting held at WRPC on 5.11.2019
10	765 kV Orai-Jabalpur	-	360	
	Total OPGW Link length	3402.00	3235.69	Executed line length decreased by 166.31 KM w.r.t. DPR

4. The Respondents, mainly beneficiaries of the Western Region, are Distribution Licensees, Transmission Licensees and Power Departments which are procuring transmission service from the Petitioner.

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 newspapers in accordance with Section 64 of the Electricity Act, 2003 (hereinafter referred to as “the Act”). Madhya Pradesh Power Management Company Limited (MPPMCL), i.e., Respondent No. 1, and Maharashtra State Electricity Distribution Company Limited (MSEDCL), i.e., Respondent No. 3, have filed their respective replies vide affidavits dated 11.9.2024 and 5.9.2024, respectively. In response to the replies of



MPPMCL and MSEDCL, the Petitioner has filed its respective rejoinders vide affidavits dated 27.9.2024. The issues raised by MPPMCL and MSEDCL in their replies, along with the clarifications provided by the Petitioner, are addressed in the relevant paragraphs of this order.

6. The final hearing in this matter was held on 8.11.2024, and the order was reserved. Having heard the representatives of the Petitioner and the learned counsel of MSEDCL, and after perusing the material on record, we proceed to dispose of the Petition.

DETERMINATION OF ANNUAL FIXED CHARGES FOR THE 2019-24 TARIFF PERIOD

7. The Petitioner has claimed the following charges for the communication assets from the COD to 31.3.2024:

Asset-1

(₹ in lakh)

Particulars	2020-21 (Pro rata for 62 days)	2021-22	2022-23	2023-24
Depreciation	0.93	6.56	7.66	7.66
Interest on Loan	0.74	4.99	5.35	4.79
Return on Equity	0.83	5.84	6.82	6.82
Operation & Maintenance Expenses	0.41	2.42	2.42	2.42
Interest on Working Capital	0.05	0.34	0.38	0.37
Total	2.96	20.15	22.63	22.06

Asset-2

(₹ in lakh)

Particulars	2021-22 (Pro rata for 289 days)	2022-23	2023-24
Depreciation	4.72	5.97	6.38
Interest on Loan	2.99	3.47	3.37
Return on Equity	4.20	5.31	5.68
Operation & Maintenance Expenses	1.70	2.15	2.15
Interest on Working Capital	0.22	0.28	0.28
Total	13.83	17.18	17.86



Asset-3

(₹ in lakh)

Particulars	2021-22 (Pro rata for 239 days)	2022-23	2023-24
Depreciation	28.87	47.42	52.98
Interest on Loan	18.43	28.08	28.75
Return on Equity	25.69	42.21	47.16
Operation & Maintenance Expenses	11.77	17.97	17.97
Interest on Working Capital	1.40	2.23	2.37
Total	86.16	137.91	149.23

Asset-4

(₹ in lakh)

Particulars	2021-22 (Pro rata for 234 days)	2022-23	2023-24
Depreciation	21.80	44.64	54.47
Interest on Loan	15.08	29.62	33.51
Return on Equity	19.40	39.74	48.49
Operation & Maintenance Expenses	11.58	18.06	18.06
Interest on Working Capital	1.18	2.18	2.47
Total	69.04	134.24	157.00

Asset-5

(₹ in lakh)

Particulars	2021-22 (Pro rata for 232 days)	2022-23	2023-24
Depreciation	7.65	12.05	12.85
Interest on Loan	4.89	7.11	6.90
Return on Equity	6.81	10.72	11.44
Operation & Maintenance Expenses	2.74	4.31	4.31
Interest on Working Capital	0.36	0.56	0.57
Total	22.45	34.75	36.07

Asset-6

(₹ in lakh)

Particulars	2021-22 (Pro rata for 97 days)	2022-23	2023-24
Depreciation	3.52	13.40	14.35
Interest on Loan	2.29	8.21	8.01
Return on Equity	3.13	11.92	12.77
Operation & Maintenance Expenses	1.27	4.80	4.80
Interest on Working Capital	0.16	0.62	0.64
Total	10.37	38.95	40.57



Asset-7

(₹ in lakh)

Particulars	2021-22 (Pro rata for 93 days)	2022-23	2023-24
Depreciation	6.57	25.82	27.58
Interest on Loan	4.28	15.83	15.40
Return on Equity	5.85	22.98	24.55
Operation & Maintenance Expenses	2.36	9.27	9.27
Interest on Working Capital	0.31	1.20	1.23
Total	19.37	75.10	78.03

Asset-8

(₹ in lakh)

Particulars	2021-22 (Pro rata for 92 days)	2022-23	2023-24
Depreciation	1.79	7.09	7.97
Interest on Loan	1.16	4.35	4.48
Return on Equity	1.59	6.31	7.09
Operation & Maintenance Expenses	0.71	2.80	2.80
Interest on Working Capital	0.09	0.34	0.36
Total	5.34	20.89	22.70

Asset-9

(₹ in lakh)

Particulars	2021-22 (Pro rata for 41 days)	2022-23	2023-24
Depreciation	0.50	4.49	4.98
Interest on Loan	0.33	2.82	2.86
Return on Equity	0.45	3.99	4.43
Operation & Maintenance Expenses	0.19	1.73	1.73
Interest on Working Capital	0.02	0.21	0.23
Total	1.49	13.24	14.23

Asset-10

(₹ in lakh)

Particulars	2021-22 (pro rata for 26 days)	2022-23	2023-24
Depreciation	0.21	3.03	3.41
Interest on Loan	0.14	1.90	1.96
Return on Equity	0.19	2.70	3.04
Operation & Maintenance Expenses	0.08	1.19	1.19
Interest on Working Capital	0.01	0.15	0.16
Total	0.63	8.97	9.76



Asset-11

(₹ in lakh)

Particulars	2022-23	2023-24
Depreciation	61.02	69.15
Interest on Loan	43.11	44.77
Return on Equity	54.32	61.55
Operation & Maintenance Expenses	22.99	22.99
Interest on Working Capital	2.95	3.17
Total	184.39	201.63

Asset-12

(₹ in lakh)

Particulars	2022-23 (Pro rata for 286 days)	2023-24
Depreciation	23.98	33.31
Interest on Loan	18.06	23.14
Return on Equity	21.34	29.65
Operation & Maintenance Expenses	8.40	10.72
Interest on Working Capital	1.15	1.53
Total	72.93	98.35

Asset-13

(₹ in lakh)

Particulars	2022-23 (Pro rata for 175 days)	2023-24
Depreciation	18.89	42.32
Interest on Loan	14.89	31.20
Return on Equity	16.81	37.67
Operation & Maintenance Expenses	6.84	14.27
Interest on Working Capital	0.93	2.00
Total	58.36	127.46

Asset-14

(₹ in lakh)

Particulars	2022-23 (Pro rata for 121 days)	2023-24
Depreciation	16.92	58.96
Interest on Loan	14.07	46.23
Return on Equity	15.06	52.48
Operation & Maintenance Expenses	6.99	21.10
Interest on Working Capital	0.87	2.86
Total	53.91	181.63



Asset-15

(₹ in lakh)

Particulars	2022-23 (Pro rata for 72 days)	2023-24
Depreciation	1.08	6.06
Interest on Loan	0.92	4.89
Return on Equity	0.96	5.40
Operation & Maintenance Expenses	0.42	2.11
Interest on Working Capital	0.06	0.30
Total	3.44	18.76

Asset-16

(₹ in lakh)

Particulars	2022-23 (Pro rata for 39 days)	2023-24
Depreciation	5.34	53.25
Interest on Loan	4.58	43.42
Return on Equity	4.75	47.40
Operation & Maintenance Expenses	1.89	17.70
Interest on Working Capital	0.26	2.56
Total	16.82	164.33

Asset-17

(₹ in lakh)

Particulars	2022-23 (Pro rata for 29 days)	2023-24
Depreciation	3.57	49.74
Interest on Loan	3.16	41.85
Return on Equity	3.18	44.27
Operation & Maintenance Expenses	1.37	17.22
Interest on Working Capital	0.18	2.43
Total	11.46	155.51

Asset-18

(₹ in lakh)

Particulars	2023-24 (Pro rata for 92 days)
Depreciation	14.98
Interest on Loan	12.65
Return on Equity	13.34
Operation & Maintenance Expenses	4.80
Interest on Working Capital	0.82
Total	46.59



Asset-19

(₹ in lakh)

Particulars	2023-24 (Pro rata for 73 days)
Depreciation	4.37
Interest on Loan	3.67
Return on Equity	3.89
Operation & Maintenance Expenses	1.39
Interest on Working Capital	0.24
Total	13.56

8. The Petitioner has claimed the following Interest on Working Capital (IWC) in respect of the communication assets from the COD to 31.3.2024:

Asset-1

(₹ in lakh)

Particulars	2020-21 (Pro rata 62 days)	2021-22	2022-23	2023-24
O&M Expenses	0.20	0.20	0.20	0.20
Maintenance Spares	0.36	0.36	0.36	0.36
Receivables	2.15	2.48	2.79	2.71
Total Working Capital	2.71	3.04	3.35	3.27
Rate of Interest (in %)	11.25	11.25	11.25	11.25
Interest on Working Capital	0.05	0.34	0.38	0.37

Asset-2

(₹ in lakh)

Particulars	2021-22 (Pro rata 289 days)	2022-23	2023-24
O&M Expenses	0.18	0.18	0.18
Maintenance Spares	0.32	0.32	0.32
Receivables	2.15	2.12	2.20
Total Working Capital	2.65	2.62	2.70
Rate of Interest (in %)	10.50	10.50	10.50
Interest on Working Capital	0.22	0.28	0.28

Asset-3

(₹ in lakh)

Particulars	2021-22 (Pro rata 239 days)	2022-23	2023-24
O&M Expenses	1.50	1.50	1.50
Maintenance Spares	2.70	2.70	2.70
Receivables	16.22	17.00	18.35



Particulars	2021-22 (Pro rata 239 days)	2022-23	2023-24
Total Working Capital	20.42	21.20	22.55
Rate of Interest (in %)	10.50	10.50	10.50
Interest on Working Capital	1.40	2.23	2.37

Asset-4

(₹ in lakh)

Particulars	2021-22 (Pro rata 234 days)	2022-23	2023-24
O&M Expenses	1.51	1.51	1.51
Maintenance Spares	2.71	2.71	2.71
Receivables	13.27	16.55	19.30
Total Working Capital	17.49	20.77	23.52
Rate of Interest (in %)	10.50	10.50	10.50
Interest on Working Capital	1.18	2.18	2.47

Asset-5

(₹ in lakh)

Particulars	2021-22 (Pro rata 232 days)	2022-23	2023-24
O&M Expenses	0.36	0.36	0.36
Maintenance Spares	0.65	0.65	0.65
Receivables	4.35	4.28	4.44
Total Working Capital	5.36	5.29	5.45
Rate of Interest (in %)	10.50	10.50	10.50
Interest on Working Capital	0.36	0.56	0.57

Asset-6

(₹ in lakh)

Particulars	2021-22 (Pro rata 97 days)	2022-23	2023-24
O&M Expenses	0.40	0.40	0.40
Maintenance Spares	0.72	0.72	0.72
Receivables	4.82	4.80	4.99
Total Working Capital	5.94	5.92	6.11
Rate of Interest (in %)	10.50	10.50	10.50
Interest on Working Capital	0.16	0.62	0.64

Asset-7

(₹ in lakh)

Particulars	2021-22 (Pro rata 93 days)	2022-23	2023-24
O&M Expenses	0.77	0.77	0.77
Maintenance Spares	1.39	1.39	1.39
Receivables	9.37	9.26	9.60



Particulars	2021-22 (Pro rata 93 days)	2022-23	2023-24
Total Working Capital	11.53	11.42	11.76
Rate of Interest (in %)	10.50	10.50	10.50
Interest on Working Capital	0.31	1.20	1.23

Asset-8

(₹ in lakh)

Particulars	2021-22 (Pro rata 92 days)	2022-23	2023-24
O&M Expenses	0.23	0.23	0.23
Maintenance Spares	0.42	0.42	0.42
Receivables	2.61	2.58	2.79
Total Working Capital	3.26	3.23	3.44
Rate of Interest (in %)	10.50	10.50	10.50
Interest on Working Capital	0.09	0.34	0.36

Asset-9

(₹ in lakh)

Particulars	2021-22 (Pro rata 41 days)	2022-23	2023-24
O&M Expenses	0.14	0.14	0.14
Maintenance Spares	0.26	0.26	0.26
Receivables	1.64	1.63	1.75
Total Working Capital	2.04	2.03	2.15
Rate of Interest (in %)	10.50	10.50	10.50
Interest on Working Capital	0.02	0.21	0.23

Asset-10

(₹ in lakh)

Particulars	2021-22 (Pro rata 26 days)	2022-23	2023-24
O&M Expenses	0.10	0.10	0.10
Maintenance Spares	0.18	0.18	0.18
Receivables	1.10	1.11	1.20
Total Working Capital	1.38	1.39	1.48
Rate of Interest (in %)	10.50	10.50	10.50
Interest on Working Capital	0.01	0.15	0.16

Asset-11

(₹ in lakh)

Particulars	2022-23	2023-24
O&M Expenses	1.92	1.92
Maintenance Spares	3.45	3.45
Receivables	22.73	24.79
Total Working Capital	28.10	30.16
Rate of Interest (in %)	10.50	10.50
Interest on Working Capital	2.95	3.17



Asset-12

(₹ in lakh)

Particulars	2022-23 (Pro rata 286 days)	2023-24
O&M Expenses	0.89	0.89
Maintenance Spares	1.61	1.61
Receivables	11.47	12.09
Total Working Capital	13.97	14.59
Rate of Interest (in %)	10.50	10.50
Interest on Working Capital	1.15	1.53

Asset-13

(₹ in lakh)

Particulars	2022-23 (Pro rata 175 days)	2023-24
O&M Expenses	1.19	1.19
Maintenance Spares	2.14	2.14
Receivables	15.01	15.67
Total Working Capital	18.34	19.00
Rate of Interest (in %)	10.50	10.50
Interest on Working Capital	0.93	2.00

Asset-14

(₹ in lakh)

Particulars	2022-23 (Pro rata 121 days)	2023-24
O&M Expenses	1.76	1.76
Maintenance Spares	3.17	3.17
Receivables	20.05	22.33
Total Working Capital	24.98	27.26
Rate of Interest (in %)	10.50	10.50
Interest on Working Capital	0.87	2.86

Asset-15

(₹ in lakh)

Particulars	2022-23 (Pro rata 72 days)	2023-24
O&M Expenses	0.18	0.18
Maintenance Spares	0.32	0.32
Receivables	2.15	2.31
Total Working Capital	2.65	2.81
Rate of Interest (in %)	10.50	10.50
Interest on Working Capital	0.06	0.30



Asset-16

(₹ in lakh)

Particulars	2022-23 (Pro rata 39 days)	2023-24
O&M Expenses	1.48	1.48
Maintenance Spares	2.66	2.66
Receivables	19.41	20.20
Total Working Capital	23.55	24.34
Rate of Interest (in %)	10.50	10.50
Interest on Working Capital	0.26	2.56

Asset-17

(₹ in lakh)

Particulars	2022-23 (Pro rata 29 days)	2023-24
O&M Expenses	1.44	1.44
Maintenance Spares	2.58	2.58
Receivables	17.78	19.12
Total Working Capital	21.80	23.14
Rate of Interest (in %)	10.50	10.50
Interest on Working Capital	0.18	2.43

Asset-18

(₹ in lakh)

Particulars	2023-24 (Pro rata 92 days)
O&M Expenses	1.59
Maintenance Spares	2.87
Receivables	22.79
Total Working Capital	27.25
Rate of Interest (in %)	12.00
Interest on Working Capital	0.82

Asset-19

(₹ in lakh)

Particulars	2023-24 (Pro rata 73 days)
O&M Expenses	0.58
Maintenance Spares	1.05
Receivables	8.36
Total Working Capital	9.99
Rate of Interest (in %)	12.00
Interest on Working Capital	0.24



Date of Commercial Operation (COD)

9. The Petitioner, vide affidavit dated 7.5.2024, has submitted that Asset-18 is expected to be commissioned on 30.6.2024, and Asset-19 was commissioned on 19.1.2024.

10. Furthermore, in response to the Record of Proceedings (RoP) dated 28.8.2024, the Petitioner, through an affidavit dated 5.9.2024, has stated that Asset-18 was expected to be commissioned on 15.10.2024. Accordingly, the details of CODs claimed by the Petitioner for the communication assets are as follows:

Asset	Asset's Name	COD
Asset-1	OPGW link for 220 kV Kakrapar – Vav TL	29.1.2021
Asset-2	OPGW link for 400 kV Emco-Bhadrawati TL	16.6.2021
Asset-3	OPGW link for 400 kV Bhatapara – Bhilai TL and 400 kV Korba – Bhilai TL	5.8.2021
Asset-4	OPGW link for 400 kV MB TPS (Annupur)- Jabalpur	10.8.2021
Asset-5	OPGW link for 400 kV ACBIL-Bilaspur TL and LILO of ACBIL-Bilaspur TL	12.8.2021
Asset-6	OPGW link for LILO of 400 kV Bhadrawati-Parli TL and 220 kV GMR-RAIPUR POOL	25.12.2021
Asset-7	OPGW link for Lanco - Bilaspur Pooling Station 400 kV D/c (Quad) TL and 400 kV Tarapur - Phadge-I TL	29.12.2021
Asset-8	OPGW link for 400 kV Tarapur-Boiser TL	30.12.2021
Asset-9	OPGW link for 400 kV KWPCCL-Raigarh TL	19.2.2022
Asset-10	OPGW link for 132 kV Spectrum – Bilaspur TL	6.3.2022
Asset-11	OPGW link for 765 kV Raipur PS – Wardha TL	1.4.2022
Asset-12	OPGW link for portion of 765 kV Seoni – Bina TL	19.6.2022
Asset-13	OPGW link for 220 kV JPL-Raipur TL	8.10.2022
Asset-14	OPGW link for 400 kV Bhilai – Bhadrawati TL and communication equipment at WRLDC, POSOCO-Kalwa and Mauda (NTPC)	1.12.2022
Asset-15	OPGW link for 400 kV DB Power-Raigarh (Kotra) TL	19.1.2023
Asset-16	OPGW link for 765 kV Vadodara-Indore TL	21.2.2023
Asset-17	OPGW link for 400 kV Bilaspur-Mahan TL along with end equipments	3.3.2023
Asset-18	OPGW link for 765 kV Orai-Jabalpur TL	15.10.2024 (anticipated)
Asset-19	OPGW link for 765 kV 400kV DGEN-Navsari TL	19.1.2024

11. The Communication System under the aforementioned scheme considered in the instant Petition comprises of Fibre Optic Communication Systems. The operating voltage for the Communication System is 24/48-volt DC supply. Therefore, as per the Central Electricity Authority (Measures Relating to Safety and Electric Supply) Regulations, 2010 (hereinafter



referred to as “the 2010 CEA Regulations”), a minimum of 650 volts is required for inspection. Furthermore, the Central Government had specified the notified voltage for self-certification under Regulations 30 and 43 of the 2010 CEA Regulations as 11 kV, which means that no inspection is required by a CEA inspector up to 11 kV. Hence, the CEA clearance letter is not applicable in the case of the Communication System.

12. In support of the CODs of the communication assets, the Petitioner has placed on record copies of the RLDC Charging Certificates certifying that the successful trial operations were completed along with self-declaration COD letters.

13. Regulation 5 of the 2019 Tariff Regulations provides as follows:

“5. Date of Commercial Operation: (1) The date of commercial operation of a generating station or unit thereof or a transmission system or element thereof and associated communication system shall be determined in accordance with the provisions of the Grid Code.

(2) In case the transmission system or element thereof executed by a transmission licensee is ready for commercial operation but the interconnected generating station or the transmission system of other transmission licensee as per the agreed project implementation schedule is not ready for commercial operation, the transmission licensee may file petition before the Commission for approval of the date of commercial operation of such transmission system or element thereof: Provided that the transmission licensee seeking the approval of the date of commercial operation under this clause shall give prior notice of at least one month, to the generating company or the other transmission licensee and the long term customers of its transmission system, as the case may be, regarding the date of commercial operation:

Provided further that the transmission licensee seeking the approval of the date of commercial operation of the transmission system under this clause shall be required to submit the following documents along with the petition:

(a) Energisation certificate issued by the Regional Electrical Inspector under Central Electricity Authority;

(b) Trial operation certificate issued by the concerned RLDC for charging element with or without electrical load;

(c) Implementation Agreement, if any, executed by the parties;

(d) Minutes of the coordination meetings or related correspondences regarding the monitoring of the progress of the generating station and transmission systems;

(e) Notice issued by the transmission licensee as per the first proviso under this clause and the response;

(f) Certificate of the CEO or MD of the company regarding the completion of the transmission system including associated communication system in all respects.

(3) The date of commercial operation in case of integrated mine(s), shall mean the earliest of —
(a) the first date of the year succeeding the year in which 25% of the Peak Rated Capacity as per the Mining Plan is achieved; or

(b) the first date of the year succeeding the year in which the value of production estimated in accordance with Regulation 7A of these regulations, exceeds total expenditure in that year; or

(c) the date of two years from the date of commencement of production:



Provided that on earliest occurrence of any of the events under sub-clauses (a) to (c) of Clause (3) of this Regulation, the generating company shall declare the date of commercial operation of the integrated mine(s) under the relevant sub-clause with one week prior intimation to the beneficiaries of the end-use or associated generating station(s);

Provided further that in case the integrated mine(s) is ready for commercial operation but is prevented from declaration of the date of commercial operation for reasons not attributable to the generating company or its suppliers or contractors or the Mine Developer and Operator, the Commission, on an application made by the generating company, may approve such other date as the date of commercial operation as may be considered appropriate after considering the relevant reasons that prevented the declaration of the date of commercial operation under any of the sub-clauses of Clause (3) of this Regulation;

Provided also that the generating company seeking the approval of the date of commercial operation under the preceding proviso shall give prior notice of one month to the beneficiaries of the end-use or associated generating station(s) of the integrated mine(s) regarding the date of commercial operation.”

14. The details of RLDC Certificates and COD letters submitted by the Petitioner for the communication assets are as follows:

Sr. No.	Asset Name	Description
1	Asset -1 {OPGW link for 220 kV Kakrapar – Vav TL}	RLDC Certificate dated 16.2.2021 certifying the successful completion of the trial run on 28.1.2021. COD letter dated 22.2.2021.
2	Asset -2 {OPGW link for 400 kV Emco-Bhadrawati TL}	RLDC Certificate dated 31.8.2021 certifying the successful completion of the trial run on 15.6.2021. COD letter dated 17.11.2021.
3	Asset -3 {OPGW link for 400 kV Bhatapara – Bhilai TL and 400 kV Korba – Bhilai TL}	RLDC Certificate dated 31.8.2021 certifying the successful completion of the trial run on 4.8.2021. COD letter dated 17.11.2021.
4	Asset -4 {OPGW link for 400 kV MB TPS (Annupur)- Jabalpur}	RLDC Certificate dated 26.8.2021 certifying the successful completion of the trial run on 9.8.2021. COD letter dated 30.8.2021.
5	Asset -5 {OPGW link for 400 kV ACBIL-Bilaspur TL and LILO of ACBIL-Bilaspur TL}	RLDC Certificate dated 31.8.2021 certifying the successful completion of the trial run on 11.8.2021. COD letter dated 17.11.2021.
6	Asset -6 {OPGW link for LILO of 400 kV Bhadrawati-Parli TL and 220 kV GMR-Raipur Pool}	RLDC Certificate dated 21.1.2022 certifying the successful completion of the trial run on 24.12.2021. COD letter dated 14.2.2022.
7	Asset -7 {OPGW link for Lanco - Bilaspur Pooling Station 400 kV D/C (Quad) TL and 400 kV Tarapur - Phadge-I TL}	RLDC Certificate dated 21.1.2022 certifying the successful completion of the trial run on 28.12.2021. COD letter dated 14.2.2022.
8	Asset -8 {OPGW link for 400 kV Tarapur-Boiser TL}	RLDC Certificate dated 21.1.2022 certifying the successful completion of the trial run on 29.12.2021. COD letter dated 14.2.2022.
9	Asset -9 {OPGW link for 400 kV KWPCCL-Raigarh TL}	RLDC Certificate dated 19.4.2022 certifying the successful completion of the trial run on 18.2.2022. COD letter dated 14.6.2022.
10	Asset -10 {OPGW link for 132 kV Spectrum – Bilaspur TL}	RLDC Certificate dated 19.4.2022 certifying the successful completion of the trial run on 5.3.2022. COD letter dated 14.6.2022.



Sr. No.	Asset Name	Description
11	Asset -11 {OPGW link for 765 kV Raipur PS – Wardha TL}	RLDC Certificate dated 7.6.2022 certifying the successful completion of the trial run on 31.3.2022. COD letter dated 14.6.2022.
12	Asset -12 {OPGW link for portion of 765 kV Seoni – Bina TL}	RLDC Certificate dated 11.7.2022 certifying the successful completion of the trial run on 18.6.2022. COD letter dated 18.7.2022.
13	Asset -13 {OPGW link for 220 kV JPL-Raipur TL}	RLDC Certificate dated 9.11.2022 certifying the successful completion of the trial run on 7.10.2022. COD letter dated 4.4.2023.
14	Asset -14 {OPGW link for 400 kV Bhilai – Bhadrawati TL and communication equipment at WRLDC, POSOCO-Kalwa and Mauda (NTPC)}	RLDC Certificate dated 17.2.2023 certifying the successful completion of the trial run on 30.11.2022. COD letter dated 4.4.2023.
15	Asset -15 {OPGW link for 400 kV DB Power-Raigarh (Kotra) TL}	RLDC Certificate dated 14.3.2023 certifying the successful completion of the trial run on 18.1.2023. COD letter dated 4.4.2023.
16	Asset -16 {OPGW link for 765 kV Vadodara-Indore TL}	RLDC Certificate dated 14.3.2023 certifying the successful completion of the trial run on 20.2.2023. COD letter dated 21.3.2023.
17	Asset -17 {OPGW link for 400 kV Bilaspur-Mahan TL along with end equipments}	RLDC Certificate dated 21.3.2023 certifying the successful completion of the trial run on 2.3.2023. COD letter dated 4.4.2023.
18	Asset -18 {OPGW link for 765 kV Orai-Jabalpur TL}	-
19	Asset -19 {OPGW link for 765 kV 400 kV DGEN-Navasari TL}	RLDC Certificate dated 25.1.2024 certifying the successful completion of the trial run on 18.1.2024. COD letter dated 29.2.2024.

15. It is observed that the RLDC Trial Run Certificate as well as the COD self-declaration Certificate for Asset-6 “OPGW link for 220 kV GMR Raipur Pool” and Asset-13 “OPGW Link for 220 kV JPL-Raipur TL” mention the communication assets as OPGW link for 400 kV GMR Raipur Pool and OPGW Link for 400 kV JPL-Raipur TL, respectively. The Petitioner is directed to clarify the reasons for the discrepancy between the descriptions of the respective communication assets in the RLDC and COD Certificates, which will be reviewed during the truing-up.

16. Therefore, considering the RLDC Charging Certificates and the self-declaration COD Certificates related to the communication assets, the CODs for these assets are approved as 29.1.2021 for Asset-1, 16.6.2021 for Asset-2, 5.8.2021 for Asset-3, 10.8.2021 for Asset-4,



12.8.2021 for Asset-5, 25.12.2021 for Asset-6, 29.12.2021 for Asset-7, 30.12.2021 for Asset-8, 19.2.2022 for Asset-9, 6.3.2022 for Asset-10, 1.4.2022 for Asset-11, 19.6.2022 for Asset-12, 8.10.2022 for Asset-13, 1.12.2022 for Asset-14, 19.1.2023 for Asset-15, 21.2.2023 for Asset-16, 3.3.2023 for Asset-17, and 19.1.2024 for Asset-19.

17. Since Asset-18 is still under construction, the Petitioner is directed to file a new Petition for the determination of tariff as per the prevalent tariff regulations. Accordingly, we proceed to determine the tariff for all communication assets, excluding Asset-18.

Capital Cost

18. Regulation 19 of the 2019 Tariff Regulations provides as follows:

“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 check in accordance with these regulations shall form the basis for 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, in the event of the actual equity in excess of 30% of the funds deployed, by treating the excess equity as normative loan, or (ii) being equal to the actual amount of loan in the event of the actual equity 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 sale of infirm power in excess of fuel cost prior to the date of commercial operation as specified under Regulation 7 of these regulations;*
- (h) Adjustment of revenue earned by the transmission licensee by using the asset 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 upto 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 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) Capital cost incurred or projected to be incurred by a thermal generating station, on account of implementation of the norms under Perform, Achieve and Trade (PAT) scheme of Government of India shall be considered by the Commission subject to sharing of benefits accrued under the PAT scheme with the beneficiaries.
- (3) The Capital cost of an existing project shall include the following:
- (a) Capital cost admitted by the Commission prior to 1.4.2019 duly trued up by excluding liability, if any, as on 1.4.2019;
 - (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 modernization as admitted by this Commission in accordance with these regulations;
 - (d) Capital expenditure on account of ash disposal and utilization including handling and transportation facility;
 - (e) Capital expenditure incurred towards railway infrastructure and its augmentation for transportation of coal up to the receiving end of generating station but does not include the transportation cost and any other appurtenant cost paid to the railway; and
 - (f) Capital cost incurred or projected to be incurred by a thermal generating station, on account of implementation of the norms under Perform, Achieve and Trade (PAT) scheme of Government of India shall be considered by the Commission subject to sharing of benefits accrued under the PAT scheme with the beneficiaries.
- (4) The capital cost in case of existing or new hydro generating station shall also include:
- (a) cost of approved rehabilitation and resettlement (R&R) plan of the project in conformity with National R&R Policy and R&R package as approved; and
 - (b) cost of the developer's 10% contribution towards Rajiv Gandhi Grameen Vidyutikaran Yojana (RGGVY) and Deendayal Upadhyaya Gram Jyoti Yojana (DDUGJY) project in the affected area.
- (5) The following shall be excluded from the capital cost of the existing and new projects:
- (a) The asset forming part of the project, but not in use, as declared in the tariff petition;
 - (b) De-capitalised Asset after the date of commercial operation on account of replacement or removal on account of obsolescence or shifting from one project to another project:
Provided that in case replacement of transmission asset is recommended by Regional Power Committee, such asset shall be de-capitalised only after its redeployment;
Provided further that unless shifting of an asset from one project to another is of permanent nature, there shall be no de-capitalization of the concerned asset.
 - (c) In case of hydro generating stations, any expenditure incurred or committed to be incurred by a project developer for getting the project site allotted by the State Government by following a transparent process;
 - (d) Proportionate cost of land of the existing project which is being used for generating power from generating station based on renewable energy; and
 - (e) Any grant received from the Central or State Government or any statutory body or authority for the execution of the project which does not carry any liability of repayment."

19. The Petitioner has claimed the following capital costs incurred as on CODs) and Additional Capital Expenditure (ACE) projected to be incurred till FY 2023-24 for the communication assets covered under this Petition, and has also submitted the Auditor's Certificates regarding the communication assets:



(₹ in lakh)

Assets	Approved Cost (FR)	Expenditure Up to COD	Projected Expenditure				Estimated Completion Cost
			2020-21	2021-22	2022-23	2023-24	
Asset-1	151.25	88.13	-	32.88	-	-	121.01
Asset-2	125.69	94.29	-	-	-	13.09	107.38
Asset-3	994.33	670.38	-	52.43	52.79	122.85	898.45
Asset-4	990.29	487.21	-	105.35	225.28	85.29	903.13
Asset-5	234.98	190.33	-	-	-	25.34	215.67
Asset-6	261.05	208.98	-	0.84	3.71	26.26	239.79
Asset-7	487.38	407.86	-	-	-	55.53	463.39
Asset-8	169.02	112.07	-	-	-	27.79	139.86
Asset-9	103.79	70.88	-	-	-	15.52	86.40
Asset-10	90.49	47.32	-	-	1.00	11.02	59.34
Asset-11	1176.76	912.41	-	-	123.06	113.94	1149.41
Asset-12	626.11	456.69	-	-	61.00	18.17	535.86
Asset-13	820.79	621.22	-	-	2.63	89.44	713.29
Asset-14	1161.02	804.42	-	-	3.57	246.91	1054.9
Asset-15	124.48	86.17	-	-	0.06	19.09	105.32
Asset-16	1125.58	787.27	-	-	14.67	83.14	885.08
Asset-17	941.65	710.36	-	-	0.06	150.8	861.22
Asset-19	369.33	348.51	-	-	-	0.60	349.11

20. The Petitioner has further submitted that the completion cost of the communication assets is within the approved apportioned cost as per FR.

Cost Overrun

21. The Petitioner has submitted the following details of estimated completion costs in relation to the apportioned approved cost (FR) for the communication assets covered under the present Petition:

(₹ in lakh)

Assets	Approved Cost (a)	Estimated Completion Cost (b)	Cost Variation (c=b-a)
Asset-1	151.25	121.01	-30.24
Asset-2	125.69	107.38	-18.31
Asset-3	994.33	898.45	-95.88
Asset-4	990.29	903.13	-87.16
Asset-5	234.98	215.67	-19.31
Asset-6	261.05	239.79	-21.26
Asset-7	487.38	463.39	-23.99
Asset-8	169.02	139.86	-29.16
Asset-9	103.79	86.40	-17.39
Asset-10	90.49	59.34	-31.15



Asset-11	1176.76	1149.41	-27.35
Asset-12	626.11	535.86	-90.25
Asset-13	820.79	713.29	-107.5
Asset-14	1161.02	1054.9	-106.12
Asset-15	124.48	105.32	-19.16
Asset-16	1125.58	885.08	-240.5
Asset-17	941.65	861.22	-80.43
Asset-19	369.33	349.11	-20.22

22. Further, the item-wise cost variations between the apportioned approved FR cost and the completion cost as submitted by the Petitioner are as follows:

Cost Variation due to reduction in OPGW length (Decrease of ₹928 lakh):

23. Regarding the cost variation, originally the OPGW length (as per the IA) was 3402 km, but the actual installed OPGW was 3235.69 km. Therefore, there was a reduction of 166.31 km in the OPGW length. The lowest available market prices for the required products or services, based on detailed designing, were obtained through an open competitive bidding process, and contracts were awarded to the lowest evaluated eligible bidder on an overall basis. The best bid prices against tenders may differ from the cost estimates depending on the prevailing market conditions, design, and site requirements. The Petitioner prepares cost estimates following well-defined procedures. The FR cost estimate is broad and indicative, generally based on average unit rates from recently awarded contracts. The system's cost estimate is based on June 2018 price levels.

IEDC (Decrease of ₹ 103 lakh):

24. In the IA, the Incidental Expenditure During Construction (IEDC) and contingency have been considered @10.75% and 3%, respectively, while in the Auditor's Certificate, the IEDC is based on actual expenditure under the same head.

IDC (Decrease of ₹379 lakh)

25. The Petitioner has submitted that the decrease in the IDC is due to variations in the interest rate used in the FR compared to the actuals, a reduction in overall capital cost with



respect to FR, and the deployment of funds based on actuals. In the FR, the IDC was calculated considering an interest rate of 10.5% on domestic loans, subject to actuals. The actual IDC incurred up to the COD has been included in the Auditor's Certificate and Management's Certificate. The Petitioner has additionally stated that the estimated completion cost remains within the FR approved cost. Therefore, there is no cost overrun. Furthermore, the estimated completion of individual assets also falls within the apportioned approved capital cost of the communication assets as per the FR.

26. We have considered the Petitioner's submissions and have gone through the documents on record. Since the estimated completion cost of the communication assets falls within the approved apportioned FR cost, there is no cost overrun concerning the communication assets.

Time Overrun

27. The Petitioner has submitted that, as per the IA dated 3.1.2019, the Communication System was scheduled to be completed within 36 months from the date of the IA, i.e., by 3.1.2022. The Petitioner has further stated that due to the Covid-19 outbreak, which caused disruptions in the global supply chain and project execution, the Ministry of Power (MoP), Government of India, issued circulars dated 27.7.2020 and 12.6.2021, granting extensions of 5 months and 3 months, respectively, for the Scheduled Date of Commercial Operation (SCOD). Therefore, the revised SCOD details for the Communication System are as follows:

Date of IA	Schedule as per IA	SCOD as per IA	Covid-19 extension provided by MoP vide circular dated 27.7.2020	Covid-19 extension provided by MoP vide letter dated 12.6.2021	Revised SCOD
3.1.2019	36 months	3.1.2022	5 months	3 months	3.9.2022

28. Therefore, the revised SCOD for the Communication System is 3.9.2022, against which the communication assets have been commissioned as per the following details:



Assets	Asset's Name	COD	Delay with respect to SCOD as per IA	Delay with respect to the revised SCOD
Asset-1	OPGW link for 220 kV Kakrapar – Vav TL	29.1.2021	Nil	Nil
Asset-2	OPGW link for 400 kV Emco-Bhadravati TL	16.6.2021		
Asset-3	OPGW link for 400 kV Bhatapara – Bhilai TL and 400 kV Korba – Bhilai TL	5.8.2021		
Asset-4	OPGW link for 400 kV MB TPS (Annupur)- Jabalpur	10.8.2021		
Asset-5	OPGW link for 400 kV ACBIL-Bilaspur TL and LILO of ACBIL-Bilaspur TL	12.8.2021		
Asset-6	OPGW link for LILO of 400 kV Bhadravati-Parli TL and 220 kV GMR-RAIPUR POOL	25.12.2021		
Asset-7	OPGW link for Lanco - Bilaspur Pooling Station 400 kV D/c (Quad) TL and 400kV Tarapur - Phadge-I TL	29.12.2021		
Asset-8	OPGW link for 400 kV Tarapur-Boiser TL	30.12.2021		
Asset-9	OPGW link for 400 kV KWPCCL-Raigarh TL	19.2.2022	47 days	
Asset-10	OPGW link for 132 kV Spectrum – Bilaspur TL	6.3.2022	62 days	
Asset-11	OPGW link for 765 kV Raipur PS – Wardha TL	1.4.2022	88 days	
Asset-12	OPGW link for portion of 765 kV Seoni – Bina TL	19.6.2022	167 days	
Asset-13	OPGW link for 220 kV JPL-Raipur TL	8.10.2022	278 days	35 days
Asset-14	OPGW link for 400 kV Bhilai – Bhadravati TL and communication equipment at WRLDC, POSOCO-Kalwa and Mauda (NTPC)	1.12.2022	332 days	89 days
Asset-15	OPGW link for 400 kV DB Power-Raigarh (Kotra) TL	19.1.2023	381 days	138 days
Asset-16	OPGW link for 765 kV Vadodara-Indore TL	21.2.2023	414 days	171 days
Asset-17	OPGW link for 400 kV Bilaspur-Mahan TL along with end equipments	3.3.2023	424 days	181 days
Asset-19	OPGW link for 765 kV 400 kV DGEN-Navasari TL	19.1.2024	746 days	503 days

29. The detailed asset-wise reasons for the time overrun submitted by the Petitioner are as follows:

Asset-13 : JPL-Raipur TL

Asset	COD	Revised SCOD	Total delay (days)	Start Date	End date	Reasons for delay	Delay caused (days)
Asset-13	8.10.2022	3.9.2022	35 Days	4.3.2021	25.4.2021	PTW not provided by the M/s JPL and WRLDC due to System constraints or bad weather conditions on the following dates: 04/03/21, 08/03/21, 11/03/21, 12/03/21, 13/03/21, 17/03/21, 20/03/21, 23/03/21,	12 Days



						24/03/21, 26/03/21 and 27/03/21, 29/03/21.	
				2.5.2022	24.6.2022	Tower nos. 605, 606 & 607 of 400 kV JPL -Raipur TL collapsed due to cyclone on 02.05.2022. M/s JPL confirmed the restoration of the towers on 24.6.2022. Accordingly, restoration of the OPGW of 2.168 km was carried out by 08.10.2022. JMC of the restored section for OPGW erection work between tower nos. 602 and 609 of 400 kV JPL Raipur OPGW link.	54 Days

Asset-14 : Bhilai-Bhardrawati

Asset	COD	Revised SCOD	Total delay (days)	Start Date	End date	Reasons for delay	Delay caused (days)
Asset-14	1.12.2022	3.9.2022	89 Days	19.11.2020	4.2.2021	DRI/Customs held and kept the OPGW supplied from offshore /China at the Customs-owned warehouse at ICD Borkhadi, Nagpur, for investigation from 19.11.2020 to 04.02.2021, which subsequently delayed the dispatch and erection of the OPGW cable at the site. Documents of OPGW kept within the custody of DRI/ Customs are enclosed in Encl. – 6 Annexure C1 to Annexure C8.	78 Days
				1.3.2021	30.3.2021	PTW deferred by WRLDC due to system constraints or bad weather conditions on the following dates: 01/03/2021, 02/03/2021, 20/03/2021, 28/03/2021 - 30/03/2021(3 Days) 27/08/2021, 30/08/2021, 31/08/2021/, 07/09/2021, 10/09/2021, 17/09/2021 and 20/09/2021.	13 Days (March- 6 Days, August-3 Days, and September - 4 Days)



Asset-15: OPGW link for 400 kV DB Power-Raigarh (Kotra) TL

Asset	COD	Revised SCOD	Total delay (days)	Start Date	Closed date	Reasons for delay	Delay caused (days)
Asset-15	19.1.2023	3.9.2022	138 Days	19.11.2020	4.2.2021	DRI/Customs held and kept the OPGW supplied from offshore /China at Customs owned warehouse at ICD Borkhadi, Nagpur, for investigation from 19.11.2020 to 04.02.2021 which subsequently delayed dispatch and erection of OPGW cable at site. Documents of OPGW kept within the custody of DRI/ Customs are enclosed in Encl. – 6 Annexure C1 to Annexure C8.	78 Days
				21.3.2022	11.11.2022	PTW /Permission not provided by DB Power for OPGW erection work till 11.11.2022. Further, vide letter/mail dated 21.03.2022, 26.03.2022, 07.10.2022 and 02.11.2022 POWERGRID requested ULDC for completion of work.	236 Days

Asset-16: OPGW link for 765kV Vadodara-Indore TL

Asset	COD	Revised SCOD	Total delay (days)	Start Date	Closed date	Reasons for delay	Delay caused (days)
Asset-16	21.2.2023	3.9.2022	171	3.1.2019	5.11.2019	The period from IA to the 3 rd SCADA and Communication Meeting held at WRPC on 5.11.2019 may be condoned as this link was approved at a later date.	286
				5.11.2019	5.12.2019	Another 1-month's time was requested to be condoned towards the survey, engineering, cable design approval, BOQ approval, manufacturing in the offshore factory, factory acceptance test, receipt at the site and installation.	30



Asset-17: OPGW link for 400 kV Bilaspur-Mahan TL along with end equipment's

Asset	COD	Revised SCOD	Total delay (days)	Start Date	Closed date	Reasons for delay	Delay caused (days)
Asset-17	3.3.2023	3.9.2022	181 Days	19.11.2020	4.2.2021	DRI/Customs held and kept the OPGW supplied from offshore /China at the Customs-owned warehouse at ICD Borkhadi, Nagpur, for investigation from 19.11.2020 to 04.02.2021, which subsequently delayed the dispatch and erection of the OPGW cable at the site. Documents of OPGW kept within the custody of DRI/ Customs are enclosed in Encl. – 6_Annexure C1 to Annexure C8.	78 Days
				22.4.2021	27.12.2021	M/s ESPTCL (Essar Power Transmission Company Ltd) did not allow/provide PTW for OPGW erection for the period 22.4.2021 to 27.12.2021. Finally, M/s EPSTCL was allowed OPGW erection work from 27.12.2021 after repeated requests.	250 Days
				4.4.2022	5.12.2022	ROW problems were encountered at Tower Nos. 1 to 18 and Tower Nos. 42 to 43 with many tower locations, which persisted from 4.4.2022 to 05.12.2022. The matter was taken up with the local administration to resolve RoW issues vide letter nos. 4.4.2022, 10.11.2022, 25.11.2022 and 5.12.2022.	246 Days

Asset-19: OPGW link for 400 kV DGEN-Navsari TL

Asset	COD	Revised SCOD	Total delay (days)	Start Date	Closed date	Reasons for delay	Delay caused (days)
Asset-19	19.1.2024	3.9.2022	746 Days	25.3.2020	3.9.2020	Due to the COVID-19 first wave, the supply of OPGW and communication equipment was delayed.	190 Days
				1.4.2021	30.6.2021	Due to the COVID-19 2nd wave, the erection of the above OPGW link was delayed.	91 Days



				3.3.2021	28.3.2023	Very severe ROW issues encountered in the Torrent Power-owned line. Stringing of the OPGW link on 46 km was completed by April 2021. Further, till 28.03.2023, a cumulative 85 km of stringing was done on the line due to landowner grievances from M/s Torrent Power since the line construction stage. Furthermore, 17 km of balance had been completed between April 2023 and January 2024 amid severe RoW issues.	755 Days
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30. Furthermore, in response to the Technical Validation letter dated 22.4.2024, the Petitioner, through an affidavit dated 7.5.2024, has provided the following reasons for the delay in time for various communication assets considered in the present Petition:

Asset-9 OPGW link for 400 kV KWPCCL-Raigarh TL

31. Due to the COVID-19 pandemic, the supply of OPGW and communication equipment, as well as the erection of the above OPGW link, got delayed.

Asset-10 OPGW link for 132 kV Spectrum – Bilaspur TL

32. Due to the COVID-19 pandemic, the supply and erection of OPGW and communication equipment got delayed.

Asset 11 OPGW link for 765 kV Raipur PS – Wardha TL

33. Due to the COVID-19 pandemic, the supply of OPGW and communication equipment, as well as the erection of the above OPGW link, got delayed.

Asset 12 OPGW link for portion of 765 kV Seoni – Bina TL

34. Due to the COVID-19 pandemic, the supply of OPGW and communication equipment, as well as the erection of the above OPGW link, was delayed.

Asset 13 OPGW link for 220 kV JPL-Raipur TL

35. Due to the COVID-19 pandemic, the supply of OPGW and communication equipment, as well as the erection of the above OPGW link, were delayed. Furthermore, the Permit to Work



(PTW) was not provided by M/s JPL and WRLDC due to system constraints or bad weather conditions between 4.3.2021 and 25.4.2021, which caused delays in the erection of the OPGW link. Additionally, Tower Nos. 605, 606, and 607 of the 400 kV JPL-Raipur TL collapsed due to a cyclone on 2.5.2022. M/s JPL confirmed the tower's restoration on 24.6.2022. As a result, the erection of the 2.168 km OPGW link on this line was delayed between 2.5.2022 and 24.6.2022.

Asset-14 OPGW link for OPGW link for 400 kV Bhilai – Bhadrawati TL and communication equipment at WRLDC, POSOCO-Kalwa and Mauda (NTPC)

36. Due to the COVID-19 pandemic, the supply of OPGW and communication equipment, as well as the erection of the mentioned OPGW link, were delayed. DRI/Customs detained and stored the OPGW supplies from offshore/China at a Customs-owned warehouse at ICD Borkhadi, Nagpur, for investigation from 19.11.2020 to 4.2.2021, which subsequently delayed the dispatch and erection of the OPGW cable at the site.

Asset-15 OPGW link for 400 kV DB Power-Raigarh (Kotra) TL

37. Due to the COVID-19 pandemic, the supply of OPGW and communication equipment, as well as the erection of the above OPGW link, were delayed. DRI/Customs held and kept the OPGW supplies from offshore/China at a Customs-owned warehouse at ICD Borkhadi, Nagpur, for investigation from 19.11.2020 to 4.2.2021, which subsequently delayed the dispatch and erection of the OPGW cable at the site. The Petitioner, vide letters and emails dated 21.3.2022, 26.3.2022, 7.10.2022, and 2.11.2022, requested ULDC to complete the work. However, PTW/permission was not provided by DB Power for OPGW erection work till 11.11.2022.

Asset-16 OPGW link for 765 kV Vadodara-Indore TL

38. In the 3rd SCADA and Communication Meeting held at WRPC on 5.11.2019, the 765 kV Vadodara-Indore links were added to the Communication System. Therefore, the delay from 3.1.2019 (the date of IA) to 5.11.2019 can be condoned since this link was approved at a later



date. Due to the COVID-19 pandemic, the supply of OPGW and communication equipment, as well as the erection of the OPGW link, was delayed.

Asset-17 OPGW link for 400 kV Bilaspur-Mahan TL along with end equipment

39. Due to the COVID-19 pandemic, the supply of OPGW and communication equipment, as well as the erection of the above OPGW link, was delayed. DRI/Customs held and stored the OPGW supplies from offshore/China at a Customs-owned warehouse at ICD Borkhadi, Nagpur, for investigation from 19.11.2020 to 4.2.2021, which subsequently delayed the dispatch and erection of the OPGW cable at the site. M/s ESPTCL (Essar Power Transmission Company Limited) did not grant PTW for OPGW erection from 22.4.2021 to 27.12.2021 despite repeated requests from the Petitioner vide letters dated 22.4.2021, 3.5.2021, 25.12.2021, and 27.12.2021. Due to these Right of Way (ROW) issues, the erection of the OPGW link was delayed between 4.4.2022 and 5.12.2022.

40. MSEDCL, in its reply, has made the following submissions regarding the time overrun concerning Assets-13 to 17:

- a. **Asset-13:** The Petitioner has alleged a 12-day delay due to the non-grant of PTW. However, no submissions have been made in this regard, nor has the Petitioner filed any supporting documents to substantiate the efforts undertaken independently to resolve the non-grant issue. Therefore, the burden is on the Petitioner to justify the delay to the satisfaction of the Commission. Additionally, it was solely the Petitioner's responsibility to conduct due diligence regarding the concerned sites and weather conditions related to the PTW grant. As such, any delay resulting from the Petitioner's failure cannot be attributed to the end beneficiaries. Furthermore, regarding the restoration of the collapsed towers and the alleged 54-day delay reflected in the Petition, no reasons or supporting documents



have been provided to demonstrate what efforts the Petitioner undertook in the interest of completing the work and expediting the restoration activity.

- b. **Asset-14:** The delay of 78 days and subsequent 13 days delay due to the non-grant of PTW has been allegedly caused by the withholding of the OPGW in the Customs office. In this regard, the procurement of parts and the process involved are within the scope and obligation of the Petitioner. Being an experienced player in the field, the Petitioner has a greater responsibility and duty to have anticipated such delays related to the Customs office's functioning. Therefore, the entire delay is attributable to the Petitioner, and the liability for the tariff should not be passed on to the end beneficiaries. Consequently, the actual COD is to be considered for the computation of the transmission tariff, not the revised SCOD, i.e., 3.9.2022.
- c. **Asset-15:** The delay of 78 days is attributed to the withholding of spares by the Customs office. The Respondent has provided similar reasons, as detailed in the preceding paragraphs of this order, for the delay in commissioning this communication asset. Furthermore, regarding the extended delay of 236 days due to the non-grant of PTW by D.B. Power for OPGW erection work, the Petitioner has failed to substantiate through pleadings and related documents the genuine steps taken and the legitimate reasons for the delay. Such issues should have been foreseeable by an experienced player like the Petitioner. In the absence of concrete reasons and submissions, the long delay cannot be based on the vague submissions made in the present Petition.
- d. **Asset-16:** The 171-day delay attributed to surveys and approvals, which later had to be obtained by the Petitioner due to the project's expanded scope, has not been substantiated through any pleadings to justify the delay or to explain why the period could not have been shortened through the Petitioner's best efforts.



e. **Asset-17:** The 78-day delay is due to the withholding of spares at the Customs Office. The Respondent has provided the same reasons, as outlined earlier in this order, for the delay in commissioning this communication asset. Additionally, regarding the alleged 256-day delay due to the non-grant of PTW by ESPTCL, the Respondent has relied on the submissions made concerning Asset-17 above in this order. Furthermore, the 246-day delay due to alleged ROW issues is unjustified. This issue should have been anticipated, and the time needed to resolve it should be included within the original 36-month project timeline. Therefore, the Petitioner's request for condonation of delays beyond the extension period should not be granted.

41. MPPMCL in its reply has submitted as under:

- a. **Asset-13:** The Petitioner has alleged a 12-day delay due to the non-grant of PTW by M/s JPL and WRLDC. However, the Petitioner has not submitted any supporting documents to substantiate this claim or the efforts made to resolve the issue. Furthermore, regarding the restoration of collapsed towers and the alleged delay of 54 days reflected in the Petition, no reasons or supporting documents have been annexed to demonstrate that the Petitioner made efforts in the best interest of completing the work. Since this delay is attributable to the Petitioner, the burden of the delay cannot be passed on to the beneficiaries and ultimate consumers. Therefore, the delay in completion may not be condoned by the Commission.
- b. **Asset-14:** The 78-day delay has allegedly been caused by the OPGW being held in customs-owned warehouse at ICD Borkhedi, Nagpur. The procurement of parts and the associated processes are under the scope and obligation of the Petitioner. The Petitioner is the largest transmission utility and has previously imported materials from a foreign country. They should have either factored in such potential delays related to customs or developed a method to prevent them. Therefore, the entire delay in completion is solely



attributable to the Petitioner and may not be approved by the Commission. Additionally, PTW was deferred by WRLDC due to system constraints or bad weather for 13 days between March 2021 and September 2021, with the last denial on 20.9.2021, while COD was on 3.1.2022. It is surprising that a deferment of only 13 days could not be recovered during the remaining period. Consequently, the reason for the delay is unconvincing and is attributable to the Petitioner, and may not be approved by the Commission.

- c. **Asset-15:** It is submitted that regarding the 78-day delay alleged due to the holding of OPGW in the Customs-owned warehouse at ICD Borkhedi, Nagpur, MPPMCL has relied on the submissions made in respect of Asset No. 14, above in this order. Furthermore, concerning the extended 236-day delay due to the non-grant of PTW by D.B. Power for OPGW erection work, the Petitioner has entirely failed to substantiate with pleadings and related documents the bona fide steps taken and the genuine hurdles faced. The alleged long delay is not plausible because of vague submissions in the present Petition and is therefore attributable to the Petitioner, and may not be condoned by the Commission.
- d. **Asset-16:** The Petitioner has stated that the period from the IA to the 3rd SCADA and Communication Meeting held at WRPC on 5.11.2019 may be condoned, as this link was approved at a later date. The Commission is requested to take a view on this prudently. An additional one-month period has been requested by the Petitioner to be condoned due to surveys and approvals, which were required to be obtained by the Petitioner. However, in the absence of further details, this delay may not be condoned by the Commission.
- e. **Asset-17:** It is submitted that regarding the 78-day delay alleged due to holding OPGW in the Customs-owned warehouse at ICD Borkhedi, Nagpur, the Respondent has relied on the submissions made for Asset No. 14, above, in this order. Furthermore, concerning the alleged 250-day delay, the Petitioner states that it was caused by the non-grant of PTW by



ESPTCL. The said letter is regarding permission to take back the dismantled earthwire of the TL after OPGW installation. Additionally, there is no record of correspondence between 5.5.2021 and 29.10.2021. This indicates a casual and non-serious approach toward obtaining PTW from ESPTCL. Accordingly, this delay may not be condoned by the Commission. Moreover, with regard to the other 246-day delay due to alleged ROW issues, it is stated that the delay claim is unjustified. The Respondent argues that such issues should have been anticipated, and the time required to resolve them should be included within the original 36-month period allocated for the project's/Communication System's commissioning. Therefore, the Petitioner's request for condonation of delay may not be considered by the Commission.

- f. **Asset-19:** The Petitioner has mentioned reason of delay of 190 days due to the first wave of COVID-19 in 2020 and a delay of 91 days due to the first wave of COVID-19 in 2021. An additional delay of 755 days has been attributed to very severe ROW issues encountered in the above Torrent Power owned line, among other reasons. However, the Petitioner has not submitted any supporting documents to substantiate these allegations or the efforts made to resolve the issues. Therefore, the Petitioner's request for condonation of delay may not be considered by the Commission.

42. The Petitioner, in its rejoinders to the replies of MSEDCL and MPPMCL, has submitted as follows:

- a. **Asset-13:** The 12-day delay, as mentioned in the Petition, was primarily due to the non-grant of PTW by M/s JPL and WRLDC. The responsibility for the delay does not lie with the Petitioner, as it was caused by system limitations and adverse weather conditions, which were beyond the Petitioner's control. Regarding the 54-day delay, the collapse of towers at locations Nos. 605, 606, and 607 of the 400 kV JPL-Raipur transmission line



due to a cyclone on 2.5.2022 significantly affected the progress of the Communication System/project. The restoration of these towers, which was solely under M/s JPL's jurisdiction, was completed only on 22.6.2022. Consequently, the erection of the OPGW link along the 2.168 km stretch of this line was delayed from 2.5.2022 to 24.6.2022. Restoring the towers was essential to resume work, and the Petitioner's team could not proceed until M/s JPL confirmed the completion of its restoration activities. In light of the above, the delays resulted from circumstances beyond the Petitioner's control, and all efforts were made to minimize the impact and expedite work as soon as conditions permitted.

- b. **Asset-14:** In 2020, the Government of India increased vigilance on imports from China. Customs Authorities subjected Chinese shipments to more thorough inspections, which led to delays in the clearance process. This enhanced scrutiny was a direct response to geopolitical concerns and the military standoff. As an experienced player in the field, the Petitioner remained in constant communication with the authorities to expedite the release of the OPGW, but the investigation and its duration were completely within the purview of the DRI. Thus, the delay in the release of OPGW materials from customs was beyond the control of the Petitioner. This increased vigilance caused a significant delay of 78 days, which was unforeseeable and not within the reasonable scope of control by the Petitioner as, in the normal dispensation, goods are cleared automatically without examination. Concerning the additional delay of 13 days due to non-grant of PTW, the submissions made in the preceding paragraph of this order regarding Asset-13 are relied upon.
- c. **Asset-15:** Regarding the delay caused by DRI/Customs, the Petitioner has relied on the reasons provided in the previous paragraph concerning Asset-14 of this order. The



Petitioner made multiple requests to DB Power for permission to carry out the OPGW erection work on the 400 kV DB Power – Raigarh (Kotra) line since December 2021, but M/s DB Power did not facilitate this. The issue was also raised in the 6th SCADA and Communication Meeting held on 15.12.2021 and the 552 OCC Meeting on 25.2.2022. However, M/s DB Power deferred the PTW until June 2022 vide its mails dated 8.12.2021 and 5.1.2022. The Petitioner repeatedly requested, through letters and emails, between March 2022 and November 2022, for PTW of OPGW erection on the 400 kV DB Power - Raigarh (Kotra) TL. Despite these efforts, DB Power did not grant PTW/permission until 11.11.2022. The delay in obtaining the PTW was beyond the Petitioner's control, and the Petitioner took all reasonable steps to secure the necessary permissions to complete the work promptly. Therefore, the delays were caused by circumstances outside the Petitioner's control, and all efforts were made to minimize the impact and expedite the work as soon as conditions permitted.

- d. **Asset-16:** During the 3rd SCADA and Communication Meeting at WRPC on 5.11.2019, the 765 kV Vadodara-Indore links were added to the Communication System/project. Therefore, the delay from 3.1.2019 (date of IA) to 5.11.2019 may be condoned, as this link was approved at a later date.
- e. **Asset-17:** Regarding the delay caused by DRI/Customs, the Petitioner has relied on the submissions made above in this order. The delay in the OPGW erection work from 22.4.2021 to 27.12.2021 was due to EPTCL not granting PTW. Despite repeated requests from the Petitioner through various communications dated 20.4.2021, 22.4.2021, 3.5.2021, 29.10.2021, 7.12.2021, 22.12.2021, and 25.12.2021, EPTCL withheld PTW citing unresolved issues such as tariff reduction, scrap settlement, ROW resolution, and revenue loss due to tripping, among others. This internal administrative



delay by EPTCL caused the prolonged postponement of the work. It is also noted in the 6th SCADA and Communication Meeting held on 15.12.2021 that the necessary PTW for the OPGW erection was not granted in a timely manner by M/s EPTCL. Therefore, the delay in receiving the PTW was beyond the Petitioner's control. The delay was caused by ROW issues at tower locations 1 to 18 and 42 to 43, which persisted from 4.4.2022 to 5.12.2022. Despite repeated efforts, the matter was raised with the local administration through letters dated 4.4.2022, 10.11.2022, 25.11.2022, and 5.12.2022. Since the affected line belongs to M/s EPTCL, these ROW problems significantly hindered the timely progress of the Communication System/project. Accordingly, the delays were due to circumstances beyond the Petitioner's control, and all efforts were made to minimize the impact and expedite the work as soon as conditions allowed.

- f. **Asset-19**: Regarding the delay caused by COVID-19, the Petitioner has relied on its submissions made via affidavit dated 7.5.2024. In response to the contentions regarding the delay of 755 day due to ROW issues on the Torrent Power-owned 400 kV DGEN-Navsari line, it is important to clarify that the delay was mainly caused by severe ROW disputes beyond the Petitioner's control. Several efforts were made to resolve these issues, as shown by the extensive correspondence between the Petitioner, Torrent Power, and other stakeholders. The ROW issues have been ongoing since the line's construction phase, as noted in the 6th SCADA and Communication Meeting held on 15.12.2021. The Petitioner repeatedly sought support from Torrent Power and local authorities to address these disputes. Considering these uncontrollable circumstances, the delay should be condoned, as the Petitioner took all necessary steps to expedite the project, but unforeseen factors beyond the Petitioner's control resulted in an unavoidable delay of 755 days.



Analysis and Decision

43. As per the IA dated 3.1.2019, the communication assets were scheduled to be commissioned within 36 months from the date of the IA, i.e., by 3.1.2022, against which these assets were put into commercial operation as follows:

Assets	Asset Name	SCOD	Actual COD	Time Delay
Asset-1	OPGW link for 220 kV Kakrapar – Vav TL	3.1.2022	29.1.2021	NIL
Asset-2	OPGW link for 400 kV Emco-Bhadrawati TL		16.06.2021	
Asset-3	OPGW link for 400 kV Bhatapara – Bhilai TL and 400 kV Korba – Bhilai TL		5.8.2021	
Asset-4	OPGW link for 400 kV MB TPS (Annupur)-Jabalpur		10.8.2021	
Asset-5	OPGW link for 400 kV ACBIL-Bilaspur TL and LILO of ACBIL-Bilaspur TL		12.8.2021	
Asset-6	OPGW link for LILO of 400 kV Bhadrawati-Parli TL and 220 kV GMR-RAIPUR POOL		25.12.2021	
Asset-7	OPGW link for Lanco - Bilaspur Pooling Station 400 kV D/c (Quad) TL and 400 kV Tarapur - Phadge-I TL		29.12.2021	
Asset-8	OPGW link for 400 kV Tarapur-Boiser TL		30.12.2021	
Asset-9	OPGW link for 400 kV KWPCCL-Raigarh TL		19.2.2022	47
Asset-10	OPGW link for 132 kV Spectrum – Bilaspur TL		6.3.2022	62
Asset-11	OPGW link for 765 kV Raipur PS – Wardha TL		1.4.2022	88
Asset-12	OPGW link for portion of 765 kV Seoni – Bina TL		19.6.2022	167
Asset-13	OPGW link for 220 kV JPL-Raipur TL		8.10.2022	278
Asset-14	OPGW link for 400 kV Bhilai – Bhadrawati TL and communication equipment at WRLDC, POSOCO-Kalwa and Mauda (NTPC)		1.12.2022	332
Asset-15	OPGW link for 400 kV DB Power-Raigarh (Kotra) TL		19.1.2023	381
Asset-16	OPGW link for 765 kV Vadodara-Indore TL		21.2.2023	414
Asset-17	OPGW link for 400 kV Bilaspur-Mahan TL along with end equipments		3.3.2023	424
Asset-19	OPGW link for 765 kV 400 kV DGEN-Navasari TL		19.1.2024	746

44. As is apparent from the above, regarding the SCOD as per the IA, there is no time delay for Assets-1 to 8, whereas the time delay in commissioning Assets-9 to 17 and Asset-19 ranges from 47 days to 746 days.



45. The Petitioner has relied on the MoP letters dated 27.7.2020 and 12.6.2021, through which the liberty to extend the SCOD for 5 months and 3 months respectively was granted due to nationwide lockdown restrictions for COVID-19 containment, and the revised SCOD has been considered as 3.9.2022 for the time delay analysis.

46. We have considered the Petitioner's and Respondents' submissions. We have also gone through the documents on record. The MoP, through letters dated 27.7.2020 and 12.6.2021, extended the SCOD for Inter-State Transmission Systems by 05 months and 03 months, respectively, due to the COVID-19 pandemic. The relevant portions of these letters are as follows:

Dated 27.7.2020

"Sub: Extension to TSP/Transmission Licensees for completion of under construction inter- State transmission projects

Sir,

I am directed to state that transmission utilities have pointed out that construction activities at various transmission project sites have been severely affected by the nationwide lockdown measures announced since 25th march, 2020 to contain outbreak of COVID-19 and have requested for extension of Scheduled Commercial Operation (SCOD) to mitigate the issues of disruption in supply chains and manpower, caused due to outbreak of COVID- 19 pandemic.

2. It has been, therefore, decided that;

- i. All inter-state transmission projects, which were under construction as on date of lock down i.e., 25th March 2020, shall get an extension of five months in respect of SCOD.*
- ii. This order shall not apply to those projects, whose SCOD date was prior to 25th March 2020*
- iii. Start date of Long-Term Access granted to a generator by CTU based on completion of a transmission line, whose SCOD is extended by 5 months due to COVID-19 as mentioned above at point (i), shall also be extended by 5 months."*

Dated 12.6.2021

"Sub: Extension to TSP/Transmission Licensees for completion of under construction inter-State transmission projects – reg.

Sir,

I am directed to state that transmission utilities have approached this Ministry stating that construction activity at various transmission projects sites have been severely affected by the current second wave of COVID-19 pandemic and various measures taken by State/UT Governments to contain the pandemic; such as night curfew, imposition of section 144, weekend lockdown and complete lockdown. In this regard they have requested for extension of Scheduled



Commercial Operation Date (SCOD) for the undergoing Transmission projects to mitigate the issues of disruption in supply chains and manpower, caused due to COVID-19 pandemic.

2. The matter has been examined in the Ministry and it has been noted that unlike last year complete lock-down in the entire country, this time different States/UTs have ordered lock-down in their State/UTs as per their own assessments. Therefore, after due consideration, it has been decided that;

i. All inter-state transmission projects, which are under construction with SCOD coming after 01 April 2021 shall get an extension of three (3) months in respect of their SCOD;

ii. The commencement date of Long-Term Access (LTA) to a generator by CTU based on completion of a transmission line, whose SCOD is extended by three (3) months due to COVID19 as mentioned above at point(i), shall also be extended by three (3) months.

3. This issue with the approval of Competent Authority.”

47. As per the MoP letter dated 27.7.2020, a five-month extension shall be granted to projects under construction with SCOD not earlier than 25.3.2020. Similarly, according to the MoP letter dated 12.6.2021, a three-month extension shall be granted to projects under construction with SCOD after 1.4.2021.

48. As per the IA dated 3.1.2019, the SCOD of the project/Communication System is 3.1.2022, i.e., after 25.3.2020 and 1.4.2021. Therefore, as per MoP letters dated 27.7.2020 and 12.6.2021, extensions of five months and three months, respectively, are applicable to the SCOD regarding the communication assets.

49. Therefore, as stated above, the revised SCOD of the communication assets is as follows:

Date of IA	Schedule as per IA	SCOD as per IA	Covid-19 extension provided by MoP vide letter dated 27.7.2020	Covid-19 extension provided by MoP vide letter dated 12.6.2021	Revised SCOD
3.1.2019	36 months	3.1.2022	5 months	3 months	3.9.2022

50. Therefore, as per the revised SCOD, the details of the time delay regarding the communication assets are as follows:

Assets	Asset Name	Revised SCOD	Actual COD	Time Delay
Asset-1	OPGW link for 220 kV Kakrapar – Vav TL	3.9.2022	29.1.2021	NIL



Assets	Asset Name	Revised SCOD	Actual COD	Time Delay
Asset-2	OPGW link for 400 kV Emco-Bhadrawati TL		16.6.2021	
Asset-3	OPGW link for 400 kV Bhatapara – Bhilai TL and 400 kV Korba – Bhilai TL		5.8.2021	
Asset-4	OPGW link for 400 kV MB TPS (Annupur)-Jabalpur		10.8.2021	
Asset-5	OPGW link for 400 kV ACBIL-Bilaspur TL and LILO of ACBIL-Bilaspur TL		12.8.2021	
Asset-6	OPGW link for LILO of 400 kV Bhadrawati-Parli TL and 220kV GMR-RAIPUR POOL		25.12.2021	
Asset-7	OPGW link for Lanco - Bilaspur Pooling Station 400 kV D/c (Quad) TL and 400 kV Tarapur - Phadge-I TL		29.12.2021	
Asset-8	OPGW link for 400 kV Tarapur-Boiser TL		30.12.2021	
Asset-9	OPGW link for 400 kV KWPCCL-Raigarh TL		19.2.2022	
Asset-10	OPGW link for 132 kV Spectrum – Bilaspur TL		6.3.2022	
Asset-11	OPGW link for 765 kV Raipur PS – Wardha TL		1.4.2022	
Asset-12	OPGW link for portion of 765 kV Seoni – Bina TL		19.6.2022	
Asset-13	OPGW link for 220 kV JPL-Raipur TL		8.10.2022	35 Days
Asset-14	OPGW link for 400 kV Bhilai – Bhadrawati TL and communication equipment at WRLDC, POSOCO-Kalwa and Mauda (NTPC)		1.12.2022	89 Days
Asset-15	OPGW link for 400 kV DB Power-Raigarh (Kotra) TL		19.1.2023	138 Days
Asset-16	OPGW link for 765 kV Vadodara-Indore TL		21.2.2023	171 Days
Asset-17	OPGW link for 400 kV Bilaspur-Mahan TL along with end equipments		3.3.2023	181 Days
Asset-19	OPGW link for 765 kV 400 kV DGEN-Navasari TL		19.1.2024	503 Days

51. In view of the above, with respect to the revised SCOD, there is no time delay in commissioning of Assets-1 to 12, whereas the time delay in respect of Assets-13 to 17 and Asset-19 varies from 35 days to 503 days.

52. As discussed above, the revised SCOD of the communication assets is considered as 3.9.2022. Therefore, the time overrun before 3.9.2022 for various communication assets is not



addressed here, as it is included in the revised SCOD of the communication assets due to the COVID-19 pandemic. Details of the asset-specific time delays beyond 3.9.2022 are as follows:

Asset-13: OPGW link for 220 kV JPL-Raipur TL

53. The Petitioner has submitted that the delay from March 2021 to June 2022 in commissioning the communication asset is mainly due to PTW not being provided by M/s JPL, system constraints, bad weather conditions, and claimed a time delay of 12 days between 4.3.2021 and 25.4.2021. Additionally, the Petitioner has claimed a time delay of 54 days, from 2.5.2022 to 24.6.2022, due to the collapse of Tower Nos. 605, 606, and 607 of the 400 kV JPL-Raipur TL caused by a cyclone on 2.5.2022 and the restoration of towers on 24.6.2022.

54. The Respondents MPPMCL and MSEDCL have submitted that the Petitioner has alleged a 12-day delay due to the non-grant of PTW by M/s JPL and WRLDC; however, it did not file any supporting documents to substantiate these allegations or the efforts made by the Petitioner to resolve the issue. Additionally, regarding the restoration of collapsed towers and the alleged 54-day delay mentioned in the Petition, no reasons or supporting documents were annexed to substantiate the efforts undertaken by the Petitioner in the best interest of completing the work.

55. We have considered the Petitioner's and Respondent's submissions. As discussed above, the delays of 12 days on 4.3.2021, 8.3.2021, 11.3.2021, 12.3.2021, 13.3.2021, 17.3.2021, 20.3.2021, 23.3.2021, 24.3.2021, 26.3.2021, 27.3.2021, and 29.3.2021, caused by the deferment of PTW by M/s JPL and WRLDC, and the 54-day delay from 2.5.2022 to 24.6.2022 due to the collapse of Tower Nos. 605, 606, and 607 of the 400 kV JPL-Raipur TL caused by cyclone, are not addressed here as they occurred before 3.9.2022 and are included in the revised SCOD for the transmission assets due to the COVID-19 Pandemic.

56. Furthermore, it is observed that the various reasons submitted by the Petitioner have not substantiated the time delay from the revised SCOD, i.e., 3.9.2022, to 8.10.2022, and therefore,



we are not inclined to condone the 35-day delay from the revised SCOD, i.e., 3.9.2022, to 8.10.2022.

Asset-14 OPGW link for 400 kV Bhilai – Bhadrawati TL and communication equipment at WRLDC, POSOCO-Kalwa and Mauda (NTPC)

57. The Petitioner has submitted that the delay of 78 days from 19.11.2020 to 4.2.2021 in commissioning the communication asset is mainly because the DRI/Customs held and kept the OPGW supplied from offshore/China at the Customs-owned warehouse at ICD Borkhadi-Nagpur for investigation. The Petitioner has also claimed a time delay of 13 days (6 days in March 2021 {1.3.2021, 2.3.2021, 20.3.2021, 28.3.2021}, 3 days in August 2021 {27.8.2021, 30.8.2021, 31.8.2021}, and 4 days in September 2021 {7.9.2021, 10.9.2021, 17.9.2021, 20.9.2021}) on account of PTW deferred by WRLDC due to system constraints or bad weather conditions.

58. The Respondents MPPMCL and MSEDCL have submitted that the delay of 78 days has been allegedly attributed to the holding of OPGW in the Customs-owned warehouse at ICD Borkhedi, Nagpur. In this regard, it is submitted that the procurement of parts and the process thereof are within the scope and obligation of the Petitioner. The Petitioner is a Government of India Enterprise and a Maharatna Company, which is also one of the oldest and largest transmission utilities. This is not the first time it has imported material from a foreign country. It must either have factored in such anticipated delays with respect to the functioning of the Customs office or must have evolved a method to avoid such delays. Further, PTW was deferred by WRLDC due to System Constraints or bad weather conditions for 13 days from March 2021 to September 2021, with the last such denial on 20.9.2021, whereas COD was 3.1.2022

59. We have considered the submissions of the Petitioner and Respondents. As discussed above, the 78-day delay, from 19.11.2020 to 4.2.2021, caused by the withholding of shipment by DRI/Customs at the Customs-owned warehouse at ICD Borkhadi, and the 13-day delay (comprising 6 days in March 2021- 1.3.2021, 2.3.2021, 20.3.2021, 28.3.2021; 3 days in August



2021- 27.8.2021, 30.8.2021, 31.8.2021; and 4 days in September 2021- 7.9.2021, 10.9.2021, 17.9.2021, 20.9.2021) due to the deferment of PTW by WRLDC, are not addressed here as delays prior to 3.9.2022 are included in the revised SCOD of the communication assets due to COVID-19 pandemic.

60. Furthermore, it is observed that the claims submitted by the Petitioner have not substantiated through relevant documents the reasons for the time delay from the revised SCOD, i.e., 3.9.2022, to 1.12.2022. Therefore, we are not inclined to condone the 89-day time delay from the revised SCOD, i.e., 3.9.2022, to 1.12.2022.

Asset-15 OPGW link for 400 kV DB Power-Raigarh (Kotra) TL

61. The Petitioner has stated that the 78-day delay from 19.11.2020 to 4.2.2021 in commissioning the communication asset was primarily due to the DRI/Customs holding and retaining the off-shore/China-supplied OPGW at the Customs-owned warehouse at ICD Borkhadi, Nagpur, for investigation. Additionally, the Petitioner claims a delay of 236 days from 21.3.2022 to 11.11.2022 on account of PTW/permission not provided by DB Power and ULDC for OPGW erection and completion of work, respectively.

62. The Respondents MPPMCL and MSEDCL have submitted that the 236-day delay due to the non-grant of PTW by D.B. Power for OPGW erection has not been properly substantiated by the Petitioner through pleadings and related documents, especially regarding the genuine steps taken and hurdles faced. The lengthy delay appears unreasonable based on the vague submissions made in the present Petition. Additionally, regarding the time delay caused by DRI/Customs holding and inspecting the OPGW imported from offshore/China at the Customs-owned Warehouse in ICD Borkhadi, Nagpur, the Respondents reaffirm their previous submissions as mentioned under Asset-14.



63. We have considered the submissions of the Petitioner and the Respondents. As discussed above, the time delay of 78 days, i.e., from 19.11.2020 to 4.2.2021, caused by the withholding of shipment by DRI/Customs at the customs-owned warehouse at ICD Borkhadi, is not addressed here because the delay before 3.9.2022 has already been included in the revised SCOD of the communication assets due to the COVID-19 pandemic.

64. Further, after perusal of documents submitted by the Petitioner regarding a delay of 236 days from 21.3.2022 to 11.11.2022 due to PTW/permission not being provided by DB Power and ULDC for OPGW erection and work completion respectively, it is observed that the Petitioner repeatedly requested the concerned authorities of DB Power to grant permission for completing the remaining 14 km of OPGW erection on the 400 kV DP Power-Raigarh (Kotra) Transmission Line through letters dated 21.3.2022, 26.3.2022, 7.10.2022, and 2.11.2022. However, DB Power denied the permission vide emails dated 7.10.2022 and 18.10.2022, citing unexpected rain in October/November 2022, and finally permitted the completion of the remaining OPGW work in an email dated 11.11.2022.

65. Therefore, in view of the above, the 236-day delay from 21.3.2022 to 11.11.2022 due to PTW/permission not being provided by DB Power for OPGW erection was beyond the control of the Petitioner. Furthermore, as mentioned above, the 167-day delay from 21.3.2022 to 3.9.2022 has already been included in the revised SCOD for the communication assets due to the COVID-19 Pandemic. Therefore, in light of the above, we are inclined to condone the 69-day delay from 4.9.2022 to 11.11.2022 based on the reasons claimed by the Petitioner.

66. Furthermore, it is observed that the various reasons submitted by the Petitioner do not justify the time delay from 12.11.2022 to 19.1.2023, and therefore, a delay of 69 days is not condoned.



Asset-16: OPGW link for 765 kV Vadodara-Indore TL

67. The Petitioner has submitted that 765 kV Vadodara-Indore Links were added in the current project during the 3rd SCADA and Communication Meeting held at WRPC on 5.11.2019, and therefore, they claimed a time delay from IA, i.e., 3.1.2019, to 5.11.2019, i.e., 306 days. Additionally, the Petitioner has requested a condonation of an extra 30 days from 5.11.2019 to 5.12.2019 for activities such as survey, engineering, cable design approval, BOQ approval, manufacturing in offshore factory, Factory Acceptance Test, receipt at site, and installation.

68. The Respondents MPPMCL and MSEDCL have submitted that in the absence of further details substantiating the delay, it may not be condoned.

69. We have considered the Petitioner's and the Respondents' submissions. As discussed above, the time delay of 306 days, i.e., from 3.1.2019 to 5.11.2019, due to the late addition of the instant asset in the 3rd SCADA and Communication Meeting at WRPC held on 5.11.2019, and a delay of 30 days from 5.11.2019 to 5.12.2019, on account of time required for survey, engineering, cable design approval, BOQ approval, manufacturing in offshore factory, Factory Acceptance Test, etc., claimed by the Petitioner, are not dealt with as the time delay prior to 3.9.2022 has already been subsumed in the revised SCOD of the communication assets due to the COVID-19 pandemic.

70. Furthermore, it is observed that the various reasons submitted by the Petitioner do not justify the delay from the revised SCOD, i.e., 3.9.2022 to 21.2.2023, and therefore, we are not inclined to condone the 171-day delay concerning the instant communication asset.

Asset- 17 OPGW link for 400 kV Bilaspur-Mahan TL along with end equipment

71. The Petitioner has submitted that the delay of 78 days from 19.11.2020 to 4.2.2021 in the commissioning of the communication asset is mainly due to DRI/Customs holding and keeping the OPGW supplied from offshore/China at the Customs-owned warehouse at ICD Borkhadi,



Nagpur, for investigation. The Petitioner has further claimed the time delay of 250 days from 22.4.2021 to 27.12.2021 on account of PTW/permission not provided by M/s ESPTCL for OPGW erection work. Further, the claim of 246 days from 4.4.2022 to 5.12.2022 has also been claimed by the Petitioner on account of RoW problems encountered at Tower Nos. 1 to 18 and 42 to 43.

72. The Respondents MPPMCL and MSEDCL have submitted that the procurement of parts and the process involved are within the scope and obligation of the Petitioner. Furthermore, regarding the alleged delay of 250 days due to the non-grant of PTW by ESPTCL, the Respondents stated that the Petitioner took a casual and non-serious approach in obtaining the PTW from ESPTCL. Additionally, concerning the delay attributed to alleged ROW issues, the Respondents have submitted that the claim of delay on this ground is unjustified. These issues should have been anticipated, and the time spent resolving them should be included in the original timeline allocated for commissioning the Communication System/project.

73. We have considered the submissions of the Petitioner and the Respondents. As discussed above, the 78-day delay from 19.11.2020 to 4.2.2021, caused by the withholding of shipment at the Customs-owned warehouse at ICD Borkhadi, Nagpur for investigation, and the 250-day delay, from 22.4.2021 to 27.12.2021, due to the PTW/permission not being provided by M/s ESPTCL for OPGW erection work, are not addressed here as delays prior to 3.9.2022 have already been subsumed in the revised SCOD for the communication assets, owing to the COVID-19 pandemic.

74. Further, after perusal of the documents submitted by the Petitioner regarding a time delay of 246 days from 4.4.2022 to 5.12.2022, it is observed that the Petitioner took up the matter with the local administration through letters dated 4.4.2022, 10.11.2022, 25.11.2022, and 5.12.2022,



requesting resolution of the RoW issues encountered during live line OPGW installation at Tower Nos. 1 to 18 and 42 to 43.

75. Therefore, in view of the above discussion, the time delay caused by various RoW issues encountered during the execution of the Communication System/project at Tower Nos. 1 to 18, 42, and 43 was beyond the control of the Petitioner. Furthermore, the delay of 153 days from 4.4.2022 to 3.9.2022 has already been included in the extension of SCOD up to 3.9.2022 due to COVID-19. Consequently, we are inclined to condone the time delay of 93 days, from 4.9.2022 to 5.12.2022, as claimed by the Petitioner for RoW problems faced at Tower Nos. 1 to 18 and 42 to 43.

76. Furthermore, it is observed that the various reasons submitted by the Petitioner do not justify the 88-day delay from 6.12.2022 to 3.3.2023, and therefore, it is not condoned.

Asset-19 : OPGW link for 765kV 400 kV DGEN-Navasari TL

77. The Petitioner has claimed a delay of 755 days from 3.3.2021 to 28.3.2023 due to severe ROW issues encountered on the Torrent Power owned line. The Petitioner has submitted that the stringing of the OPGW link over 46 km was completed by April 2021, and till 28.3.2023, cumulatively 85 km stringing was done on the above line due to landowner grievances from M/s Torrent Power since the line's construction stage. Additionally, the remaining 17 km was completed between April 2023 and January 2024 amid severe ROW issues.

78. The Respondents MPPMCL and MSEDCL have stated that the delay of 755 days was caused by severe ROW issues encountered in the above Torrent Power-owned line. However, the Petitioner did not provide any supporting documents to substantiate this claim or demonstrate the efforts made to resolve the issues.

79. We have considered the Petitioner and the Respondents' submissions. After perusal of the documents submitted by the Petitioner regarding a time delay of 755 days from 3.3.2021 to



28.3.2023 due to severe ROW issues encountered in the above Torrent Power-owned line, it is observed that, vide emails dated 3.3.2021, 22.7.2021, and 17.11.2021, the Petitioner intimated the occurrence of various ROW issue to M/s Torrent Power which were faced due to previous grievances of landowners with M/s Torrent Power and apprised that only 46 km out of 105 km laying of OPGW is completed. Moreover, the Petitioner also conveyed the progress of completion of 46 km (out of 105 km) laying of OPGW due to various ROW issues, to the concerned authority of WRPC and requested that this be included as an agenda item for the upcoming OCC/SCADA Committee Meeting at WRPC, through a letter dated 18.4.2022. Additionally, it is noted that, according to the minutes of the meeting held on 28.3.2023 between the Petitioner, M/s Torrent Power, and M/s ZTT, ROW issues for Location Nos. 243 to 244 had been resolved, while ROW issues for other location Nos. 129 to 141, 141 to 153, 153 to 156, and 177 to 179 were still needed to be addressed by M/s TPL. As per the said meeting, 85.042 km out of 105.322 km laying of OPGW link for 400 kV D/C Navasari-DGEN has been completed.

80. Therefore, in view of the above, the period from 3.3.2021 to 28.3.2023 for work progress due to RoW issues, caused by previous grievances of landowners with M/s Torrent Power, was beyond the control of the Petitioner. Moreover, as discussed earlier, the 549-day delay from 3.3.2021 to 3.9.2022 has already been included in the revised SCOD for the communication assets due to the COVID-19 pandemic. Therefore, in view of the above, we are inclined to condone the 206-day delay from 4.9.2022 to 28.3.2023, on account of the reasons mentioned above, as claimed by the Petitioner.

81. Further, it is observed that the various reasons/documents submitted by the Petitioner do not substantiate the time delay of 297 days from 28.3.2023 to 19.1.2024, and thus we are not inclined to condone the said time delay claimed by the Petitioner on account of severe RoW issues.



82. In view of the above, the summary of the time delay claimed by the Petitioner and time delay condoned/not condoned is summarised as follows:

Assets	Asset Name	Revised SCOD	Actual COD	Time Delay with respect to Revised SCOD	Time Over-run Condoned	Time Overrun not condoned
Asset-1	OPGW link for 220 kV Kakrapar – Vav TL	3.9.2022	29.1.2021	NIL		
Asset-2	OPGW link for 400 kV Emco-Bhadrawati TL		16.6.2021			
Asset-3	OPGW link for 400 kV Bhatapara – Bhilai TL and 400kV Korba – Bhilai TL		5.8.2021			
Asset-4	OPGW link for 400 kV MB TPS (Annupur)- Jabalpur		10.8.2021			
Asset-5	OPGW link for 400 kV ACBIL-Bilaspur TL and LILO of ACBIL-Bilaspur TL		12.8.2021			
Asset-6	OPGW link for LILO of 400kV Bhadrawati-Parli TL and 220 kV GMR-RAIPUR POOL		25.12.2021		-	-
Asset-7	OPGW link for Lanco - Bilaspur Pooling Station 400 kV D/c (Quad) TL and 400 kV Tarapur - Phadge-I TL		29.12.2021			
Asset-8	OPGW link for 400 kV Tarapur-Boiser TL		30.12.2021			
Asset-9	OPGW link for 400 kV KWPCCL-Raigarh TL		19.2.2022			
Asset-10	OPGW link for 132 kV Spectrum – Bilaspur TL		6.3.2022			
Asset-11	OPGW link for 765 kV Raipur PS – Wardha TL		1.4.2022			
Asset-12	OPGW link for portion of 765 kV Seoni – Bina TL		19.6.2022			
Asset-13	OPGW link for 220 kV JPL-Raipur TL		8.10.2022	35 Days	NIL	35
Asset-14	OPGW link for 400 kV Bhilai – Bhadrawati TL and communication equipment at WRLDC, POSOCO-Kalwa and Mauda (NTPC)		1.12.2022	89 Days	NIL	89



Assets	Asset Name	Revised SCOD	Actual COD	Time Delay with respect to Revised SCOD	Time Over-run Condoned	Time Overrun not condoned
Asset-15	OPGW link for 400 kV DB Power-Raigarh (Kotra) TL		19.1.2023	138 Days	69	69
Asset-16	OPGW link for 765 kV Vadodara-Indore TL		21.2.2023	171 Days	NIL	171
Asset-17	OPGW link for 400 kV Bilaspur-Mahan TL along with end equipments		3.3.2023	181 Days	93	88
Asset-19	OPGW link for 765 kV 400 kV DGEN-Navasari TL		19.1.2024	503 Days	206	297

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

83. The Petitioner, vide Auditor's Certificate, has claimed IDC for the communication assets and has also submitted the IDC Statement showing the discharge of IDC liability as on COD and thereafter. The same has been summarised as under:

(₹ in lakh)						
Asset	IDC as per Auditor's Certificate	IDC discharged up to COD	IDC discharged during FY 2021-22	IDC discharged during FY 2022-23	IDC discharged during FY 2023-24	IDC discharged during FY 2024-25
Asset-1	5.08	3.21	1.87	0.00	0.00	0.00
Asset-2	0.95	0.81	0.14	0.00	0.00	0.00
Asset-3	12.71	12.42	0.29	0.00	0.00	0.00
Asset-4	16.44	10.82	5.62	0.00	0.00	0.00
Asset-5	3.04	2.83	0.21	0.00	0.00	0.00
Asset-6	3.70	3.49	0.21	0.00	0.00	0.00
Asset-7	7.26	6.79	0.47	0.00	0.00	0.00
Asset-8	2.19	2.04	0.15	0.00	0.00	0.00
Asset-9	0.15	0.15	0.00	0.00	0.00	0.00
Asset-10	0.12	0.12	0.00	0.00	0.00	0.00
Asset-11	52.96	33.19	0.00	19.77	0.00	0.00
Asset-12	36.38	30.17	0.00	4.99	1.22	0.00
Asset-13	5.60	5.21	0.00	0.39	0.00	0.00
Asset-14	10.14	9.95	0.00	0.19	0.00	0.00
Asset-15	3.43	3.28	0.00	0.15	0.00	0.00
Asset-16	36.27	31.21	0.00	0.47	4.58	0.00
Asset-17	13.89	13.44	0.00	0.24	0.22	0.00



Asset	IDC as per Auditor's Certificate	IDC discharged up to COD	IDC discharged during FY 2021-22	IDC discharged during FY 2022-23	IDC discharged during FY 2023-24	IDC discharged during FY 2024-25
Asset-19	19.19	16.51	0.00	0.00	0.28	2.40

84. MPPMCL, in its reply, has requested to limit the IDC/IEDC only up to SCOD for tariff determination after a prudence check. Furthermore, the beneficiary should not be burdened with liability for IDC/IEDC beyond SCOD.

85. In response, no direct reply is given by the Petitioner concerning IDC/IEDC in its rejoinder.

86. We have considered the submissions of the Petitioner and MPPMCL.

87. The allowable IDC has been worked out considering the information submitted by the Petitioner regarding the communication assets. The loan details provided in Form-9C for the 2019-24 tariff period and the IDC computation sheet have been considered for calculating IDC. The undischarged IDC has been considered as ACE during the year in which was discharged. The details of IDC claimed and considered as on COD, along with a summary of IDC liability discharge up to COD and thereafter, for tariff determination subject to revision at the time of truing-up concerning the communication assets, are as follows:

(₹ in lakh)							
Asset	IDC as per Auditor's Certificate	IDC disallowed	IDC allowed	IDC discharged upto COD	IDC discharged during FY 2021-22	IDC discharged during FY 2022-23	IDC discharged during FY 2023-24
Asset-1	5.08	0.00	5.08	3.21	1.87	0.00	0.00
Asset-2	0.95	0.00	0.95	0.81	0.14	0.00	0.00
Asset-3	12.71	0.00	12.71	12.42	0.28	0.00	0.00
Asset-4	16.44	0.07	16.37	10.76	5.61	0.00	0.00
Asset-5	3.04	0.01	3.03	2.83	0.20	0.00	0.00
Asset-6	3.70	0.00	3.70	3.49	0.21	0.00	0.00
Asset-7	7.26	0.00	7.26	6.79	0.47	0.00	0.00
Asset-8	2.19	0.00	2.19	2.04	0.15	0.00	0.00
Asset-9	0.15	0.00	0.15	0.15	0.00	0.00	0.00
Asset-10	0.12	0.00	0.12	0.12	0.00	0.00	0.00
Asset-11	52.96	0.00	52.96	33.19	0.00	19.77	0.00
Asset-12	36.38	0.00	36.38	30.17	0.00	4.99	1.22



Asset-13	5.60	0.81	4.79	4.70	0.00	0.09	0.00
Asset-14	10.14	3.70	6.44	6.31	0.00	0.12	0.00
Asset-15	3.43	0.05	3.38	3.38	0.00	0.00	0.00
Asset-16	36.27	4.56	31.71	30.73	0.00	0.47	0.51
Asset-17	13.89	5.35	8.54	8.54	0.00	0.00	0.00
Asset-19	19.19	5.23	13.96	13.96	0.00	0.00	0.00

88. The allowable IEDC has been worked out on a pro-rata basis, considering the total number of allowable days and the total number of days taken for the execution of the communication assets. Accordingly, the details of IEDC allowed and disallowed in relation to the communication assets are as follows:

(₹ in lakh)

Asset	IEDC Claimed as per Auditor's Certificate (A)	IEDC Disallowed due to time over-run not condoned (B)	IEDC Allowed (C)=(A-B)
Asset-1	7.91	0.00	7.91
Asset-2	12.67	0.00	12.67
Asset-3	101.05	0.00	101.05
Asset-4	77.83	0.00	77.83
Asset-5	27.19	0.00	27.19
Asset-6	33.62	0.00	33.62
Asset-7	66.02	0.00	66.02
Asset-8	19.94	0.00	19.94
Asset-9	7.77	0.00	7.77
Asset-10	6.56	0.00	6.56
Asset-11	157.76	0.00	157.76
Asset-12	16.55	0.00	16.55
Asset-13	129.56	3.30	126.26
Asset-14	177.97	11.09	166.88
Asset-15	18.89	0.88	18.01
Asset-16	58.39	6.61	51.78
Asset-17	163.19	9.45	153.74
Asset-19	43.74	7.05	36.69

Initial Spares

89. The Initial Spares claimed by the Petitioner for Assets – 1, 3, 4, 16, and 19 are as follows:

(₹ in lakh)

Asset	Parts	Plant and Machinery Cost for calculation of Initial Spares (A)	Initial Spares Claimed (B)
Asset-1	Communication System	108.02	3.54
Asset-3	Communication System	784.69	153.72



Asset	Parts	Plant and Machinery Cost for calculation of Initial Spares (A)	Initial Spares Claimed (B)
Asset-4	Communication System	808.85	28.08
Asset-16	Communication. System	790.42	29.97
Asset-19	Communication System	284.70	9.83

90. MSEDCL in its reply has submitted that the Petitioner's claim for Initial Spares exceeds the ceiling set by the 2019 Tariff Regulations. MSEDCL has requested to limit the Petitioner's claim to the prescribed ceiling of 3.5% of the Plant and Machinery cost, particularly regarding Asset-3, for which the claim is almost 20%. Furthermore, the Petitioner's contention in this regard is not supported by any proper documents or details.

91. MPPMCL, in its reply, has submitted that the Petitioner has claimed Initial Spares more than the ceiling provided in the 2019 Tariff Regulations in respect of Assets-3, 16 and 19. MPPMCL has further submitted to restrict the Initial Spares in respect of Assets-3, 16 and 19 to the ceiling of 3.5% of the Plant and Machinery cost.

92. In response, the Petitioner has submitted that the Initial Spares for the communication system are within the specified limit on an overall project basis, as per Regulation 23 of the 2019 Tariff Regulations. Therefore, the entire Initial Spares, as claimed, may be allowed.

93. We have considered the submissions of the Petitioner and the Respondents.

94. Regulation 23(d) of the 2019 Tariff Regulations provides that Initial Spares shall be capitalised as a percentage of Plant and Machinery Cost up to the cut-off date, subject to the following ceiling norms:

<i>“(d) Transmission System</i>	
<i>(i) Transmission line:</i>	1.00%
<i>(ii) Transmission sub-station</i>	
<i>- (Green Field):</i>	4.00%
<i>- (Brown Field):</i>	6.00%
<i>(iii) Series Compensation devices and HVDC Station:</i>	4.00%
<i>(iv) GIS Insulated Sub-station</i>	



- (Green Field):	5.00%
- (Brown Field):	7.00%
(v) Communication System:	3.50%
(vi) Static Synchronous Compensator:	6.00%

95. The details of the Initial Spares allowed as per Regulation 23(d) of the 2019 Tariff Regulations concerning Assets -1, 3, 4, 16, and 19 for the 2019-24 tariff period are as follows:

(₹ in lakh)

Asset	Plant and Machinery Cost for calculation of Initial Spares (A)	Initial Spares Claimed	Ceiling Limit (in %)	Eligible Initial Spares worked out	Excess Disallowed	Initial Spares Allowed
		(B)	(C)	$D = [A-B] * C / (100-C)$	$[D-B]$ If $D > B$	
Asset-1	108.02	3.54	3.5	3.79	0.00	3.54
Asset-3	784.69	153.72	3.5	22.88	130.84	22.88
Asset-4	808.85	28.08	3.5	28.32	0.00	28.08
Asset-16	790.42	29.97	3.5	27.58	2.39	27.58
Asset-19	284.70	9.83	3.5	9.97	0.00	9.83

Capital Cost Allowed as on COD

96. Accordingly, the capital cost allowed in respect of the communication assets as on COD is as follows:

(₹ in lakh)

Asset	Capital Cost claimed till COD	Less: IDC Disallowed/ Undischarged	Less: IEDC Disallowed due to time over-run	Less: Initial Spares Disallowed	Capital Cost as on COD
Asset-1	88.13	1.87	0.00	0.00	86.26
Asset-2	94.29	0.14	0.00	0.00	94.15
Asset-3	670.38	0.28	0.00	130.84	539.26
Asset-4	487.21	5.68	0.00	0.00	481.53
Asset-5	190.33	0.21	0.00	0.00	190.12
Asset-6	208.98	0.21	0.00	0.00	208.77
Asset-7	407.86	0.47	0.00	0.00	407.39
Asset-8	112.07	0.15	0.00	0.00	111.92
Asset-9	70.88	0.00	0.00	0.00	70.88
Asset-10	47.32	0.00	0.00	0.00	47.32
Asset-11	912.41	19.77	0.00	0.00	892.64
Asset-12	456.69	6.21	0.00	0.00	450.48
Asset-13	621.22	0.90	3.30	0.00	617.02
Asset-14	804.42	3.83	11.09	0.00	789.51
Asset-15	86.17	0.05	0.88	0.00	85.24
Asset-16	787.27	5.54	6.61	2.39	772.73
Asset-17	710.36	5.35	9.45	0.00	695.56



Asset	Capital Cost claimed till COD	Less: IDC Disallowed/ Undischarged	Less: IEDC Disallowed due to time over-run	Less: Initial Spares Disallowed	Capital Cost as on COD
Asset-19	348.51	5.23	7.05	0.00	336.22

Additional Capital Expenditure

97. Regulations 24 and 25 of the 2019 Tariff Regulations provide as follows:

“24. Additional Capitalization within the original scope and upto the cut-off date

(1) The additional capital expenditure in respect of a new project or an existing project incurred or projected to be incurred, on the following counts within the original scope of work, after the date of commercial operation and up to the cut-off date may be admitted by the Commission, subject to prudence check:

- a. Undischarged liabilities recognized to be payable at a future date;*
- b. Works deferred for execution;*
- c. Procurement of initial capital spares within the original scope of work, in accordance with the provisions of Regulation 23 of these regulations;*
- d. Liabilities to meet award of arbitration or for compliance of the directions or order of any statutory authority or order or decree of any court of law;*
- e. Change in law or compliance of any existing law: and*
- f. Force Majeure events:*

Provided that in case of any replacement of the assets, the additional capitalization shall be worked out after adjusting the gross fixed assets and cumulative depreciation of the assets replaced on account of de-capitalization.

(2) The generating company or the transmission licensee, as the case may be shall submit the details of works asset wise/work wise included in the original scope of work along with estimates of expenditure, liabilities recognized to be payable at a future date and the works deferred for execution.

25. Additional Capitalisation within the original scope and after the cut-off date:

(1) The additional capital expenditure incurred or projected to be incurred in respect of an existing project or a new project on the following counts within the original scope of work and after the cut-off date may be admitted by the Commission, subject to prudence check:

- a. Liabilities to meet award of arbitration or for compliance of the directions or order of any statutory authority, or order or decree of any court of law;*
- b. Change in law or compliance of any existing law;*
- c. Deferred works relating to ash pond or ash handling system in the original scope of work;*
- d. Liability for works executed prior to the cut-off date;*
- e. Force Majeure events;*
- f. Liability for works admitted by the Commission after the cut-off date to the extent of discharge of such liabilities by actual payments; and*
- g. Raising of ash dyke as a part of ash disposal system.*

(2) In case of replacement of assets deployed under the original scope of the existing project after cut-off date, the additional capitalization may be admitted by the Commission, after making necessary adjustments in the gross fixed assets and the cumulative depreciation, subject to prudence check on the following grounds:

- a. The useful life of the assets is not commensurate with the useful life of the project and such assets have been fully depreciated in accordance with the provisions of these regulations;*
- b. The replacement of the asset or equipment is necessary on account of change in law or Force Majeure conditions;*



- c. *The replacement of such asset or equipment is necessary on account of obsolescence of technology; and*
- d. *The replacement of such asset or equipment has otherwise been allowed by the Commission.”*

98. The ACE claimed by the Petitioner for the 2019-24 tariff period regarding the communication assets is as follows:

(₹ in lakh)

Asset	ACE Claimed		
	2021-22	2022-23	2023-24
Asset-1	32.88	0.00	0.00
Asset-2	0.00	0.00	13.09
Asset-3	52.43	52.79	122.85
Asset-4	105.35	225.28	85.29
Asset-5	0.00	0.00	25.34
Asset-6	0.84	3.71	26.26
Asset-7	0.00	0.00	55.53
Asset-8	0.00	0.00	27.79
Asset-9	0.00	0.00	15.52
Asset-10	0.00	1.00	11.02
Asset-11	0.00	123.06	113.94
Asset-12	0.00	61.00	18.17
Asset-13	0.00	2.63	89.44
Asset-14	0.00	3.57	246.91
Asset-15	0.00	0.06	19.09
Asset-16	0.00	14.67	83.14
Asset-17	0.00	0.06	150.80
Asset-19	0.00	0.00	0.60

99. MSEDCL has submitted that the tariff proposed by the Petitioner has not been supported with the methodology allegedly adopted for computation, nor has the methodology been mentioned in the Petition. Furthermore, the claim for additional capitalisation may be granted after a prudence check to ensure that liabilities arising from contractual exigencies are not due to the Petitioner’s fault in the contract.

100. MPPMCL has submitted that the Petitioner’s claim for additional capitalization may be allowed after a prudence check.

101. In response to the replies of MSEDCL and MPPMCL, the Petitioner has submitted that the CODs of the communication assets are from 29.1.2021 to 19.1.2024. As per the 2019 Tariff



Regulations, the cut-off date will be from 31.1.2024 to 31.1.2027. Therefore, the additional capitalization has been claimed according to Regulations 24(1) (a) and 24(1) (b) of the 2019 Tariff Regulations.

102. The Petitioner has submitted that the additional capitalization incurred or projected to be incurred for the communication assets is mainly due to balance or retention of payments and has also provided the Liability Flow Statement in relation to the communication assets.

103. We have considered the Petitioner's and Respondents' submissions, and it is observed that the ACE claimed relates to balance and retention payments, and is therefore allowed under Regulations 24(1)(a) and 24(1)(b) of the 2019 Tariff Regulations. The details of ACE approved for the communication assets are as follows:

Asset-1 (₹ in lakh)

Description	2021-22	2022-23	2023-24
Additional Capital Expenditure as per Regulation 24(1)(a) and Regulation 24(1)(b) of the 2019 Tariff Regulations	32.88	-	-
Add: undischarged IDC	1.87	-	-
Total ACE	34.75	-	-

Asset-2 (₹ in lakh)

Description	2021-22	2022-23	2023-24
Additional Capital Expenditure as per Regulation 24(1)(a) and Regulation 24(1)(b) of the 2019 Tariff Regulations	-	-	13.09
Add: undischarged IDC	0.14	-	-
Total ACE	0.14	-	13.09

Asset-3 (₹ in lakh)

Description	2021-22	2022-23	2023-24
Additional Capital Expenditure as per Regulation 24(1)(a) and Regulation 24(1)(b) of the 2019 Tariff Regulations	52.43	52.79	122.85
Add: undischarged IDC	0.28	-	-
Total ACE	52.71	52.79	122.85

Asset-4 (₹ in lakh)

Description	2021-22	2022-23	2023-24
Additional Capital Expenditure as per Regulation 24(1)(a) and Regulation 24(1)(b) of the 2019 Tariff Regulations	105.35	225.28	85.29
Add: undischarged IDC	5.61	-	-
Total ACE	110.96	225.28	85.29



Asset-5

(₹ in lakh)

Description	2021-22	2022-23	2023-24
Additional Capital Expenditure as per Regulation 24(1)(a) and Regulation 24(1)(b) of the 2019 Tariff Regulations	-	-	25.34
Add: undischarged IDC	0.20	-	-
Total ACE	0.20	-	25.34

Asset-6

(₹ in lakh)

Description	2021-22	2022-23	2023-24
Additional Capital Expenditure as per Regulation 24(1)(a) and Regulation 24(1)(b) of the 2019 Tariff Regulations	0.84	3.71	26.26
Add: undischarged IDC	0.21	-	-
Total ACE	1.05	3.71	26.26

Asset-7

(₹ in lakh)

Description	2021-22	2022-23	2023-24
Additional Capital Expenditure as per Regulation 24(1)(a) and Regulation 24(1)(b) of the 2019 Tariff Regulations	-	-	55.53
Add: undischarged IDC	0.47	-	-
Total ACE	0.47	-	55.53

Asset-8

(₹ in lakh)

Description	2021-22	2022-23	2023-24
Additional Capital Expenditure as per Regulation 24(1)(a) and Regulation 24(1)(b) of the 2019 Tariff Regulations	-	-	27.79
Add: undischarged IDC	0.15	-	-
Total ACE	0.15	-	27.79

Asset-9

(₹ in lakh)

Description	2021-22	2022-23	2023-24
Additional Capital Expenditure as per Regulation 24(1)(a) and Regulation 24(1)(b) of the 2019 Tariff Regulations	-	-	15.52
Add: undischarged IDC	-	-	-
Total ACE	-	-	15.52

Asset-10

(₹ in lakh)

Description	2021-22	2022-23	2023-24
Additional Capital Expenditure as per Regulation 24(1)(a) and Regulation 24(1)(b) of the 2019 Tariff Regulations	-	1.00	11.02
Add: undischarged IDC	-	-	-
Total ACE	-	1.00	11.02

Asset-11

(₹ in lakh)

Description	2021-22	2022-23	2023-24
Additional Capital Expenditure as per Regulation 24(1)(a) and Regulation 24(1)(b) of the 2019 Tariff Regulations	-	123.06	113.94
Add: undischarged IDC	-	19.77	-
Total ACE	-	142.83	113.94



Asset-12

(₹ in lakh)

Description	2021-22	2022-23	2023-24
Additional Capital Expenditure as per Regulation 24(1)(a) and Regulation 24(1)(b) of the 2019 Tariff Regulations	-	61.00	18.17
Add: undischarged IDC	-	4.99	1.22
Total ACE	-	65.99	19.39

Asset-13

(₹ in lakh)

Description	2021-22	2022-23	2023-24
Additional Capital Expenditure as per Regulation 24(1)(a) and Regulation 24(1)(b) of the 2019 Tariff Regulations	-	2.63	89.44
Add: undischarged IDC	-	0.09	-
Total ACE	-	2.72	89.44

Asset-14

(₹ in lakh)

Description	2021-22	2022-23	2023-24
Additional Capital Expenditure as per Regulation 24(1)(a) and Regulation 24(1)(b) of the 2019 Tariff Regulations	-	3.57	246.91
Add: undischarged IDC	-	0.12	-
Total ACE	-	3.69	246.91

Asset-15

(₹ in lakh)

Description	2021-22	2022-23	2023-24
Additional Capital Expenditure as per Regulation 24(1)(a) and Regulation 24(1)(b) of the 2019 Tariff Regulations	-	0.06	19.09
Add: undischarged IDC	-	-	-
Total ACE	-	0.06	19.09

Asset-16

(₹ in lakh)

Description	2021-22	2022-23	2023-24
Additional Capital Expenditure as per Regulation 24(1)(a) and Regulation 24(1)(b) of the 2019 Tariff Regulations	-	14.67	83.14
Add: undischarged IDC	-	0.47	0.51
Total ACE	-	15.14	83.65

Asset-17

(₹ in lakh)

Description	2021-22	2022-23	2023-24
Additional Capital Expenditure as per Regulation 24(1)(a) and Regulation 24(1)(b) of the 2019 Tariff Regulations	-	0.06	150.80
Add: undischarged IDC	-	-	-
Total ACE	-	0.06	150.80

Asset-19

(₹ in lakh)

Description	2021-22	2022-23	2023-24
Additional Capital Expenditure as per Regulation 24(1)(a) and Regulation 24(1)(b) of the 2019 Tariff Regulations	-	-	0.60
Add: undischarged IDC	-	-	0.00
Total ACE	-	-	0.60

104. Accordingly, the capital cost allowed for the communication assets as on 31.3.2024 is as follows:



Asset	Capital Cost upto COD	ACE Approved			Completion cost Admitted
		2021-22	2022-23	2023-24	
Asset-1	86.26	34.75	0.00	0.00	121.01
Asset-2	94.15	0.14	0.00	13.09	107.38
Asset-3	539.26	52.71	52.79	122.85	767.61
Asset-4	481.53	110.96	225.28	85.29	903.06
Asset-5	190.12	0.20	0.00	25.34	215.66
Asset-6	208.77	1.05	3.71	26.26	239.79
Asset-7	407.39	0.47	0.00	55.53	463.39
Asset-8	111.92	0.15	0.00	27.79	139.86
Asset-9	70.88	0.00	0.00	15.52	86.40
Asset-10	47.32	0.00	1.00	11.02	59.34
Asset-11	892.64	0.00	142.83	113.94	1149.41
Asset-12	450.48	0.00	65.99	19.39	535.86
Asset-13	617.02	0.00	2.72	89.44	709.18
Asset-14	789.51	0.00	3.69	246.91	1040.11
Asset-15	85.24	0.00	0.06	19.09	104.39
Asset-16	772.73	0.00	15.14	83.65	871.52
Asset-17	695.56	0.00	0.06	150.80	846.42
Asset-19	336.22	0.00	0.00	0.60	336.82

Debt-Equity Ratio

105. Regulation 18 of the 2019 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 1.4.2019, debt: equity ratio allowed by the Commission for determination of tariff for the period ending 31.3.2019 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 1.4.2019, if the equity actually deployed as on 1.4.2019 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 72 of these regulations.

(4) In case of the generating station and the transmission system including communication system declared under commercial operation prior to 1.4.2019, but where debt: equity ratio has not been determined by the Commission for determination of tariff for the period ending 31.3.2019, 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 1.4.2019 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.”

106. The debt-equity ratio considered for the purpose of computation of tariff for the 2019-24 period for the communication assets is as follows:

Asset-1

Particulars	Cost as on COD (₹ in lakh)	(in %)	Cost as on 31.3.2024 (₹ in lakh)	(in %)
Debt	60.38	70.00	84.71	70.00
Equity	25.88	30.00	36.30	30.00
Total	86.26	100.00	121.01	100.00

Asset-2

Particulars	Cost as on COD (₹ in lakh)	(in %)	Cost as on 31.3.2024 (₹ in lakh)	(in %)
Debt	65.91	70.00	75.17	70.00
Equity	28.25	30.00	32.21	30.00
Total	94.15	100.00	107.38	100.00

Asset-3

Particulars	Cost as on COD (₹ in lakh)	(in %)	Cost as on 31.3.2024 (₹ in lakh)	(in %)
Debt	377.48	70.00	537.33	70.00
Equity	161.78	30.00	230.28	30.00
Total	539.26	100.00	767.61	100.00



Asset-4

Particulars	Cost as on COD (₹ in lakh)	(in %)	Cost as on 31.3.2024 (₹ in lakh)	(in %)
Debt	337.07	70.00	632.14	70.00
Equity	144.46	30.00	270.92	30.00
Total	481.53	100.00	903.06	100.00

Asset-5

Particulars	Cost as on COD (₹ in lakh)	(in %)	Cost as on 31.3.2024 (₹ in lakh)	(in %)
Debt	133.08	70.00	150.96	70.00
Equity	57.04	30.00	64.70	30.00
Total	190.12	100.00	215.66	100.00

Asset-6

Particulars	Cost as on COD (₹ in lakh)	(in %)	Cost as on 31.3.2024 (₹ in lakh)	(in %)
Debt	146.14	70.00	167.85	70.00
Equity	62.63	30.00	71.94	30.00
Total	208.77	100.00	239.79	100.00

Asset-7

Particulars	Cost as on COD (₹ in lakh)	(in %)	Cost as on 31.3.2024 (₹ in lakh)	(in %)
Debt	285.17	70.00	324.37	70.00
Equity	122.22	30.00	139.02	30.00
Total	407.39	100.00	463.39	100.00

Asset-8

Particulars	Cost as on COD (₹ in lakh)	(in %)	Cost as on 31.3.2024 (₹ in lakh)	(in %)
Debt	78.35	70.00	97.90	70.00
Equity	33.58	30.00	41.96	30.00
Total	111.92	100.00	139.86	100.00

Asset-9

Particulars	Cost as on COD (₹ in lakh)	(in %)	Cost as on 31.3.2024 (₹ in lakh)	(in %)
Debt	49.62	70.00	60.48	70.00
Equity	21.26	30.00	25.92	30.00
Total	70.88	100.00	86.40	100.00

Asset-10

Particulars	Cost as on COD (₹ in lakh)	(in %)	Cost as on 31.3.2024 (₹ in lakh)	(in %)
Debt	33.12	70.00	41.54	70.00
Equity	14.20	30.00	17.80	30.00
Total	47.32	100.00	59.34	100.00



Asset-11

Particulars	Cost as on COD (₹ in lakh)	(in %)	Cost as on 31.3.2024 (₹ in lakh)	(in %)
Debt	624.85	70.00	804.59	70.00
Equity	267.79	30.00	344.82	30.00
Total	892.64	100.00	1149.41	100.00

Asset-12

Particulars	Cost as on COD (₹ in lakh)	(in %)	Cost as on 31.3.2024 (₹ in lakh)	(in %)
Debt	315.34	70.00	375.10	70.00
Equity	135.15	30.00	160.76	30.00
Total	450.48	100.00	535.86	100.00

Asset-13

Particulars	Cost as on COD (₹ in lakh)	(in %)	Cost as on 31.3.2024 (₹ in lakh)	(in %)
Debt	431.91	70.00	496.43	70.00
Equity	185.11	30.00	212.75	30.00
Total	617.02	100.00	709.18	100.00

Asset-14

Particulars	Cost as on COD (₹ in lakh)	(in %)	Cost as on 31.3.2024 (₹ in lakh)	(in %)
Debt	552.66	70.00	728.08	70.00
Equity	236.85	30.00	312.03	30.00
Total	789.51	100.00	1040.11	100.00

Asset-15

Particulars	Cost as on COD (₹ in lakh)	(in %)	Cost as on 31.3.2024 (₹ in lakh)	(in %)
Debt	59.67	70.00	73.07	70.00
Equity	25.57	30.00	31.32	30.00
Total	85.24	100.00	104.39	100.00

Asset-16

Particulars	Cost as on COD (₹ in lakh)	(in %)	Cost as on 31.3.2024 (₹ in lakh)	(in %)
Debt	540.91	70.00	610.06	70.00
Equity	231.82	30.00	261.45	30.00
Total	772.73	100.00	871.52	100.00



Asset-17

Particulars	Cost as on COD (₹ in lakh)	(in %)	Cost as on 31.3.2024 (₹ in lakh)	(in %)
Debt	486.89	70.00	592.49	70.00
Equity	208.67	30.00	253.93	30.00
Total	695.56	100.00	846.42	100.00

Asset-19

Particulars	Cost as on COD (₹ in lakh)	(in %)	Cost as on 31.3.2024 (₹ in lakh)	(in %)
Debt	235.35	70.00	235.77	70.00
Equity	100.87	30.00	101.05	30.00
Total	336.22	100.00	336.82	100.00

Depreciation

107. Regulation 33 of the 2019 Tariff Regulations provides as follows:

“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 case of the tariff of all the units of a generating station or all elements of a transmission system including 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 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 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, weighted average life for the generating station of the transmission system shall be applied. Depreciation shall be chargeable from the first year of commercial operation. In case of commercial operation of the asset for part of the year, depreciation shall be charged on pro rata basis.

(3) The salvage value of the asset shall be considered as 10% and depreciation shall be allowed up to 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 further that in case of hydro generating stations, the salvage value shall be as provided in the agreement, if any, signed by the developers with the State Government for development of the generating station:

Provided also that the capital cost of the assets of the hydro generating station for the purpose of computation of depreciated value shall correspond to the percentage of sale of electricity under long-term power purchase agreement at regulated tariff:

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) Land other than the land held under lease and the land for reservoir in case of hydro generating station shall not be a depreciable asset and its cost shall be excluded from the capital cost while computing depreciable value of the asset.



(5) Depreciation shall be calculated annually based on 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 station shall be spread over the balance useful life of the assets.

(6) In case of the existing projects, the balance depreciable value as on 1.4.2019 shall be worked out by deducting the cumulative depreciation as admitted by the Commission upto 31.3.2019 from the gross depreciable value of the assets.

(7) The generating company or the transmission licensee, as the case may be, shall submit the details of proposed capital expenditure five years before the completion of useful life of the project along with justification and proposed life extension. The Commission based on prudence check of such submissions shall approve the depreciation on capital expenditure.

(8) 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-capitalized asset during its useful services.

(9) Where the emission control system is implemented within the original scope of the generating station and the date of commercial operation of the generating station or unit thereof and the date of operation of the emission control system are the same, depreciation of the generating station or unit thereof including the emission control system shall be computed in accordance with Clauses (1) to (8) of this Regulation.

(10) Depreciation of the emission control system of an existing or a new generating station or unit thereof where the date of operation of the emission control system is subsequent to the date of commercial operation of the generating station or unit thereof, shall be computed annually from the date of operation of such emission control system based on straight line method, with salvage value of 10%, over a period of-

a) twenty-five years, in case the generating station or unit thereof is in operation for fifteen years or less as on the date of operation of the emission control system; or

b) balance useful life of the generating station or unit thereof plus fifteen years, in case the generating station or unit thereof is in operation for more than fifteen years as on the date of operation of the emission control system; or

c) ten years or a period mutually agreed by the generating company and the beneficiaries, whichever is higher, in case the generating station or unit thereof has completed its useful life.”

108. The depreciation has been worked out considering the admitted capital expenditure as on the COD and, thereafter, up to 31.3.2024. The Weighted Average Rate of Depreciation (WAROD) provided in the Annexure to this order has been worked out for the communication assets as per the rates of depreciation specified in the 2019 Tariff Regulations. The depreciation allowed in respect of the communication assets for the 2019-24 tariff period is as follows:



Asset-1

(₹ in lakh)

	Particulars	2020-21 (Pro rata for 62 days)	2021-22	2022-23	2023-24
A	Opening Gross Block	86.26	86.26	121.01	121.01
B	Addition during the year 2019-24 due to projected ACE	0.00	34.75	0.00	0.00
C	Closing Gross Block (A+B)	86.26	121.01	121.01	121.01
D	Average Gross Block (A+C)/2	86.26	103.64	121.01	121.01
E	Average Gross Block (90% depreciable assets)	86.26	103.64	121.01	121.01
F	Average Gross Block (100% depreciable assets)	0.00	0.00	0.00	0.00
G	Depreciable Value (excluding IT equipment and software) (E*90%)	77.64	93.27	108.91	108.91
H	Depreciable Value of IT equipment and software (F*100%)	0.00	0.00	0.00	0.00
I	Total Depreciable Value (G+H)	77.64	93.27	108.91	108.91
J	Weighted Average Rate of Depreciation (WAROD) (in %)	6.33	6.33	6.33	6.33
K	Lapsed useful life at the beginning of the year (Year)	0	0	1	2
L	Balance useful life at the beginning of the year (Year)	15	15	14	13
M	Depreciation during the year (D*J)	0.93	6.56	7.66	7.66
N	Cumulative Depreciation at the end of the year	0.93	7.49	15.15	22.81
O	Remaining Aggregate Depreciable Value at the end of the year	76.71	85.78	93.76	86.10

Asset-2

(₹ in lakh)

	Particulars	2021-22 (Pro rata for 289 days)	2022-23	2023-24
A	Opening Gross Block	94.15	94.29	94.29
B	Addition during the year 2019-24 due to projected ACE	0.14	0.00	13.09
C	Closing Gross Block (A+B)	94.29	94.29	107.38
D	Average Gross Block (A+C)/2	94.22	94.29	100.84
E	Average Gross Block (90% depreciable assets)	94.22	94.29	100.84
F	Average Gross Block (100% depreciable assets)	0.00	0.00	0.00
G	Depreciable Value (excluding IT equipment and software) (E*90%)	84.80	84.86	90.75
H	Depreciable Value of IT equipment and software (F*100%)	0.00	0.00	0.00
I	Total Depreciable Value (G+H)	84.80	84.86	90.75
J	Weighted Average Rate of Depreciation (WAROD) (in %)	6.33	6.33	6.33
K	Lapsed useful life at the beginning of the year (Year)	0	0	1
L	Balance useful life at the beginning of the year (Year)	15	15	14
M	Depreciation during the year (D*J)	4.72	5.97	6.38



	Particulars	2021-22 (Pro rata for 289 days)	2022-23	2023-24
N	Cumulative Depreciation at the end of the year	4.72	10.69	17.07
O	Remaining Aggregate Depreciable Value at the end of the year	80.08	74.17	73.68

Asset-3

(₹ in lakh)				
	Particulars	2021-22 (Pro rata for 239 days)	2022-23	2023-24
A	Opening Gross Block	539.26	591.97	644.76
B	Addition during the year 2019-24 due to projected ACE	52.71	52.79	122.85
C	Closing Gross Block (A+B)	591.97	644.76	767.61
D	Average Gross Block (A+C)/2	565.62	618.37	706.19
E	Average Gross Block (90% depreciable assets)	565.62	618.37	706.19
F	Average Gross Block (100% depreciable assets)	0.00	0.00	0.00
G	Depreciable Value (excluding IT equipment and software) (E*90%)	509.06	556.53	635.57
H	Depreciable Value of IT equipment and software (F*100%)	0.00	0.00	0.00
I	Total Depreciable Value (G+H)	509.06	556.53	635.57
J	Weighted Average Rate of Depreciation (WAROD) (in %)	6.33	6.33	6.33
K	Lapsed useful life at the beginning of the year (Year)	0	0	1
L	Balance useful life at the beginning of the year (Year)	15	15	14
M	Depreciation during the year (D*J)	23.44	39.14	44.70
N	Cumulative Depreciation at the end of the year	23.44	62.59	107.29
O	Remaining Aggregate Depreciable Value at the end of the year	485.61	493.95	528.28

Asset-4

(₹ in lakh)				
	Particulars	2021-22 (Pro rata for 234 days)	2022-23	2023-24
A	Opening Gross Block	481.53	592.49	817.77
B	Addition during the year 2019-24 due to projected ACE	110.96	225.28	85.29
C	Closing Gross Block (A+B)	592.49	817.77	903.06
D	Average Gross Block (A+C)/2	537.01	705.13	860.42
E	Average Gross Block (90% depreciable assets)	537.01	705.13	860.42
F	Average Gross Block (100% depreciable assets)	0.00	0.00	0.00
G	Depreciable Value (excluding IT equipment and software) (E*90%)	483.31	634.62	774.37



	Particulars	2021-22 (Pro rata for 234 days)	2022-23	2023-24
H	Depreciable Value of IT equipment and software (F*100%)	0.00	0.00	0.00
I	Total Depreciable Value (G+H)	483.31	634.62	774.37
J	Weighted Average Rate of Depreciation (WAROD) (in %)	6.33	6.33	6.33
K	Lapsed useful life at the beginning of the year (Year)	0	0	1
L	Balance useful life at the beginning of the year (Year)	15	15	14
M	Depreciation during the year (D*J)	21.79	44.63	54.46
N	Cumulative Depreciation at the end of the year	21.79	66.43	120.89
O	Remaining Aggregate Depreciable Value at the end of the year	461.52	568.19	653.48

Asset-5

	Particulars	2021-22 (Pro rata for 232 days)	2022-23	2023-24
A	Opening Gross Block	190.12	190.32	190.32
B	Addition during the year 2019-24 due to projected ACE	0.20	0.00	25.34
C	Closing Gross Block (A+B)	190.32	190.32	215.66
D	Average Gross Block (A+C)/2	190.22	190.32	202.99
E	Average Gross Block (90% depreciable assets)	190.22	190.32	202.99
F	Average Gross Block (100% depreciable assets)	0.00	0.00	0.00
G	Depreciable Value (excluding IT equipment and software) (E*90%)	171.20	171.29	182.69
H	Depreciable Value of IT equipment and software (F*100%)	0.00	0.00	0.00
I	Total Depreciable Value (G+H)	171.20	171.29	182.69
J	Weighted Average Rate of Depreciation (WAROD) (in %)	6.33	6.33	6.33
K	Lapsed useful life at the beginning of the year (Year)	0	0	1
L	Balance useful life at the beginning of the year (Year)	15	15	14
M	Depreciation during the year (D*J)	7.65	12.05	12.85
N	Cumulative Depreciation at the end of the year	7.65	19.70	32.55
O	Remaining Aggregate Depreciable Value at the end of the year	163.55	151.59	150.14



Asset-6

(₹ in lakh)				
	Particulars	2021-22 (Pro rata for 97 days)	2022-23	2023-24
A	Opening Gross Block	208.77	209.82	213.53
B	Addition during the year 2019-24 due to projected ACE	1.05	3.71	26.26
C	Closing Gross Block (A+B)	209.82	213.53	239.79
D	Average Gross Block (A+C)/2	209.29	211.67	226.66
E	Average Gross Block (90% depreciable assets)	209.29	211.67	226.66
F	Average Gross Block (100% depreciable assets)	0.00	0.00	0.00
G	Depreciable Value (excluding IT equipment and software) (E*90%)	188.36	190.51	203.99
H	Depreciable Value of IT equipment and software (F*100%)	0.00	0.00	0.00
I	Total Depreciable Value (G+H)	188.36	190.51	203.99
J	Weighted Average Rate of Depreciation (WAROD) (in %)	6.33	6.33	6.33
K	Lapsed useful life at the beginning of the year (Year)	0	0	1
L	Balance useful life at the beginning of the year (Year)	15	15	14
M	Depreciation during the year (D*J)	3.52	13.40	14.35
N	Cumulative Depreciation at the end of the year	3.52	16.92	31.27
O	Remaining Aggregate Depreciable Value at the end of the year	184.84	173.59	172.72

Asset-7

(₹ in lakh)				
	Particulars	2021-22 (Pro rata for 93 days)	2022-23	2023-24
A	Opening Gross Block	407.39	407.86	407.86
B	Addition during the year 2019-24 due to projected ACE	0.47	0.00	55.53
C	Closing Gross Block (A+B)	407.86	407.86	463.39
D	Average Gross Block (A+C)/2	407.62	407.86	435.63
E	Average Gross Block (90% depreciable assets)	407.62	407.86	435.63
F	Average Gross Block (100% depreciable assets)	0.00	0.00	0.00
G	Depreciable Value (excluding IT equipment and software) (E*90%)	366.86	367.07	392.06
H	Depreciable Value of IT equipment and software (F*100%)	0.00	0.00	0.00
I	Total Depreciable Value (G+H)	366.86	367.07	392.06
J	Weighted Average Rate of Depreciation (WAROD) (in %)	6.33	6.33	6.33
K	Lapsed useful life at the beginning of the year (Year)	0	0	1
L	Balance useful life at the beginning of the year (Year)	15	15	14
M	Depreciation during the year (D*J)	6.57	25.82	27.58



	Particulars	2021-22 (Pro rata for 93 days)	2022-23	2023-24
N	Cumulative Depreciation at the end of the year	6.57	32.39	59.97
O	Remaining Aggregate Depreciable Value at the end of the year	360.29	334.68	332.10

Asset-8

	Particulars	2021-22 (Pro rata for 92 days)	2022-23	2023-24
A	Opening Gross Block	111.92	112.07	112.07
B	Addition during the year 2019-24 due to projected ACE	0.15	0.00	27.79
C	Closing Gross Block (A+B)	112.07	112.07	139.86
D	Average Gross Block (A+C)/2	112.00	112.07	125.97
E	Average Gross Block (90% depreciable assets)	112.00	112.07	125.97
F	Average Gross Block (100% depreciable assets)	0.00	0.00	0.00
G	Depreciable Value (excluding IT equipment and software) (E*90%)	100.80	100.86	113.37
H	Depreciable Value of IT equipment and software (F*100%)	0.00	0.00	0.00
I	Total Depreciable Value (G+H)	100.80	100.86	113.37
J	Weighted Average Rate of Depreciation (WAROD) (in %)	6.33	6.33	6.33
K	Lapsed useful life at the beginning of the year (Year)	0	0	1
L	Balance useful life at the beginning of the year (Year)	15	15	14
M	Depreciation during the year (D*J)	1.79	7.09	7.97
N	Cumulative Depreciation at the end of the year	1.79	8.88	16.85
O	Remaining Aggregate Depreciable Value at the end of the year	99.01	91.98	96.51

Asset-9

	Particulars	2021-22 (Pro rata for 41 days)	2022-23	2023-24
A	Opening Gross Block	70.88	70.88	70.88
B	Addition during the year 2019-24 due to projected ACE	0.00	0.00	15.52
C	Closing Gross Block (A+B)	70.88	70.88	86.40
D	Average Gross Block (A+C)/2	70.88	70.88	78.64
E	Average Gross Block (90% depreciable assets)	70.88	70.88	78.64
F	Average Gross Block (100% depreciable assets)	0.00	0.00	0.00
G	Depreciable Value (excluding IT equipment and software) (E*90%)	63.79	63.79	70.78



	Particulars	2021-22 (Pro rata for 41 days)	2022-23	2023-24
H	Depreciable Value of IT equipment and software (F*100%)	0.00	0.00	0.00
I	Total Depreciable Value (G+H)	63.79	63.79	70.78
J	Weighted Average Rate of Depreciation (WAROD) (in %)	6.33	6.33	6.33
K	Lapsed useful life at the beginning of the year (Year)	0	0	1
L	Balance useful life at the beginning of the year (Year)	15	15	14
M	Depreciation during the year (D*J)	0.50	4.49	4.98
N	Cumulative Depreciation at the end of the year	0.50	4.99	9.97
O	Remaining Aggregate Depreciable Value at the end of the year	63.29	58.80	60.81

Asset-10

(₹ in lakh)

	Particulars	2021-22 (pro rata for 26 days)	2022-23	2023-24
A	Opening Gross Block	47.32	47.32	48.32
B	Addition during the year 2019-24 due to projected ACE	0.00	1.00	11.02
C	Closing Gross Block (A+B)	47.32	48.32	59.34
D	Average Gross Block (A+C)/2	47.32	47.82	53.83
E	Average Gross Block (90% depreciable assets)	47.32	47.82	53.83
F	Average Gross Block (100% depreciable assets)	0.00	0.00	0.00
G	Depreciable Value (excluding IT equipment and software) (E*90%)	42.59	43.04	48.45
H	Depreciable Value of IT equipment and software (F*100%)	0.00	0.00	0.00
I	Total Depreciable Value (G+H)	42.59	43.04	48.45
J	Weighted Average Rate of Depreciation (WAROD) (in %)	6.33	6.33	6.33
K	Lapsed useful life at the beginning of the year (Year)	0	0	1
L	Balance useful life at the beginning of the year (Year)	15	15	14
M	Depreciation during the year (D*J)	0.21	3.03	3.41
N	Cumulative Depreciation at the end of the year	0.21	3.24	6.65
O	Remaining Aggregate Depreciable Value at the end of the year	42.37	39.80	41.80

Asset-11

(₹ in lakh)

	Particulars	2022-23	2023-24
A	Opening Gross Block	892.64	1035.47
B	Addition during the year 2019-24 due to projected ACE	142.83	113.94
C	Closing Gross Block (A+B)	1035.47	1149.41
D	Average Gross Block (A+C)/2	964.06	1092.44



	Particulars	2022-23	2023-24
E	Average Gross Block (90% depreciable assets)	964.06	1092.44
F	Average Gross Block (100% depreciable assets)	0.00	0.00
G	Depreciable Value (excluding IT equipment and software) (E*90%)	867.65	983.20
H	Depreciable Value of IT equipment and software (F*100%)	0.00	0.00
I	Total Depreciable Value (G+H)	867.65	983.20
J	Weighted Average Rate of Depreciation (WAROD) (in %)	6.33	6.33
K	Lapsed useful life at the beginning of the year (Year)	0	1
L	Balance useful life at the beginning of the year (Year)	15	14
M	Depreciation during the year (D*J)	61.02	69.15
N	Cumulative Depreciation at the end of the year	61.02	130.18
O	Remaining Aggregate Depreciable Value at the end of the year	806.62	853.02

Asset-12

		(₹ in lakh)	
	Particulars	2022-23 (Pro rata for 286 days)	2023-24
A	Opening Gross Block	450.48	516.47
B	Addition during the year 2019-24 due to projected ACE	65.99	19.39
C	Closing Gross Block (A+B)	516.47	535.86
D	Average Gross Block (A+C)/2	483.48	526.17
E	Average Gross Block (90% depreciable assets)	483.48	526.17
F	Average Gross Block (100% depreciable assets)	0.00	0.00
G	Depreciable Value (excluding IT equipment and software) (E*90%)	435.13	473.55
H	Depreciable Value of IT equipment and software (F*100%)	0.00	0.00
I	Total Depreciable Value (G+H)	435.13	473.55
J	Weighted Average Rate of Depreciation (WAROD) (in %)	6.33	6.33
K	Lapsed useful life at the beginning of the year (Year)	0	0
L	Balance useful life at the beginning of the year (Year)	15	15
M	Depreciation during the year (D*J)	23.98	33.31
N	Cumulative Depreciation at the end of the year	23.98	57.29
O	Remaining Aggregate Depreciable Value at the end of the year	411.15	416.26



Asset-13

		(₹ in lakh)	
	Particulars	2022-23 (Pro rata for 175 days)	2023-24
A	Opening Gross Block	617.02	619.74
B	Addition during the year 2019-24 due to projected ACE	2.72	89.44
C	Closing Gross Block (A+B)	619.74	709.18
D	Average Gross Block (A+C)/2	618.37	664.46
E	Average Gross Block (90% depreciable assets)	618.37	664.46
F	Average Gross Block (100% depreciable assets)	0.00	0.00
G	Depreciable Value (excluding IT equipment and software) (E*90%)	556.54	598.01
H	Depreciable Value of IT equipment and software (F*100%)	0.00	0.00
I	Total Depreciable Value (G+H)	556.54	598.01
J	Weighted Average Rate of Depreciation (WAROD) (in %)	6.33	6.33
K	Lapsed useful life at the beginning of the year (Year)	0	0
L	Balance useful life at the beginning of the year (Year)	15	15
M	Depreciation during the year (D*J)	18.77	42.06
N	Cumulative Depreciation at the end of the year	18.77	60.83
O	Remaining Aggregate Depreciable Value at the end of the year	537.77	537.18

Asset-14

		(₹ in lakh)	
	Particulars	2022-23 (Pro rata for 121 days)	2023-24
A	Opening Gross Block	789.51	793.20
B	Addition during the year 2019-24 due to projected ACE	3.69	246.91
C	Closing Gross Block (A+B)	793.20	1040.11
D	Average Gross Block (A+C)/2	791.35	916.65
E	Average Gross Block (90% depreciable assets)	791.35	916.65
F	Average Gross Block (100% depreciable assets)	0.00	0.00
G	Depreciable Value (excluding IT equipment and software) (E*90%)	712.22	824.99
H	Depreciable Value of IT equipment and software (F*100%)	0.00	0.00
I	Total Depreciable Value (G+H)	712.22	824.99
J	Weighted Average Rate of Depreciation (WAROD) (in %)	6.33	6.33
K	Lapsed useful life at the beginning of the year (Year)	0	0



	Particulars	2022-23 (Pro rata for 121 days)	2023-24
L	Balance useful life at the beginning of the year (Year)	15	15
M	Depreciation during the year (D*J)	16.61	58.02
N	Cumulative Depreciation at the end of the year	16.61	74.63
O	Remaining Aggregate Depreciable Value at the end of the year	695.61	750.36

Asset-15

(₹ in lakh)			
	Particulars	2022-23 (Pro rata for 72 days)	2023-24
A	Opening Gross Block	85.24	85.30
B	Addition during the year 2019-24 due to projected ACE	0.06	19.09
C	Closing Gross Block (A+B)	85.30	104.39
D	Average Gross Block (A+C)/2	85.27	94.84
E	Average Gross Block (90% depreciable assets)	85.27	94.84
F	Average Gross Block (100% depreciable assets)	0.00	0.00
G	Depreciable Value (excluding IT equipment and software) (E*90%)	76.74	85.36
H	Depreciable Value of IT equipment and software (F*100%)	0.00	0.00
I	Total Depreciable Value (G+H)	76.74	85.36
J	Weighted Average Rate of Depreciation (WAROD) (in %)	6.33	6.33
K	Lapsed useful life at the beginning of the year (Year)	0	0
L	Balance useful life at the beginning of the year (Year)	15	15
M	Depreciation during the year (D*J)	1.06	6.00
N	Cumulative Depreciation at the end of the year	1.06	7.07
O	Remaining Aggregate Depreciable Value at the end of the year	75.68	78.29

Asset-16

(₹ in lakh)			
	Particulars	2022-23 (Pro rata for 39 days)	2023-24
A	Opening Gross Block	772.73	787.87
B	Addition during the year 2019-24 due to projected ACE	15.14	83.65
C	Closing Gross Block (A+B)	787.87	871.52
D	Average Gross Block (A+C)/2	780.30	829.69
E	Average Gross Block (90% depreciable assets)	780.30	829.69
F	Average Gross Block (100% depreciable assets)	0.00	0.00



	Particulars	2022-23 (Pro rata for 39 days)	2023-24
G	Depreciable Value (excluding IT equipment and software) (E*90%)	702.27	746.72
H	Depreciable Value of IT equipment and software (F*100%)	0.00	0.00
I	Total Depreciable Value (G+H)	702.27	746.72
J	Weighted Average Rate of Depreciation (WAROD) (in %)	6.33	6.33
K	Lapsed useful life at the beginning of the year (Year)	0	0
L	Balance useful life at the beginning of the year (Year)	15	15
M	Depreciation during the year (D*J)	5.28	52.52
N	Cumulative Depreciation at the end of the year	5.28	57.80
O	Remaining Aggregate Depreciable Value at the end of the year	696.99	688.93

Asset-17

		(₹ in lakh)	
	Particulars	2022-23 (Pro rata for 29 days)	2023-24
A	Opening Gross Block	695.56	695.62
B	Addition during the year 2019-24 due to projected ACE	0.06	150.80
C	Closing Gross Block (A+B)	695.62	846.42
D	Average Gross Block (A+C)/2	695.59	771.02
E	Average Gross Block (90% depreciable assets)	695.59	771.02
F	Average Gross Block (100% depreciable assets)	0.00	0.00
G	Depreciable Value (excluding IT equipment and software) (E*90%)	626.03	693.92
H	Depreciable Value of IT equipment and software (F*100%)	0.00	0.00
I	Total Depreciable Value (G+H)	626.03	693.92
J	Weighted Average Rate of Depreciation (WAROD) (in %)	6.33	6.33
K	Lapsed useful life at the beginning of the year (Year)	0	0
L	Balance useful life at the beginning of the year (Year)	15	15
M	Depreciation during the year (D*J)	3.50	48.81
N	Cumulative Depreciation at the end of the year	3.50	52.30
O	Remaining Aggregate Depreciable Value at the end of the year	622.53	641.61

Asset-19

		(₹ in lakh)	
	Particulars	2023-24 (Pro rata for 73 days)	
A	Opening Gross Block	336.22	
B	Addition during the year 2019-24 due to projected ACE	0.60	
C	Closing Gross Block (A+B)	336.82	
D	Average Gross Block (A+C)/2	336.52	
E	Average Gross Block (90% depreciable assets)	336.52	
F	Average Gross Block (100% depreciable assets)	0.00	
G	Depreciable Value (excluding IT equipment and software) (E*90%)	302.87	



	Particulars	2023-24 (Pro rata for 73 days)
H	Depreciable Value of IT equipment and software (F*100%)	0.00
I	Total Depreciable Value (G+H)	302.87
J	Weighted Average Rate of Depreciation (WAROD) (in %)	6.33
K	Lapsed useful life at the beginning of the year (Year)	0
L	Balance useful life at the beginning of the year (Year)	15
M	Depreciation during the year (D*J)	4.25
N	Cumulative Depreciation at the end of the year	4.25
O	Remaining Aggregate Depreciable Value at the end of the year	298.62

Interest on Loan (IoL)

109. Regulation 32 of the 2019 Tariff Regulations provides as follows:

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

(2) The normative loan outstanding as on 1.4.2019 shall be worked out by deducting the cumulative repayment as admitted by the Commission up to 31.3.2019 from the gross normative loan.

(3) The repayment for each of the year of the tariff period 2019-24 shall be deemed to be equal to the depreciation allowed for the corresponding year/period. In case of de-capitalization 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 upto the date of de-capitalisation of such asset.

(4) Notwithstanding any moratorium period availed by the generating company or the transmission licensee, as the case may be, the repayment of 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 after providing appropriate accounting adjustment for interest capitalized: Provided that if there is no actual loan for a particular year but normative loan is still outstanding, the last available weighted average rate of interest shall be considered;

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

(5a) The rate of interest on loan for installation of emission control system shall be the weighted average rate of interest of actual loan portfolio of the emission control system or in the absence of actual loan portfolio, the weighted average rate of interest of the generating company as a whole shall be considered.

(6) The interest on 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”.

110. The Weighted Average Rate of Interest on Loan (WAROI) has been considered as claimed by the Petitioner. The Petitioner has prayed that any change in the interest rate due to



the floating rate applicable during the 2019-24 tariff period be adjusted. Accordingly, the floating rate of interest, if any, shall be considered at the time of true-up.

111. MSEDCL, in its reply, has submitted that IoL may be allowed after a prudence check.

112. MPPMCL, in its reply has submitted that adjusting the impact of floating rate on IoL has become redundant as the applicability period of the 2019 Tariff Regulations is already over on 31.3.2024. Now, the Petitioner has the actual interest rate figures that can be included in the Petition.

113. In response to the reply of MPPMCL, the Petitioner has submitted the bill and adjusted the impact on IoL due to a change in interest rate on account of the floating rate of interest applicable during the 2019-24 tariff period, if any, from the beneficiaries.

114. We have considered the submissions of the Petitioner and Respondents.

115. The Interest on Loan (IoL) has been worked out in accordance with Regulation 32 of the 2019 Tariff Regulations. The IoL allowed for the communication assets is as follows:

Asset-1

(₹ in lakh)					
	Particulars	2020-21 (Pro rata for 62 days)	2021-22	2022-23	2023-24
A	Gross Normative Loan	60.38	60.38	84.71	84.71
B	Cumulative Repayments up to Previous Year	0.00	0.93	7.49	15.15
C	Net Loan-Opening (A-B)	60.38	59.46	77.22	69.56
D	Addition due to ACE	0.00	24.32	0.00	0.00
E	Repayment during the year	0.93	6.56	7.66	7.66
F	Net Loan-Closing (C+D-E)	59.46	77.22	69.56	61.90
G	Average Loan (C+F)/2	59.92	68.34	73.39	65.73
H	Weighted Average Rate of Interest on Loan (in %)	7.30	7.30	7.29	7.29
I	Interest on Loan (G*H)	0.74	4.99	5.35	4.79



Asset-2

(₹ in lakh)				
	Particulars	2021-22 (Pro rata for 289 days)	2022-23	2023-24
A	Gross Normative Loan	65.91	66.00	66.00
B	Cumulative Repayments up to Previous Year	0.00	4.72	10.69
C	Net Loan-Opening (A-B)	65.91	61.28	55.31
D	Addition due to ACE	0.10	0.00	9.16
E	Repayment during the year	4.72	5.97	6.38
F	Net Loan-Closing (C+D-E)	61.28	55.31	58.09
G	Average Loan (C+F)/2	63.59	58.30	56.70
H	Weighted Average Rate of Interest on Loan (in %)	5.95	5.95	5.95
I	Interest on Loan (G*H)	3.00	3.47	3.37

Asset-3

(₹ in lakh)				
	Particulars	2021-22 (Pro rata for 239 days)	2022-23	2023-24
A	Gross Normative Loan	377.48	414.38	451.34
B	Cumulative Repayments up to Previous Year	0.00	23.44	62.59
C	Net Loan-Opening (A-B)	377.48	390.94	388.75
D	Addition due to ACE	36.90	36.95	86.00
E	Repayment during the year	23.44	39.14	44.70
F	Net Loan-Closing (C+D-E)	390.94	388.75	430.04
G	Average Loan (C+F)/2	384.21	389.84	409.40
H	Weighted Average Rate of Interest on Loan (in %)	5.95	5.95	5.95
I	Interest on Loan (G*H)	14.97	23.20	24.36

Asset-4

(₹ in lakh)				
	Particulars	2021-22 (Pro rata for 234 days)	2022-23	2023-24
A	Gross Normative Loan	337.07	414.74	572.44
B	Cumulative Repayments up to Previous Year	0.00	21.79	66.43
C	Net Loan-Opening (A-B)	337.07	392.95	506.01
D	Addition due to ACE	77.67	157.70	59.70
E	Repayment during the year	21.79	44.63	54.46
F	Net Loan-Closing (C+D-E)	392.95	506.01	511.25
G	Average Loan (C+F)/2	365.01	449.48	508.63
H	Weighted Average Rate of Interest on Loan (in %)	6.44	6.59	6.59
I	Interest on Loan (G*H)	15.08	29.61	33.51



Asset-5

(₹ in lakh)				
	Particulars	2021-22 (Pro rata for 232 days)	2022-23	2023-24
A	Gross Normative Loan	133.08	133.23	133.23
B	Cumulative Repayments up to Previous Year	0.00	7.65	19.70
C	Net Loan-Opening (A-B)	133.08	125.57	113.53
D	Addition due to ACE	0.14	0.00	17.74
E	Repayment during the year	7.65	12.05	12.85
F	Net Loan-Closing (C+D-E)	125.57	113.53	118.41
G	Average Loan (C+F)/2	129.33	119.55	115.97
H	Weighted Average Rate of Interest on Loan (in %)	5.95	5.95	5.95
I	Interest on Loan (G*H)	4.89	7.11	6.90

Asset-6

(₹ in lakh)				
	Particulars	2021-22 (Pro rata for 97 days)	2022-23	2023-24
A	Gross Normative Loan	146.14	146.87	149.47
B	Cumulative Repayments up to Previous Year	0.00	3.52	16.92
C	Net Loan-Opening (A-B)	146.14	143.35	132.55
D	Addition due to ACE	0.73	2.60	18.38
E	Repayment during the year	3.52	13.40	14.35
F	Net Loan-Closing (C+D-E)	143.35	132.55	136.58
G	Average Loan (C+F)/2	144.75	137.95	134.57
H	Weighted Average Rate of Interest on Loan (in %)	5.95	5.95	5.95
I	Interest on Loan (G*H)	2.29	8.21	8.01

Asset-7

(₹ in lakh)				
	Particulars	2021-22 (Pro rata for 93 days)	2022-23	2023-24
A	Gross Normative Loan	285.17	285.50	285.50
B	Cumulative Repayments up to Previous Year	0.00	6.57	32.39
C	Net Loan-Opening (A-B)	285.17	278.93	253.11
D	Addition due to ACE	0.33	0.00	38.87
E	Repayment during the year	6.57	25.82	27.58
F	Net Loan-Closing (C+D-E)	278.93	253.11	264.41
G	Average Loan (C+F)/2	282.05	266.02	258.76
H	Weighted Average Rate of Interest on Loan (in %)	5.95	5.95	5.95
I	Interest on Loan (G*H)	4.28	15.83	15.40



Asset-8

(₹ in lakh)

	Particulars	2021-22 (Pro rata for 92 days)	2022-23	2023-24
A	Gross Normative Loan	78.35	78.45	78.45
B	Cumulative Repayments up to Previous Year	0.00	1.79	8.88
C	Net Loan-Opening (A-B)	78.35	76.66	69.57
D	Addition due to ACE	0.10	0.00	19.45
E	Repayment during the year	1.79	7.09	7.97
F	Net Loan-Closing (C+D-E)	76.66	69.57	81.05
G	Average Loan (C+F)/2	77.50	73.12	75.31
H	Weighted Average Rate of Interest on Loan (in %)	5.95	5.95	5.95
I	Interest on Loan (G*H)	1.16	4.35	4.48

Asset-9

(₹ in lakh)

	Particulars	2021-22 (Pro rata for 41 days)	2022-23	2023-24
A	Gross Normative Loan	49.62	49.62	49.62
B	Cumulative Repayments up to Previous Year	0.00	0.50	4.99
C	Net Loan-Opening (A-B)	49.62	49.11	44.63
D	Addition due to ACE	0.00	0.00	10.86
E	Repayment during the year	0.50	4.49	4.98
F	Net Loan-Closing (C+D-E)	49.11	44.63	50.51
G	Average Loan (C+F)/2	49.36	46.87	47.57
H	Weighted Average Rate of Interest on Loan (in %)	6.01	6.01	6.01
I	Interest on Loan (G*H)	0.33	2.82	2.86

Asset-10

(₹ in lakh)

	Particulars	2021-22 (pro rata for 26 days)	2022-23	2023-24
A	Gross Normative Loan	33.12	33.12	33.82
B	Cumulative Repayments up to Previous Year	0.00	0.21	3.24
C	Net Loan-Opening (A-B)	33.12	32.91	30.58
D	Addition due to ACE	0.00	0.70	7.71
E	Repayment during the year	0.21	3.03	3.41
F	Net Loan-Closing (C+D-E)	32.91	30.58	34.89
G	Average Loan (C+F)/2	33.02	31.75	32.74
H	Weighted Average Rate of Interest on Loan (in %)	5.99	5.99	5.99
I	Interest on Loan (G*H)	0.14	1.90	1.96



Asset-11

(₹ in lakh)

	Particulars	2022-23	2023-24
A	Gross Normative Loan	624.85	724.83
B	Cumulative Repayments up to Previous Year	0.00	61.02
C	Net Loan-Opening (A-B)	624.85	663.80
D	Addition due to ACE	99.98	79.76
E	Repayment during the year	61.02	69.15
F	Net Loan-Closing (C+D-E)	663.80	674.41
G	Average Loan (C+F)/2	644.33	669.11
H	Weighted Average Rate of Interest on Loan (in %)	6.69%	6.69%
I	Interest on Loan (G*H)	43.11	44.77

Asset-12

(₹ in lakh)

	Particulars	2022-23 (Pro rata for 286 days)	2023-24
A	Gross Normative Loan	315.34	361.53
B	Cumulative Repayments up to Previous Year	0.00	23.98
C	Net Loan-Opening (A-B)	315.34	337.55
D	Addition due to ACE	46.19	13.57
E	Repayment during the year	23.98	33.31
F	Net Loan-Closing (C+D-E)	337.55	317.82
G	Average Loan (C+F)/2	326.44	327.68
H	Weighted Average Rate of Interest on Loan (in %)	7.06	7.06
I	Interest on Loan (G*H)	18.06	23.14

Asset-13

(₹ in lakh)

	Particulars	2022-23 (Pro rata for 175 days)	2023-24
A	Gross Normative Loan	431.91	433.82
B	Cumulative Repayments up to Previous Year	0.00	18.77
C	Net Loan-Opening (A-B)	431.91	415.05
D	Addition due to ACE	1.91	62.61
E	Repayment during the year	18.77	42.06
F	Net Loan-Closing (C+D-E)	415.05	435.60
G	Average Loan (C+F)/2	423.48	425.32
H	Weighted Average Rate of Interest on Loan (in %)	7.29	7.29
I	Interest on Loan (G*H)	14.80	31.01



Asset-14

(₹ in lakh)

	Particulars	2022-23 (Pro rata for 121 days)	2023-24
A	Gross Normative Loan	552.66	555.24
B	Cumulative Repayments up to Previous Year	0.00	16.61
C	Net Loan-Opening (A-B)	552.66	538.63
D	Addition due to ACE	2.58	172.84
E	Repayment during the year	16.61	58.02
F	Net Loan-Closing (C+D-E)	538.63	653.44
G	Average Loan (C+F)/2	545.64	596.04
H	Weighted Average Rate of Interest on Loan (in %)	7.63	7.63
I	Interest on Loan (G*H)	13.81	45.50

Asset-15

(₹ in lakh)

	Particulars	2022-23 (Pro rata for 72 days)	2023-24
A	Gross Normative Loan	59.67	59.71
B	Cumulative Repayments up to Previous Year	0.00	1.06
C	Net Loan-Opening (A-B)	59.67	58.64
D	Addition due to ACE	0.04	13.36
E	Repayment during the year	1.06	6.00
F	Net Loan-Closing (C+D-E)	58.64	66.00
G	Average Loan (C+F)/2	59.15	62.32
H	Weighted Average Rate of Interest on Loan (in %)	7.76	7.76
I	Interest on Loan (G*H)	0.91	4.84

Asset-16

(₹ in lakh)

	Particulars	2022-23 (Pro rata for 39 days)	2023-24
A	Gross Normative Loan	540.91	551.51
B	Cumulative Repayments up to Previous Year	0.00	5.28
C	Net Loan-Opening (A-B)	540.91	546.23
D	Addition due to ACE	10.60	58.55
E	Repayment during the year	5.28	52.52
F	Net Loan-Closing (C+D-E)	546.23	552.26
G	Average Loan (C+F)/2	543.57	549.25
H	Weighted Average Rate of Interest on Loan (in %)	7.80	7.80
I	Interest on Loan (G*H)	4.53	42.82



Asset-17

		(₹ in lakh)	
	Particulars	2022-23 (Pro rata for 29 days)	2023-24
A	Gross Normative Loan	486.89	486.93
B	Cumulative Repayments up to Previous Year	0.00	3.50
C	Net Loan-Opening (A-B)	486.89	483.44
D	Addition due to ACE	0.04	105.56
E	Repayment during the year	3.50	48.81
F	Net Loan-Closing (C+D-E)	483.44	540.19
G	Average Loan (C+F)/2	485.16	511.81
H	Weighted Average Rate of Interest on Loan (in %)	8.02%	8.02%
I	Interest on Loan (G*H)	3.09	41.07

Asset-19

		(₹ in lakh)	
	Particulars	2023-24 (Pro rata for 73 days)	
A	Gross Normative Loan	235.35	
B	Cumulative Repayments up to Previous Year	0.00	
C	Net Loan-Opening (A-B)	235.35	
D	Addition due to ACE	0.42	
E	Repayment during the year	4.25	
F	Net Loan-Closing (C+D-E)	231.53	
G	Average Loan (C+F)/2	233.44	
H	Weighted Average Rate of Interest on Loan (in %)	7.67	
I	Interest on Loan (G*H)	3.57	

Return on Equity (RoE)

116. Regulations 30 and 31 of the 2019 Tariff Regulations provide 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 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 the storage type hydro generating stations including pumped storage hydro generating stations and run-of-river generating station with pondage:

Provided that return on equity in respect of additional capitalization after cut-off date beyond the original scope excluding additional capitalization due to Change in Law, shall be computed at the weighted average rate of interest on actual loan portfolio of the generating station or the transmission system or in the absence of actual loan portfolio of the generating station or the transmission system, the weighted average rate of interest of the generating company or the transmission licensee, as the case may be, as a whole shall be considered, subject to 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 Restricted Governor Mode Operation (RGMO) or 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;

ii. in case of existing generating station, as and when any of the requirements under (i) above of this Regulation are found lacking based on the report submitted by the concerned RLDC, rate of return on equity shall be reduced by 1.00% for the period for which the deficiency continues;

iii. in case of a thermal generating station, with effect from 1.4.2020:

a) rate of return on equity shall be reduced by 0.25% in case of failure to achieve the ramp rate of 1% per minute;

b) an additional rate of return on equity of 0.25% shall be allowed for every incremental ramp rate of 1% per minute achieved over and above the ramp rate of 1% per minute, subject to ceiling of additional rate of return on equity of 1.00%:

Provided that the detailed guidelines in this regard shall be issued by National Load Dispatch Centre by 30.6.2019.

(3) The return on equity in respect of additional capitalization on account of emission control system shall be computed at the base rate of one year marginal cost of lending rate (MCLR) of the State Bank of India as on 1st April of the year in which the date of operation (ODE) occurs plus 350 basis point, subject to ceiling of 14%;

31. Tax on Return on Equity:(1) The base 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. For this purpose, the effective tax rate shall be considered on the basis of actual tax paid in respect of the financial year in line with the provisions of the relevant Finance Acts by the concerned generating company or the transmission licensee, as the case may be. The actual tax paid on income from other businesses including deferred tax liability (i.e. income from business other than business of generation or transmission, as the case may be) shall be excluded for the calculation of effective tax rate.

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

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

Where “t” is the effective tax rate in accordance with clause (1) of this Regulation and 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 company on pro-rata basis by excluding the income of non-generation or non-transmission business, as the case may be, and the corresponding tax thereon. In case of generating company or transmission licensee paying Minimum Alternate Tax (MAT), “t” shall be considered as MAT rate including surcharge and cess.

Illustration-

(i) In case of a generating company or a transmission licensee paying Minimum Alternate Tax (MAT) @ 21.55% including surcharge and cess:

$$\text{Rate of return on equity} = 15.50 / (1 - 0.2155) = 19.758\%$$

(ii) In case of a generating company or a transmission licensee paying normal corporate tax including surcharge and cess:

(a) Estimated Gross Income from generation or transmission business for FY 2019-20 is Rs 1,000 crore;

(b) Estimated Advance Tax for the year on above is Rs 240 crore;



- (c) Effective Tax Rate for the year 2019-20 = Rs 240 Crore/Rs 1000 Crore = 24%;
(d) Rate of return on equity = $15.50 / (1 - 0.24) = 20.395\%$.

(3) 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 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 2019-24 on actual gross income of any financial year. However, penalty, if any, arising on account of delay in deposit or short deposit of tax amount shall not be claimed by the generating company or the transmission licensee, as the case may be. 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 year to year basis.”

117. MPPMCL and MSSEDCL have submitted that RoE may be allowed after a prudence check.

118. The Petitioner has submitted that the MAT rate is applicable to it. The MAT rate applicable has been considered for the purpose of Return on Equity (RoE), which shall be trued up in accordance with Regulation 31(3) of the 2019 Tariff Regulations. The RoE allowed in respect of the communication assets is as follows:

Asset-1

(₹ in lakh)					
	Particulars	2020-21 (Pro rata for 62 days)	2021-22	2022-23	2023-24
A	Opening Equity	25.88	25.88	36.30	36.30
B	Addition due to ACE	0.00	10.42	0.00	0.00
C	Closing Equity (A+B)	25.88	36.30	36.30	36.30
D	Average Equity (A+C)/2	25.88	31.09	36.30	36.30
E	Return on Equity (Base Rate) (in %)	15.50	15.50	15.50	15.50
F	Tax Rate applicable (in %)	17.472	17.472	17.472	17.472
G	Rate of Return on Equity (Pre-tax) (in %)	18.782	18.782	18.782	18.782
H	Return on Equity (Pre-tax) (D*G)	0.83	5.84	6.82	6.82

Asset-2

(₹ in lakh)				
	Particulars	2021-22 (Pro rata for 289 days)	2022-23	2023-24
A	Opening Equity	28.25	28.29	28.29
B	Addition due to ACE	0.04	0.00	3.93
C	Closing Equity (A+B)	28.29	28.29	32.21
D	Average Equity (A+C)/2	28.27	28.29	30.25
E	Return on Equity (Base Rate) (in %)	15.50	15.50	15.50
F	Tax Rate applicable (in %)	17.472	17.472	17.472
G	Rate of Return on Equity (Pre-tax) (in %)	18.782	18.782	18.782
H	Return on Equity (Pre-tax) (D*G)	4.20	5.31	5.68



Asset-3

(₹ in lakh)

	Particulars	2021-22 (Pro rata for 239 days)	2022-23	2023-24
A	Opening Equity	161.78	177.59	193.43
B	Addition due to ACE	15.81	15.84	36.86
C	Closing Equity (A+B)	177.59	193.43	230.28
D	Average Equity (A+C)/2	169.69	185.51	211.86
E	Return on Equity (Base Rate) (in %)	15.50	15.50	15.50
F	Tax Rate applicable (in %)	17.472	17.472	17.472
G	Rate of Return on Equity (Pre-tax) (in %)	18.782	18.782	18.782
H	Return on Equity (Pre-tax) (D*G)	20.87	34.84	39.79

Asset-4

(₹ in lakh)

	Particulars	2021-22 (Pro rata for 234 days)	2022-23	2023-24
A	Opening Equity	144.46	177.75	245.33
B	Addition due to ACE	33.29	67.58	25.59
C	Closing Equity (A+B)	177.75	245.33	270.92
D	Average Equity (A+C)/2	161.10	211.54	258.12
E	Return on Equity (Base Rate) (in %)	15.50	15.50	15.50
F	Tax Rate applicable (in %)	17.472	17.472	17.472
G	Rate of Return on Equity (Pre-tax) (in %)	18.782	18.782	18.782
H	Return on Equity (Pre-tax) (D*G)	19.40	39.73	48.48

Asset-5

(₹ in lakh)

	Particulars	2021-22 (Pro rata for 232 days)	2022-23	2023-24
A	Opening Equity	57.04	57.10	57.10
B	Addition due to ACE	0.06	0.00	7.60
C	Closing Equity (A+B)	57.10	57.10	64.70
D	Average Equity (A+C)/2	57.07	57.10	60.90
E	Return on Equity (Base Rate) (in %)	15.50	15.50	15.50
F	Tax Rate applicable (in %)	17.472	17.472	17.472
G	Rate of Return on Equity (Pre-tax) (in %)	18.782	18.782	18.782
H	Return on Equity (Pre-tax) (D*G)	6.81	10.72	11.44



Asset-6

(₹ in lakh)

	Particulars	2021-22 (Pro rata for 97 days)	2022-23	2023-24
A	Opening Equity	62.63	62.95	64.06
B	Addition due to ACE	0.31	1.11	7.88
C	Closing Equity (A+B)	62.95	64.06	71.94
D	Average Equity (A+C)/2	62.79	63.50	68.00
E	Return on Equity (Base Rate) (in %)	15.50	15.50	15.50
F	Tax Rate applicable (in %)	17.472	17.472	17.472
G	Rate of Return on Equity (Pre-tax) (in %)	18.782	18.782	18.782
H	Return on Equity (Pre-tax) (D*G)	3.13	11.93	12.77

Asset-7

(₹ in lakh)

	Particulars	2021-22 (Pro rata for 93 days)	2022-23	2023-24
A	Opening Equity	122.22	122.36	122.36
B	Addition due to ACE	0.14	0.00	16.66
C	Closing Equity (A+B)	122.36	122.36	139.02
D	Average Equity (A+C)/2	122.29	122.36	130.69
E	Return on Equity (Base Rate) (in %)	15.50	15.50	15.50
F	Tax Rate applicable (in %)	17.472	17.472	17.472
G	Rate of Return on Equity (Pre-tax) (in %)	18.782	18.782	18.782
H	Return on Equity (Pre-tax) (D*G)	5.85	22.98	24.55

Asset-8

(₹ in lakh)

	Particulars	2021-22 (Pro rata for 92 days)	2022-23	2023-24
A	Opening Equity	33.58	33.62	33.62
B	Addition due to ACE	0.04	0.00	8.34
C	Closing Equity (A+B)	33.62	33.62	41.96
D	Average Equity (A+C)/2	33.60	33.62	37.79
E	Return on Equity (Base Rate) (in %)	15.50	15.50	15.50
F	Tax Rate applicable (in %)	17.472	17.472	17.472
G	Rate of Return on Equity (Pre-tax) (in %)	18.782	18.782	18.782
H	Return on Equity (Pre-tax) (D*G)	1.59	6.31	7.10



Asset-9

(₹ in lakh)

	Particulars	2021-22 (Pro rata for 41 days)	2022-23	2023-24
A	Opening Equity	21.26	21.26	21.26
B	Addition due to ACE	0.00	0.00	4.66
C	Closing Equity (A+B)	21.26	21.26	25.92
D	Average Equity (A+C)/2	21.26	21.26	23.59
E	Return on Equity (Base Rate) (in %)	15.50	15.50	15.50
F	Tax Rate applicable (in %)	17.472	17.472	17.472
G	Rate of Return on Equity (Pre-tax) (in %)	18.782	18.782	18.782
H	Return on Equity (Pre-tax) (D*G)	0.45	3.99	4.43

Asset-10

(₹ in lakh)

	Particulars	2021-22 (pro rata for 26 days)	2022-23	2023-24
A	Opening Equity	14.20	14.20	14.50
B	Addition due to ACE	0.00	0.30	3.31
C	Closing Equity (A+B)	14.20	14.50	17.80
D	Average Equity (A+C)/2	14.20	14.35	16.15
E	Return on Equity (Base Rate) (in %)	15.50	15.50	15.50
F	Tax Rate applicable (in %)	17.472	17.472	17.472
G	Rate of Return on Equity (Pre-tax) (in %)	18.782	18.782	18.782
H	Return on Equity (Pre-tax) (D*G)	0.19	2.69	3.03

Asset-11

(₹ in lakh)

	Particulars	2022-23	2023-24
A	Opening Equity	267.79	310.64
B	Addition due to ACE	42.85	34.18
C	Closing Equity (A+B)	310.64	344.82
D	Average Equity (A+C)/2	289.22	327.73
E	Return on Equity (Base Rate) (in %)	15.50	15.50
F	Tax Rate applicable (in %)	17.472	17.472
G	Rate of Return on Equity (Pre-tax) (in %)	18.782	18.782
H	Return on Equity (Pre-tax) (D*G)	54.32	61.55

Asset-12

(₹ in lakh)

	Particulars	2022-23 (Pro rata for 286 days)	2023-24
A	Opening Equity	135.15	154.94
B	Addition due to ACE	19.80	5.82
C	Closing Equity (A+B)	154.94	160.76



	Particulars	2022-23 (Pro rata for 286 days)	2023-24
D	Average Equity (A+C)/2	145.04	157.85
E	Return on Equity (Base Rate) (in %)	15.50	15.50
F	Tax Rate applicable (in %)	17.472	17.472
G	Rate of Return on Equity (Pre-tax) (in %)	18.782	18.782
H	Return on Equity (Pre-tax) (D*G)	21.35	29.65

Asset-13

(₹ in lakh)

	Particulars	2022-23 (Pro rata for 175 days)	2023-24
A	Opening Equity	185.11	185.92
B	Addition due to ACE	0.82	26.83
C	Closing Equity (A+B)	185.92	212.75
D	Average Equity (A+C)/2	185.51	199.34
E	Return on Equity (Base Rate) (in %)	15.50	15.50
F	Tax Rate applicable (in %)	17.472	17.472
G	Rate of Return on Equity (Pre-tax) (in %)	18.782	18.782
H	Return on Equity (Pre-tax) (D*G)	16.71	37.44

Asset-14

(₹ in lakh)

	Particulars	2022-23 (Pro rata for 121 days)	2023-24
A	Opening Equity	236.85	237.96
B	Addition due to ACE	1.11	74.07
C	Closing Equity (A+B)	237.96	312.03
D	Average Equity (A+C)/2	237.41	275.00
E	Return on Equity (Base Rate) (in %)	15.50	15.50
F	Tax Rate applicable (in %)	17.472	17.472
G	Rate of Return on Equity (Pre-tax) (in %)	18.782	18.782
H	Return on Equity (Pre-tax) (D*G)	14.78	51.65

Asset-15

(₹ in lakh)

	Particulars	2022-23 (Pro rata for 72 days)	2023-24
A	Opening Equity	25.57	25.59
B	Addition due to ACE	0.02	5.73
C	Closing Equity (A+B)	25.59	31.32
D	Average Equity (A+C)/2	25.58	28.45
E	Return on Equity (Base Rate) (in %)	15.50	15.50



F	Tax Rate applicable (in %)	17.472	17.472
G	Rate of Return on Equity (Pre-tax) (in %)	18.782	18.782
H	Return on Equity (Pre-tax) (D*G)	0.95	5.34

Asset-16

(₹ in lakh)

	Particulars	2022-23 (Pro rata for 39 days)	2023-24
A	Opening Equity	231.82	236.36
B	Addition due to ACE	4.54	25.09
C	Closing Equity (A+B)	236.36	261.45
D	Average Equity (A+C)/2	234.09	248.91
E	Return on Equity (Base Rate) (in %)	15.50	15.50
F	Tax Rate applicable (in %)	17.472	17.472
G	Rate of Return on Equity (Pre-tax) (in %)	18.782	18.782
H	Return on Equity (Pre-tax) (D*G)	4.70	46.75

Asset-17

(₹ in lakh)

	Particulars	2022-23 (Pro rata for 29 days)	2023-24
A	Opening Equity	208.67	208.69
B	Addition due to ACE	0.02	45.24
C	Closing Equity (A+B)	208.69	253.93
D	Average Equity (A+C)/2	208.68	231.31
E	Return on Equity (Base Rate) (in %)	15.50	15.50
F	Tax Rate applicable (in %)	17.472	17.472
G	Rate of Return on Equity (Pre-tax) (in %)	18.782	18.782
H	Return on Equity (Pre-tax) (D*G)	3.11	43.44

Asset-19

(₹ in lakh)

	Particulars	2023-24 (Pro rata for 73 days)
A	Opening Equity	100.87
B	Addition due to ACE	0.18
C	Closing Equity (A+B)	101.05
D	Average Equity (A+C)/2	100.96
E	Return on Equity (Base Rate) (in %)	15.50
F	Tax Rate applicable (in %)	17.472
G	Rate of Return on Equity (Pre-tax) (in %)	18.782
H	Return on Equity (Pre-tax) (D*G)	3.78



Operation & Maintenance Expenses (O&M Expenses)

119. The Petitioner has submitted the Operation and Maintenance Expenses (O&M Expenses) for the communication assets are at the rate of 2% of the capital cost for all the communication assets. The O&M Expenses claimed by the Petitioner concerning the communication assets are as follows:

(₹ in lakh)				
Assets	2020-21	2021-22	2022-23	2023-24
Asset-1	0.41	2.42	2.42	2.42
Asset-2	0.00	1.70	2.15	2.15
Asset-3	0.00	11.77	17.97	17.97
Asset-4	0.00	11.58	18.06	18.06
Asset-5	0.00	2.74	4.31	4.31
Asset-6	0.00	1.27	4.80	4.80
Asset-7	0.00	2.36	9.27	9.27
Asset-8	0.00	0.71	2.80	2.80
Asset-9	0.00	0.19	1.73	1.73
Asset-10	0.00	0.08	1.19	1.19
Asset-11	0.00	0.00	22.99	22.99
Asset-12	0.00	0.00	8.40	10.72
Asset-13	0.00	0.00	6.84	14.27
Asset-14	0.00	0.00	6.99	21.10
Asset-15	0.00	0.00	0.42	2.11
Asset-16	0.00	0.00	1.89	17.70
Asset-17	0.00	0.00	1.37	17.22
Asset-19	0.00	0.00	0.00	1.39

120. Regulation 35(4) of the 2019 Tariff Regulations provides as follows:

*(4) **Communication system:** The operation and maintenance expenses for the communication system shall be worked out at 2.0% of the original project cost related to such communication system. The transmission licensee shall submit the actual operation and maintenance expenses for truing up.”*

121. The O&M Expenses are calculated at the rate of 2% of the original project cost. The O&M Expenses are allowed for the 2019-24 tariff period, subject to truing up. The Petitioner is directed to submit the actual O&M Expenses, duly certified by the Auditor, at the time of truing up the tariff for the 2019-2024 tariff period. Therefore, as per Regulation 35(4) of the 2019 Tariff Regulation, the O&M Expenses allowed in respect of the communication assets are as follows:



Asset-1

(₹ in lakh)

Particulars	2020-21 (Pro-rata for 62 Days)	2021-22	2022-23	2023-24
Total Project Cost	121.01	121.01	121.01	121.01
Norms as per Regulation 35(4) of the 2019 Tariff Regulations (in %)	2	2	2	2
O&M expenses allowed	0.41	2.42	2.42	2.42

Asset-2

(₹ in lakh)

Particulars	2021-22 (Pro-rata for 289 Days)	2022-23	2023-24
Total Project Cost	107.38	107.38	107.38
Norms as per Regulation 35(4) of the 2019 Tariff Regulations (in %)	2	2	2
O&M expenses allowed	1.70	2.15	2.15

Asset-3

(₹ in lakh)

Particulars	2021-22 (Pro-rata for 239 Days)	2022-23	2023-24
Total Project Cost	898.45	898.45	898.45
Norms as per Regulation 35(4) of the 2019 Tariff Regulations (in %)	2	2	2
O&M expenses allowed	11.77	17.97	17.97

Asset-4

(₹ in lakh)

Particulars	2021-22 (Pro-rata for 234 Days)	2022-23	2023-24
Total Project Cost	903.13	903.13	903.13
Norms as per Regulation 35(4) of the 2019 Tariff Regulations (in %)	2	2	2
O&M expenses allowed	11.58	18.06	18.06

Asset-5

(₹ in lakh)

Particulars	2021-22 (Pro-rata for 232 Days)	2022-23	2023-24
Total Project Cost	215.67	215.67	215.67
Norms as per Regulation 35(4) of the 2019 Tariff Regulations (in %)	2	2	2
O&M expenses allowed	2.74	4.31	4.31

Asset-6

(₹ in lakh)

Particulars	2021-22 (Pro-rata for 97 Days)	2022-23	2023-24
Total Project cost	239.78	239.78	239.78



Norms as per Regulation 35(4) of the 2019 Tariff Regulations (in %)	2	2	2
O&M expenses allowed	1.27	4.80	4.80

Asset-7

(₹ in lakh)

Particulars	2021-22 (Pro-rata for 93 Days)	2022-23	2023-24
Total Project cost	463.39	463.39	463.39
Norms as per Regulation 35(4) of the 2019 Tariff Regulations (in %)	2	2	2
O&M expenses allowed	2.36	9.27	9.27

Asset-8

(₹ in lakh)

Particulars	2021-22 (Pro-rata for 92 Days)	2022-23	2023-24
Total Project cost	139.86	139.86	139.86
Norms as per Regulation 35(4) of the 2019 Tariff Regulations (in %)	2	2	2
O&M expenses allowed	0.71	2.80	2.80

Asset-9

(₹ in lakh)

Particulars	2021-22 (Pro-rata for 41 Days)	2022-23	2023-24
Total Project cost	86.41	86.41	86.41
Norms as per Regulation 35(4) of the 2019 Tariff Regulations (in %)	2	2	2
O&M expenses allowed	0.19	1.73	1.73

Asset-10

(₹ in lakh)

Particulars	2021-22 (Pro-rata for 26 Days)	2022-23	2023-24
Total Project cost	59.34	59.34	59.34
Norms as per Regulation 35(4) of the 2019 Tariff Regulations (in %)	2	2	2
O&M expenses allowed	0.08	1.19	1.19

Asset-11

(₹ in lakh)

Particulars	2022-23	2023-24
Total Project cost	1149.41	1149.41
Norms as per Regulation 35(4) of the 2019 Tariff Regulations (in %)	2	2
O&M expenses allowed	22.99	22.99



Asset-12

(₹ in lakh)

Particulars	2022-23 (Pro-rata for 286 days)	2023-24
Total Project cost	535.86	535.86
Norms as per Regulation 35(4) of the 2019 Tariff Regulations (in %)	2	2
O&M expenses allowed	8.40	10.72

Asset-13

(₹ in lakh)

Particulars	2022-23 (Pro-rata for 175 days)	2023-24
Total Project cost	713.30	713.30
Norms as per Regulation 35(4) of the 2019 Tariff Regulations (in %)	2	2
O&M expenses allowed	6.84	14.27

Asset-14

(₹ in lakh)

Particulars	2022-23 (Pro-rata for 121 days)	2023-24
Total Project cost	1054.90	1054.90
Norms as per Regulation 35(4) of the 2019 Tariff Regulations (in %)	2	2
O&M expenses allowed	6.99	21.10

Asset-15

(₹ in lakh)

Particulars	2022-23 (Pro-rata for 72 days)	2023-24
Total Project cost	105.32	105.32
Norms as per Regulation 35(4) of the 2019 Tariff Regulations (in %)	2	2
O&M expenses allowed	0.42	2.11

Asset-16

(₹ in lakh)

Particulars	2022-23 (Pro-rata for 39 days)	2023-24
Total Project cost	885.08	885.08
Norms as per Regulation 35(4) of the 2019 Tariff Regulations (in %)	2	2
O&M expenses allowed	1.89	17.70

Asset-17

(₹ in lakh)

Particulars	2022-23 (Pro-rata for 29 days)	2023-24
Total Project cost	861.22	861.22



Norms as per Regulation 35(4) of the 2019 Tariff Regulations (in %)	2	2
O&M expenses allowed	1.37	17.22

Asset-19

(₹ in lakh)

Particulars	2023-24 (Pro-rata for 73 days)
Total Project Cost	349.11
Norms as per Regulation 35(4) of the 2019 Tariff Regulations (in %)	2
O&M expenses allowed	1.39

Interest on Working Capital (IWC)

122. Regulations 34(1)(c), 34(3), 34(4) and 3(7) of the 2019 Tariff Regulations specify as follow:

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

(c) *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.*

(3) *Rate of interest on working capital shall be on normative basis and shall be considered as the bank rate as on 1.4.2019 or as on 1st April of the year during the tariff period 2019- 24 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 bank rate as on 1st April of each of the financial year during the tariff period 2019-24.

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

“3. Definitions. - *In these regulations, unless the context otherwise requires:-*

(7) **‘Bank Rate’** *means the one year marginal cost of lending rate (MCLR) of the State Bank of India issued from time to time plus 350 basis points;”*

123. The IWC is worked out in accordance with Regulation 34 of the 2019 Tariff Regulations.

The Rate of Interest (RoI) considered is 11.25% (SBI 1-year MCLR 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



and 1.4.2022 of 7.00% plus 350 basis points) for FYs 2021-22 and 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. The components of the working capital and interest allowed thereon for the communication assets are as follows:

Asset-1

(₹ in lakh)				
Particulars	2020-21 (Pro rata for 62 days)	2021-22	2022-23	2023-24
Working Capital for O&M Expenses (O&M Expenses for one month)	0.20	0.20	0.20	0.20
Working Capital for Maintenance Spares (15% of O&M Expenses)	0.36	0.36	0.36	0.36
Working Capital for Receivables (Equivalent to 45 days of Annual Fixed Cost /Annual Transmission Charges)	2.15	2.48	2.79	2.72
Total Working Capital	2.71	3.05	3.35	3.28
Rate of Interest for Working Capital (in %)	11.25	10.50	10.50	12.00
Interest on Working Capital	0.05	0.32	0.35	0.39

Asset-2

(₹ in lakh)			
Particulars	2021-22 (Pro rata for 289 days)	2022-23	2023-24
Working Capital for O&M Expenses (O&M Expenses for one month)	0.18	0.18	0.18
Working Capital for Maintenance Spares (15% of O&M Expenses)	0.32	0.32	0.32
Working Capital for Receivables (Equivalent to 45 days of Annual Fixed Cost /Annual Transmission Charges)	2.16	2.12	2.21
Total Working Capital	2.66	2.62	2.71
Rate of Interest for Working Capital (in %)	10.50	10.50	12.00
Interest on Working Capital	0.22	0.27	0.33

Asset-3

(₹ in lakh)			
Particulars	2021-22 (Pro rata for 239 days)	2022-23	2023-24
Working Capital for O&M Expenses (O&M Expenses for one month)	1.50	1.50	1.50
Working Capital for Maintenance Spares (15% of O&M Expenses)	2.70	2.70	2.70



Particulars	2021-22 (Pro rata for 239 days)	2022-23	2023-24
Working Capital for Receivables (Equivalent to 45 days of Annual Fixed Cost /Annual Transmission Charges)	13.61	14.44	15.89
Total Working Capital	17.80	18.63	20.08
Rate of Interest for working Capital (in %)	10.50	10.50	12.00
Interest on Working Capital	1.22	1.96	2.42

Asset-4

(₹ in lakh)

Particulars	2021-22 (Pro rata for 234 days)	2022-23	2023-24
Working Capital for O&M Expenses (O&M Expenses for one month)	1.51	1.51	1.51
Working Capital for Maintenance Spares (15% of O&M Expenses)	2.71	2.71	2.71
Working Capital for Receivables (Equivalent to 45 days of Annual Fixed Cost /Annual Transmission Charges)	13.27	16.55	19.35
Total Working Capital	17.49	20.76	23.56
Rate of Interest for Working Capital (in %)	10.50	10.50	12.00
Interest on Working Capital	1.18	2.18	2.83

Asset-5

(₹ in lakh)

Particulars	2021-22 (Pro rata for 232 days)	2022-23	2023-24
Working Capital for O&M Expenses (O&M Expenses for one month)	0.36	0.36	0.36
Working Capital for Maintenance Spares (15% of O&M Expenses)	0.65	0.65	0.65
Working Capital for Receivables (Equivalent to 45 days of Annual Fixed Cost /Annual Transmission Charges)	4.36	4.28	4.44
Total Working Capital	5.36	5.29	5.45
Rate of Interest for Working Capital (in %)	10.50	10.50	12.00
Interest on Working Capital	0.36	0.56	0.66

Asset-6

(₹ in lakh)

Particulars	2021-22 (Pro rata for 97 days)	2022-23	2023-24
Working Capital for O&M Expenses (O&M expenses for one month)	0.40	0.40	0.40
Working Capital for Maintenance Spares (15% of O&M expenses)	0.72	0.72	0.72
Working Capital for Receivables (Equivalent to 45 days of Annual Fixed Cost /Annual Transmission Charges)	4.82	4.80	5.01



Particulars	2021-22 (Pro rata for 97 days)	2022-23	2023-24
Total Working Capital	5.94	5.92	6.13
Rate of Interest for Working Capital (in %)	10.50	10.50	12.00
Interest on Working Capital	0.17	0.62	0.74

Asset-7

(₹ in lakh)			
Particulars	2021-22 (Pro rata for 93 days)	2022-23	2023-24
Working Capital for O&M Expenses (O&M expenses for one month)	0.77	0.77	0.77
Working Capital for Maintenance Spares (15% of O&M expenses)	1.39	1.39	1.39
Working Capital for Receivables (Equivalent to 45 days of Annual Fixed Cost /Annual Transmission Charges)	9.37	9.26	9.61
Total Working Capital	11.54	11.42	11.78
Rate of Interest for Working Capital (in %)	10.50	10.50	12.00
Interest on Working Capital	0.31	1.20	1.41

Asset-8

(₹ in lakh)			
Particulars	2021-22 (Pro rata for 92 days)	2022-23	2023-24
Working Capital for O&M Expenses (O&M expenses for one month)	0.23	0.23	0.23
Working Capital for Maintenance Spares (15% of O&M expenses)	0.42	0.42	0.42
Working Capital for Receivables (Equivalent to 45 days of Annual Fixed Cost /Annual Transmission Charges)	2.61	2.58	2.81
Total Working Capital	3.26	3.23	3.46
Rate of Interest for Working Capital (in %)	10.50	10.50	12.00
Interest on Working Capital	0.09	0.34	0.42

Asset-9

(₹ in lakh)			
Particulars	2021-22 (Pro rata for 41 days)	2022-23	2023-24
Working Capital for O&M Expenses (O&M Expenses for one month)	0.14	0.14	0.14
Working Capital for Maintenance Spares (15% of O&M Expenses)	0.26	0.26	0.26
Working Capital for Receivables (Equivalent to 45 days of Annual Fixed Cost /Annual Transmission Charges)	1.65	1.63	1.76
Total Working Capital	2.05	2.04	2.16
Rate of Interest for Working Capital (in %)	10.50	10.50	12.00
Interest on Working Capital	0.02	0.21	0.26



Asset-10

Particulars	(₹ in lakh)		
	2021-22 (pro rata for 26 days)	2022-23	2023-24
Working Capital for O&M Expenses (O&M Expenses for one month)	0.10	0.10	0.10
Working Capital for Maintenance Spares (15% of O&M Expenses)	0.18	0.18	0.18
Working Capital for Receivables (Equivalent to 45 days of Annual Fixed Cost /Annual Transmission Charges)	1.11	1.10	1.20
Total Working Capital	1.38	1.38	1.48
Rate of Interest for Working Capital (in %)	10.50	10.50	12.00
Interest on Working Capital	0.01	0.14	0.18

Asset-11

Particulars	(₹ in lakh)	
	2022-23	2023-24
Working Capital for O&M Expenses (O&M Expenses for one month)	1.92	1.92
Working Capital for Maintenance Spares (15% of O&M Expenses)	3.45	3.45
Working Capital for Receivables (Equivalent to 45 days of Annual Fixed Cost /Annual Transmission Charges)	22.73	24.85
Total Working Capital	28.10	30.21
Rate of Interest for Working Capital (in %)	10.50	12.00
Interest on Working Capital	2.95	3.63

Asset-12

Particulars	(₹ in lakh)	
	2022-23 (Pro rata for 286 days)	2023-24
Working Capital for O&M Expenses (O&M Expenses for one month)	0.89	0.89
Working Capital for Maintenance Spares (15% of O&M Expenses)	1.61	1.61
Working Capital for Receivables (Equivalent to 45 days of Annual Fixed Cost /Annual Transmission Charges)	11.53	12.12
Total Working Capital	14.03	14.62
Rate of Interest for Working Capital (in %)	10.50	12.00
Interest on Working Capital	1.15	1.76

Asset-13

Particulars	(₹ in lakh)	
	2022-23 (Pro rata for 175 days)	2023-24
Working Capital for O&M Expenses (O&M Expenses for one month)	1.19	1.19



Particulars	2022-23 (Pro rata for 175 days)	2023-24
Working Capital for Maintenance Spares (15% of O&M Expenses)	2.14	2.14
Working Capital for Receivables (Equivalent to 45 days of Annual Fixed Cost /Annual Transmission Charges)	14.92	15.62
Total Working Capital	18.25	18.95
Rate of Interest for Working Capital (in %)	10.50	12.00
Interest on Working Capital	0.92	2.27

Asset-14

(₹ in lakh)		
Particulars	2022-23 (Pro rata for 121 days)	2023-24
Working Capital for O&M Expenses (O&M Expenses for one month)	1.76	1.76
Working Capital for Maintenance Spares (15% of O&M Expenses)	3.16	3.16
Working Capital for Receivables (Equivalent to 45 days of Annual Fixed Cost /Annual Transmission Charges)	19.73	22.07
Total Working Capital	24.65	26.99
Rate of Interest for Working Capital (in %)	10.50	12.00
Interest on Working Capital	0.86	3.24

Asset-15

(₹ in lakh)		
Particulars	2022-23 (Pro rata for 72 days)	2023-24
Working Capital for O&M Expenses (O&M Expenses for one month)	0.18	0.18
Working Capital for Maintenance Spares (15% of O&M Expenses)	0.32	0.32
Working Capital for Receivables (Equivalent to 45 days of Annual Fixed Cost /Annual Transmission Charges)	2.12	2.29
Total Working Capital	2.61	2.78
Rate of Interest for Working Capital (in %)	10.50	12.00
Interest on Working Capital	0.05	0.33

Asset-16

(₹ in lakh)		
Particulars	2022-23 (Pro rata for 39 days)	2023-24
Working Capital for O&M Expenses (O&M Expenses for one month)	1.48	1.48
Working Capital for Maintenance Spares (15% of O&M Expenses)	2.66	2.66



Particulars	2022-23 (Pro rata for 39 days)	2023-24
Working Capital for Receivables (Equivalent to 45 days of Annual Fixed Cost /Annual Transmission Charges)	19.22	20.00
Total Working Capital	23.35	24.13
Rate of Interest for Working Capital (in %)	10.50	12.00
Interest on Working Capital	0.26	2.90

Asset-17

(₹ in lakh)		
Particulars	2022-23 (Pro rata for 29 days)	2023-24
Working Capital for O&M Expenses (O&M Expenses for one month)	1.44	1.44
Working Capital for Maintenance Spares (15% of O&M Expenses)	2.58	2.58
Working Capital for Receivables (Equivalent to 45 days of Annual Fixed Cost /Annual Transmission Charges)	17.46	18.85
Total Working Capital	21.48	22.87
Rate of Interest for Working Capital (in %)	10.50	12.00
Interest on Working Capital	0.18	2.74

Asset-19

(₹ in lakh)	
Particulars	2023-24 (Pro rata for 73 days)
Working Capital for O&M Expenses (O&M Expenses for one month)	0.58
Working Capital for Maintenance Spares (15% of O&M Expenses)	1.05
Working Capital for Receivables (Equivalent to 45 days of Annual Fixed Cost /Annual Transmission Charges)	8.15
Total Working Capital	9.78
Rate of Interest for working Capital (in %)	12.00
Interest on Working Capital	0.24

Annual Fixed Charges for 2019-24 Tariff Period

124. The annual fixed charges allowed for the communication assets for the 2019-24 tariff period are as follows:

Asset-1

(₹ in lakh)				
Particulars	2020-21 (Pro rata for 62 days)	2021-22	2022-23	2023-24
Depreciation	0.93	6.56	7.66	7.66



Particulars	2020-21 (Pro rata for 62 days)	2021-22	2022-23	2023-24
Interest on Loan	0.74	4.99	5.35	4.79
Return on Equity	0.83	5.84	6.82	6.82
Operation & Maintenance Expenses	0.41	2.42	2.42	2.42
Interest on Working Capital	0.05	0.32	0.35	0.39
Total	2.96	20.13	22.60	22.09

Asset-2

(₹ in lakh)

Particulars	2021-22 (Pro rata for 289 days)	2022-23	2023-24
Depreciation	4.72	5.97	6.38
Interest on Loan	3.00	3.47	3.37
Return on Equity	4.20	5.31	5.68
Operation & Maintenance Expenses	1.70	2.15	2.15
Interest on Working Capital	0.22	0.27	0.33
Total	13.84	17.17	17.91

Asset-3

(₹ in lakh)

Particulars	2021-22 (Pro rata for 239 days)	2022-23	2023-24
Depreciation	23.44	39.14	44.70
Interest on Loan	14.97	23.20	24.36
Return on Equity	20.87	34.84	39.79
Operation & Maintenance Expenses	11.77	17.97	17.97
Interest on Working Capital	1.22	1.96	2.42
Total	72.27	117.11	129.24

Asset-4

(₹ in lakh)

Particulars	2021-22 (Pro rata for 234 days)	2022-23	2023-24
Depreciation	21.79	44.63	54.46
Interest on Loan	15.08	29.61	33.51
Return on Equity	19.40	39.73	48.48
Operation & Maintenance Expenses	11.58	18.06	18.06
Interest on Working Capital	1.18	2.18	2.83
Total	69.03	134.22	157.35



Asset-5

(₹ in lakh)

Particulars	2021-22 (Pro rata for 232 days)	2022-23	2023-24
Depreciation	7.65	12.05	12.85
Interest on Loan	4.89	7.11	6.90
Return on Equity	6.81	10.72	11.44
Operation & Maintenance Expenses	2.74	4.31	4.31
Interest on Working Capital	0.36	0.56	0.66
Total	22.46	34.75	36.16

Asset-6

(₹ in lakh)

Particulars	2021-22 (Pro rata for 97 days)	2022-23	2023-24
Depreciation	3.52	13.40	14.35
Interest on Loan	2.29	8.21	8.01
Return on Equity	3.13	11.93	12.77
Operation & Maintenance Expenses	1.27	4.80	4.80
Interest on Working Capital	0.17	0.62	0.74
Total	10.38	38.95	40.66

Asset-7

(₹ in lakh)

Particulars	2021-22 (Pro rata for 93 days)	2022-23	2023-24
Depreciation	6.57	25.82	27.58
Interest on Loan	4.28	15.83	15.40
Return on Equity	5.85	22.98	24.55
Operation & Maintenance Expenses	2.36	9.27	9.27
Interest on Working Capital	0.31	1.20	1.41
Total	19.37	75.09	78.20

Asset-8

(₹ in lakh)

Particulars	2021-22 (Pro rata for 92 days)	2022-23	2023-24
Depreciation	1.79	7.09	7.97
Interest on Loan	1.16	4.35	4.48
Return on Equity	1.59	6.31	7.10
Operation & Maintenance Expenses	0.71	2.80	2.80
Interest on Working Capital	0.09	0.34	0.42
Total	5.33	20.90	22.76



Asset-9

(₹ in lakh)			
Particulars	2021-22 (Pro rata for 41 days)	2022-23	2023-24
Depreciation	0.50	4.49	4.98
Interest on Loan	0.33	2.82	2.86
Return on Equity	0.45	3.99	4.43
Operation & Maintenance Expenses	0.19	1.73	1.73
Interest on Working Capital	0.02	0.21	0.26
Total	1.50	13.24	14.25

Asset-10

(₹ in lakh)			
Particulars	2021-22 (pro rata for 26 days)	2022-23	2023-24
Depreciation	0.21	3.03	3.41
Interest on Loan	0.14	1.90	1.96
Return on Equity	0.19	2.69	3.03
Operation & Maintenance Expenses	0.08	1.19	1.19
Interest on Working Capital	0.01	0.14	0.18
Total	0.64	8.95	9.77

Asset-11

(₹ in lakh)		
Particulars	2022-23	2023-24
Depreciation	61.02	69.15
Interest on Loan	43.11	44.77
Return on Equity	54.32	61.55
Operation & Maintenance Expenses	22.99	22.99
Interest on Working Capital	2.95	3.63
Total	184.39	202.10

Asset-12

(₹ in lakh)		
Particulars	2022-23 (Pro rata for 286 days)	2023-24
Depreciation	23.98	33.31
Interest on Loan	18.06	23.14
Return on Equity	21.35	29.65
Operation & Maintenance Expenses	8.40	10.72
Interest on Working Capital	1.15	1.76
Total	72.94	98.57



Asset-13

(₹ in lakh)

Particulars	2022-23 (Pro rata for 175 days)	2023-24
Depreciation	18.77	42.06
Interest on Loan	14.80	31.01
Return on Equity	16.71	37.44
Operation & Maintenance Expenses	6.84	14.27
Interest on Working Capital	0.92	2.27
Total	58.03	127.04

Asset-14

(₹ in lakh)

Particulars	2022-23 (Pro rata for 121 days)	2023-24
Depreciation	16.61	58.02
Interest on Loan	13.81	45.50
Return on Equity	14.78	51.65
Operation & Maintenance Expenses	6.99	21.10
Interest on Working Capital	0.86	3.24
Total	53.05	179.51

Asset-15

(₹ in lakh)

Particulars	2022-23 (Pro rata for 72 days)	2023-24
Depreciation	1.06	6.00
Interest on Loan	0.91	4.84
Return on Equity	0.95	5.34
Operation & Maintenance Expenses	0.42	2.11
Interest on Working Capital	0.05	0.33
Total	3.39	18.63

Asset-16

(₹ in lakh)

Particulars	2022-23 (Pro rata for 39 days)	2023-24
Depreciation	5.28	52.52
Interest on Loan	4.53	42.82
Return on Equity	4.70	46.75
Operation & Maintenance Expenses	1.89	17.70
Interest on Working Capital	0.26	2.90
Total	16.66	162.69



Asset-17

(₹ in lakh)

Particulars	2022-23 (Pro rata for 29 days)	2023-24
Depreciation	3.50	48.81
Interest on Loan	3.09	41.07
Return on Equity	3.11	43.44
Operation & Maintenance Expenses	1.37	17.22
Interest on Working Capital	0.18	2.74
Total	11.25	153.29

Asset-19

(₹ in lakh)

Particulars	2023-24 (Pro rata for 73 days)
Depreciation	4.25
Interest on Loan	3.57
Return on Equity	3.78
Operation & Maintenance Expenses	1.39
Interest on Working Capital	0.24
Total	13.23

Filing Fee and Publication Expenses

125. The Petitioner has sought reimbursement of the fee paid for filing the Petition and publication expenses. The Petitioner shall be entitled to recover the filing fees and publication expenses related to the current Petition directly from the beneficiaries on a pro-rata basis, in accordance with Regulation 70(1) of the 2019 Tariff Regulations.

Licence Fee and RLDC Fees and Charges

126. The Petitioner shall be entitled to reimbursement of the Licence Fee in accordance with Regulation 70(4) of the 2019 Tariff Regulations for the 2019-24 tariff period. The Petitioner shall also be entitled to recover RLDC Fees and Charges in accordance with Regulation 70(3) of the 2019 Tariff Regulations for the 2019-24 tariff period..



Goods and Services Tax

127. The Petitioner has submitted that if Goods and Services Tax (GST) is levied at any rate and at any point of time in future on charges for transmission of electricity, such amount shall be borne and additionally paid by the Respondent(s) to the Petitioner. The Petitioner shall charge and bill this separately. Furthermore, any additional taxes imposed by the Government or Statutory Authorities due to demand should be allowed to be recovered from the beneficiaries.

128. MSEDCL and MPPMCL have submitted that the Petitioner's request for GST grant is premature and should not be allowed.

129. In response, the Petitioner has reiterated its submissions as made in the Petition.

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

Security Expenses

131. The Petitioner has submitted that security expenses related to transmission assets are not claimed in the present Petition, and it will file a separate Petition to claim the overall security expenses and the consequential IWC.

132. MPPMCL has stated that there is no rationale for separately allowing security expenses and consequential IWC for any specific asset, as these will be covered in sub-station/transmission line security expenses only.

133. In response, the Petitioner has reiterated its submissions as made in the Petition.

134. We have considered the Petitioner's and MPPMCL's submissions. The Petitioner has claimed consolidated security expenses for all the transmission assets owned by it on a projected basis for the 2019-24 tariff period on the basis of actual security expenses incurred in the year 2018-19 in Petition No. 260/MP/2020. The said Petition has already been disposed of



by the Commission vide order dated 3.8.2021. Therefore, the Petitioner's prayer in the instant Petition to allow it to file a separate Petition for claiming overall security expenses and the consequential IWC has become infructuous.

135. The Petitioner has prayed for an interim tariff in accordance with Regulation 10 (3) of the 2019 for the purpose of inclusion in the PoC charges.

136. We have considered the Petitioner's prayer and are of the view that the same is redundant as we have allowed tariff in this Petition.

Capital Spares

137. The Petitioner has sought reimbursement of capital spares at the end of the tariff period. The Petitioner's claim, if any, shall be dealt with in accordance with the provisions of the 2019 Tariff Regulations.

Sharing of Transmission Charges

138. Regulation 57 of the 2019 Tariff Regulations is extracted as under:

"57. Sharing of Transmission Charges:

(1) The sharing of transmission charges shall be governed by the Sharing Regulations.

(2) The charges determined under these regulations in relation to communication system forming part of transmission system shall be shared by the beneficiaries or long term customers in accordance with the Sharing Regulations:

Provided that charges determined under these regulations in relation to communication system other than that of central portion shall be shared by the beneficiaries in proportion to the capital cost belonging to respective beneficiaries."

139. In this case, the Communication System is implemented under the Reliable Communication Scheme in the Central Sector for the Western Region. Therefore, the communication system charges shall be part of the regional component and shall be shared by the beneficiaries of the Western Region.

140. Accordingly, the billing, collection, and disbursement of the charges shall be recovered in terms of the provisions of the 2020 Sharing Regulations as provided in Regulation 57 of the 2019 Tariff Regulations.



141. Further, the Annual Fixed Charges claimed and allowed in respect of the communication assets for the 2019-24 tariff period are as follows:

(₹ in lakh)

Asset-1	2020-21 (Pro rata for 62 days)	2021-22	2022-23	2023-24
AFC Claimed	2.96	20.15	22.63	22.06
AFC Allowed	2.96	20.13	22.60	22.09

(₹ in lakh)

Asset-2	2021-22 (Pro rata for 289 days)	2022-23	2023-24
AFC Claimed	13.83	17.18	17.86
AFC Allowed	13.84	17.17	17.91

(₹ in lakh)

Asset-3	2021-22 (Pro rata for 239 days)	2022-23	2023-24
AFC Claimed	86.16	137.91	149.23
AFC Allowed	72.27	117.11	129.24

(₹ in lakh)

Asset-4	2021-22 (Pro rata for 234 days)	2022-23	2023-24
AFC Claimed	69.04	134.24	157.00
AFC Allowed	69.03	134.22	157.35

(₹ in lakh)

Asset-5	2021-22 (Pro rata for 232 days)	2022-23	2023-24
AFC Claimed	22.45	34.75	36.07
AFC Allowed	22.46	34.75	36.16

(₹ in lakh)

Asset-6	2021-22 (Pro rata for 97 days)	2022-23	2023-24
AFC Claimed	10.37	38.95	40.57
AFC Allowed	10.38	38.95	40.66



(₹ in lakh)

Asset-7	2021-22 (Pro rata for 93 days)	2022-23	2023-24
AFC Claimed	19.37	75.10	78.03
AFC Allowed	19.37	75.09	78.20

(₹ in lakh)

Asset-8	2021-22 (Pro rata for 92 days)	2022-23	2023-24
AFC Claimed	5.34	20.89	22.70
AFC Allowed	5.33	20.90	22.76

(₹ in lakh)

Asset-9	2021-22 (Pro rata for 41 days)	2022-23	2023-24
AFC Claimed	1.49	13.24	14.23
AFC Allowed	1.50	13.24	14.25

(₹ in lakh)

Asset-10	2021-22 (pro rata for 26 days)	2022-23	2023-24
AFC Claimed	0.63	8.97	9.76
AFC Allowed	0.64	8.95	9.77

(₹ in lakh)

Asset-11	2022-23	2023-24
AFC Claimed	184.39	201.63
AFC Allowed	184.39	202.10

(₹ in lakh)

Asset-12	2022-23 (Pro rata for 286 days)	2023-24
AFC Claimed	72.93	98.35
AFC Allowed	72.94	98.57

(₹ in lakh)

Asset-13	2022-23 (Pro rata for 175 days)	2023-24
AFC Claimed	58.36	127.46
AFC Allowed	58.03	127.04



(₹ in lakh)		
Asset-14	2022-23 (Pro rata for 121 days)	2023-24
AFC Claimed	53.91	181.63
AFC Allowed	53.05	179.51

(₹ in lakh)		
Asset-15	2022-23 (Pro rata for 72 days)	2023-24
AFC Claimed	3.44	18.76
AFC Allowed	3.39	18.63

(₹ in lakh)		
Asset-16	2022-23 (Pro rata for 39 days)	2023-24
AFC Claimed	16.82	164.33
AFC Allowed	16.66	162.69

(₹ in lakh)		
Asset-17	2022-23 (Pro rata for 29 days)	2023-24
AFC Claimed	11.46	155.51
AFC Allowed	11.25	153.29

(₹ in lakh)	
Asset-19	2023-24 (Pro rata for 73 days)
AFC Claimed	13.56
AFC Allowed	13.23

142. The Annexure to this order forms part of the order.

143. This order disposes of Petition No. 95/TT/2024 in terms of the above findings and discussions.

sd/-
(Harish Dudani)
Member

sd/-
(Ramesh Babu V)
Member

sd/-
(Jishnu Barua)
Chairperson



Annexure**Asset-1**

(₹ in lakh)

Capex	Capital Cost as on COD	Projected ACE				Capital Cost as on 31-03-2024	Dep Rate	Annual Depreciation			
		2020 -21	2021- 22	2022 -23	2023- 24			2020- 21	2021- 22	2022- 23	2023- 24
Building	0.00	0.00	0.00	0.00	0.00	0.00	3.34%	0.00	0.00	0.00	0.00
TL	0.00	0.00	0.00	0.00	0.00	0.00	5.28%	0.00	0.00	0.00	0.00
Substation	0.00	0.00	0.00	0.00	0.00	0.00	5.28%	0.00	0.00	0.00	0.00
PLCC	86.26	0.00	34.75	0.00	0.00	121.01	6.33%	5.46	6.56	7.66	7.66
IT Equipment	0.00	0.00	0.00	0.00	0.00	0.00	15.00%	0.00	0.00	0.00	0.00
Total	86.26	0.00	34.75	0.00	0.00	121.01		5.46	6.56	7.66	7.66
							Avg. Gross Block				
							WAROD	6.33%	6.33%	6.33%	6.33%

Asset-2

(₹ in lakh)

Capex	Capital Cost as on COD	Projected ACE				Capital Cost as on 31-03-2024	Dep Rate	Annual Depreciation			
		2020 -21	2021 -22	2022- 23	2023 -24			2020- 21	2021- 22	2022- 23	2023- 24
Building	0.00	0.00	0.00	0.00	0.00	0.00	3.34%	0.00	0.00	0.00	0.00
TL	0.00	0.00	0.00	0.00	0.00	0.00	5.28%	0.00	0.00	0.00	0.00
Substation	0.00	0.00	0.00	0.00	0.00	0.00	5.28%	0.00	0.00	0.00	0.00
PLCC	94.15	0.00	0.14	0.00	13.09	107.38	6.33%	0.00	5.96	5.97	6.38
IT Equipment	0.00	0.00	0.00	0.00	0.00	0.00	15.00%	0.00	0.00	0.00	0.00
Total	94.15	0.00	0.14	0.00	13.09	107.38		0.00	5.96	5.97	6.38
							Avg. Gross Block				
							WAROD				

Asset-3

(₹ in lakh)

Capex	Capital Cost as on COD	Projected ACE				Capital Cost as on 31-03-2024	Dep Rate	Annual Depreciation			
		2020 -21	2021- 22	2022- 23	2023- 24			2020- 21	2021- 22	2022- 23	2023- 24
Building	0.00	0.00	0.00	0.00	0.00	0.00	3.34%	0.00	0.00	0.00	0.00
TL	0.00	0.00	0.00	0.00	0.00	0.00	5.28%	0.00	0.00	0.00	0.00
Substation	0.00	0.00	0.00	0.00	0.00	0.00	5.28%	0.00	0.00	0.00	0.00
PLCC	539.26	0.00	52.71	52.79	122.85	767.61	6.33%	0.00	35.80	39.14	44.70
IT Equipment	0.00	0.00	0.00	0.00	0.00	0.00	15.00%	0.00	0.00	0.00	0.00
Total	539.26	0.00	52.71	52.79	122.85	767.61		0.00	35.80	39.14	44.70
							Avg. Gross Block				
							WAROD				



Asset-4

(₹ in lakh)

Capex	Capital Cost as on COD	Projected ACE				Capital Cost as on 31-03-2024	Dep Rate	Annual Depreciation			
		2020-21	2021-22	2022-23	2023-24			2020-21	2021-22	2022-23	2023-24
Building	0.00	0.00	0.00	0.00	0.00	0.00	3.34%	0.00	0.00	0.00	0.00
TL	0.00	0.00	0.00	0.00	0.00	0.00	5.28%	0.00	0.00	0.00	0.00
Substation	0.00	0.00	0.00	0.00	0.00	0.00	5.28%	0.00	0.00	0.00	0.00
PLCC	481.53	0.00	110.96	225.28	85.29	903.06	6.33%	0.00	33.99	44.63	54.46
IT Equipment	0.00	0.00	0.00	0.00	0.00	0.00	15.00%	0.00	0.00	0.00	0.00
Total	481.53	0.00	110.96	225.28	85.29	903.06		0.00	33.99	44.63	54.46
							Avg. Gross Block	0.00	537.01	705.13	860.42
							WAROD	0.00	6.33%	6.33%	6.33%

Asset-5

(₹ in lakh)

Capex	Capital Cost as on COD	Projected ACE				Capital Cost as on 31-03-2024	Dep Rate	Annual Depreciation			
		2020 -21	2021 -22	2022 -23	2023 -24			2020- 21	2021- 22	2022- 23	2023- 24
Building	0.00	0.00	0.00	0.00	0.00	0.00	3.34%	0.00	0.00	0.00	0.00
TL	0.00	0.00	0.00	0.00	0.00	0.00	5.28%	0.00	0.00	0.00	0.00
Substation	0.00	0.00	0.00	0.00	0.00	0.00	5.28%	0.00	0.00	0.00	0.00
PLCC	190.12	0.00	0.20	0.00	25.34	215.66	6.33%	0.00	12.04	12.05	12.85
IT Equipment	0.00	0.00	0.00	0.00	0.00	0.00	15.00%	0.00	0.00	0.00	0.00
Total	190.12	0.00	0.20	0.00	25.34	215.66		0.00	12.04	12.05	12.85
							Avg. Gross Block				
							WAROD				

Asset-6

(₹ in lakh)

Capex	Capital Cost as on COD	Projected ACE				Capital Cost as on 31-03-2024	Dep Rate	Annual Depreciation			
		2020 -21	2021- 22	2022 -23	2023 -24			2020- 21	2021- 22	2022- 23	2023- 24
Building	0.00	0.00	0.00	0.00	0.00	0.00	3.34%	0.00	0.00	0.00	0.00
TL	0.00	0.00	0.00	0.00	0.00	0.00	5.28%	0.00	0.00	0.00	0.00
Substation	0.00	0.00	0.00	0.00	0.00	0.00	5.28%	0.00	0.00	0.00	0.00
PLCC	208.77	0.00	1.05	3.71	26.26	239.79	6.33%	0.00	13.25	13.40	14.35
IT Equipment	0.00	0.00	0.00	0.00	0.00	0.00	15.00%	0.00	0.00	0.00	0.00
Total	208.77	0.00	1.05	3.71	26.26	239.79		0.00	13.25	13.40	14.35
							Avg. Gross Block	0.00	209.29	211.67	226.66
							WAROD	0.00	6.33%	6.33%	6.33%



Asset-7

(₹ in lakh)

Capex	Capital Cost as on COD	Projected ACE				Capital Cost as on 31-03-2024	Dep Rate	Annual Depreciation			
		2020-21	2021-22	2022-23	2023-24			2020-21	2021-22	2022-23	2023-24
Building	0.00	0.00	0.00	0.00	0.00	0.00	3.34%	0.00	0.00	0.00	0.00
TL	0.00	0.00	0.00	0.00	0.00	0.00	5.28%	0.00	0.00	0.00	0.00
Substation	0.00	0.00	0.00	0.00	0.00	0.00	5.28%	0.00	0.00	0.00	0.00
PLCC	407.39	0.00	0.47	0.00	55.53	463.39	6.33%	0.00	25.80	25.82	27.58
IT Equipment	0.00	0.00	0.00	0.00	0.00	0.00	15.00%	0.00	0.00	0.00	0.00
Total	407.39	0.00	0.47	0.00	55.53	463.39		0.00	25.80	25.82	27.58
								Avg. Gross Block			
									0.00	407.62	407.86
								WAROD	0.00	6.33%	6.33%

Asset-8

(₹ in lakh)

Capex	Capital Cost as on COD	Projected ACE				Capital Cost as on 31-03-2024	Dep Rate	Annual Depreciation			
		2020-21	2021-22	2022-23	2023-24			2020-21	2021-22	2022-23	2023-24
Building	0.00	0.00	0.00	0.00	0.00	0.00	3.34%	0.00	0.00	0.00	0.00
TL	0.00	0.00	0.00	0.00	0.00	0.00	5.28%	0.00	0.00	0.00	0.00
Substation	0.00	0.00	0.00	0.00	0.00	0.00	5.28%	0.00	0.00	0.00	0.00
PLCC	111.92	0.00	0.15	0.00	27.79	139.86	6.33%	0.00	7.09	7.09	7.97
IT Equipment	0.00	0.00	0.00	0.00	0.00	0.00	15.00%	0.00	0.00	0.00	0.00
Total	111.92	0.00	0.15	0.00	27.79	139.86		0.00	7.09	7.09	7.97
								Avg. Gross Block			
									0.00	112.00	112.07
								WAROD	0.00	6.33%	6.33%

Asset-9

(₹ in lakh)

Capex	Capital Cost as on COD	Projected ACE				Capital Cost as on 31-03-2024	Dep Rate	Annual Depreciation			
		2020-21	2021-22	2022-23	2023-24			2020-21	2021-22	2022-23	2023-24
Building	0.00	0.00	0.00	0.00	0.00	0.00	3.34%	0.00	0.00	0.00	0.00
TL	0.00	0.00	0.00	0.00	0.00	0.00	5.28%	0.00	0.00	0.00	0.00
Substation	0.00	0.00	0.00	0.00	0.00	0.00	5.28%	0.00	0.00	0.00	0.00
PLCC	70.88	0.00	0.00	0.00	15.52	86.40	6.33%	0.00	4.49	4.49	4.98
IT Equipment	0.00	0.00	0.00	0.00	0.00	0.00	15.00%	0.00	0.00	0.00	0.00
Total	70.88	0.00	0.00	0.00	15.52	86.40		0.00	4.49	4.49	4.98
								Avg. Gross Block			
									0.00	70.88	70.88
								WAROD	0.00	6.33%	6.33%



Asset-10

(₹ in lakh)

Capex	Capital Cost as on COD	Projected ACE				Capital Cost as on 31-03-2024	Dep Rate	Annual Depreciation			
		2020 -21	2021- 22	2022 -23	2023 -24			2020- 21	2021- 22	2022- 23	2023- 24
Building	0.00	0.00	0.00	0.00	0.00	0.00	3.34%	0.00	0.00	0.00	0.00
TL	0.00	0.00	0.00	0.00	0.00	0.00	5.28%	0.00	0.00	0.00	0.00
Substation	0.00	0.00	0.00	0.00	0.00	0.00	5.28%	0.00	0.00	0.00	0.00
PLCC	47.32	0.00	0.00	1.00	11.02	59.34	6.33%	0.00	3.00	3.03	3.41
IT Equipment	0.00	0.00	0.00	0.00	0.00	0.00	15.00%	0.00	0.00	0.00	0.00
Total	47.32	0.00	0.00	1.00	11.02	59.34		0.00	3.00	3.03	3.41
							Avg. Gross Block	0.00	47.32	47.82	53.83
							WAROD	0.00	6.33%	6.33%	6.33%

Asset-11

(₹ in lakh)

Capex	Capital Cost as on COD	Projected ACE				Capital Cost as on 31-03-2024	Dep Rate	Annual Depreciation			
		2020 -21	2021 -22	2022-23	2023-24			2020 -21	2021-22	2022-23	2023-24
Building	0.00	0.00	0.00	0.00	0.00	0.00	3.34%	0.00	0.00	0.00	0.00
TL	0.00	0.00	0.00	0.00	0.00	0.00	5.28%	0.00	0.00	0.00	0.00
Substation	0.00	0.00	0.00	0.00	0.00	0.00	5.28%	0.00	0.00	0.00	0.00
PLCC	892.64	0.00	0.00	142.83	113.94	1149.41	6.33%	0.00	0.00	61.02	69.15
IT Equipment	0.00	0.00	0.00	0.00	0.00	0.00	15.00%	0.00	0.00	0.00	0.00
Total	892.64	0.00	0.00	142.83	113.94	1149.41		0.00	0.00	61.02	69.15
							Avg. Gross Block	0.00	0.00	964.06	1092.44
							WAROD	0.00	0.00	6.33%	6.33%

Asset-12

(₹ in lakh)

Capex	Capital Cost as on COD	Projected ACE				Capital Cost as on 31-03-2024	Dep Rate	Annual Depreciation			
		2020 -21	2021 -22	2022 -23	2023 -24			2020- 21	2021- 22	2022- 23	2023- 24
Building	0.00	0.00	0.00	0.00	0.00	0.00	3.34%	0.00	0.00	0.00	0.00
TL	0.00	0.00	0.00	0.00	0.00	0.00	5.28%	0.00	0.00	0.00	0.00
Substation	0.00	0.00	0.00	0.00	0.00	0.00	5.28%	0.00	0.00	0.00	0.00
PLCC	450.48	0.00	0.00	65.99	19.39	535.86	6.33%	0.00	0.00	30.60	33.31
IT Equipment	0.00	0.00	0.00	0.00	0.00	0.00	15.00%	0.00	0.00	0.00	0.00
Total	450.48	0.00	0.00	65.99	19.39	535.86		0.00	0.00	30.60	33.31
							Avg. Gross Block				
							WAROD				



Asset-13

(₹ in lakh)

Capex	Capital Cost as on COD	Projected ACE				Capital Cost as on 31-03-2024	Dep Rate	Annual Depreciation			
		2020-21	2021-22	2022-23	2023-24			2020-21	2021-22	2022-23	2023-24
Building	0.00	0.00	0.00	0.00	0.00	0.00	3.34%	0.00	0.00	0.00	0.00
TL	0.00	0.00	0.00	0.00	0.00	0.00	5.28%	0.00	0.00	0.00	0.00
Substation	0.00	0.00	0.00	0.00	0.00	0.00	5.28%	0.00	0.00	0.00	0.00
PLCC	617.02	0.00	0.00	2.72	89.44	709.18	6.33%	0.00	0.00	39.14	42.06
IT Equipment	0.00	0.00	0.00	0.00	0.00	0.00		0.00	0.00	0.00	0.00
Total	617.02	0.00	0.00	2.72	89.44	709.18		0.00	0.00	39.14	42.06
								Avg. Gross Block			
									0.00	0.00	618.37
								WAROD	0.00	0.00	6.33%

Asset-14

(₹ in lakh)

Capex	Capital Cost as on COD	Projected ACE				Capital Cost as on 31-03-2024	Dep Rate	Annual Depreciation			
		2020-21	2021-22	2022-23	2023-24			2020-21	2021-22	2022-23	2023-24
Building	0.00	0.00	0.00	0.00	0.00	0.00	3.34%	0.00	0.00	0.00	0.00
TL	0.00	0.00	0.00	0.00	0.00	0.00	5.28%	0.00	0.00	0.00	0.00
Substation	0.00	0.00	0.00	0.00	0.00	0.00	5.28%	0.00	0.00	0.00	0.00
PLCC	789.51	0.00	0.00	3.69	246.91	1040.11	6.33%	0.00	0.00	50.09	58.02
IT Equipment	0.00	0.00	0.00	0.00	0.00	0.00	15.00%	0.00	0.00	0.00	0.00
Total	789.51	0.00	0.00	3.69	246.91	1040.11		0.00	0.00	50.09	58.02
								Avg. Gross Block			
									0.00	0.00	791.35
								WAROD	0.00	0.00	6.33%

Asset-15

(₹ in lakh)

Capex	Capital Cost as on COD	Projected ACE				Capital Cost as on 31-03-2024	Dep Rate	Annual Depreciation			
		2020-21	2021-22	2022-23	2023-24			2020-21	2021-22	2022-23	2023-24
Building	0.00	0.00	0.00	0.00	0.00	0.00	3.34%	0.00	0.00	0.00	0.00
TL	0.00	0.00	0.00	0.00	0.00	0.00	5.28%	0.00	0.00	0.00	0.00
Substation	0.00	0.00	0.00	0.00	0.00	0.00	5.28%	0.00	0.00	0.00	0.00
PLCC	85.24	0.00	0.00	0.06	19.09	104.39	6.33%	0.00	0.00	5.40	6.00
IT Equipment	0.00	0.00	0.00	0.00	0.00	0.00	15.00%	0.00	0.00	0.00	0.00
Total	85.24	0.00	0.00	0.06	19.09	104.39		0.00	0.00	5.40	6.00
								Avg. Gross Block			
									0.00	0.00	85.27
								WAROD	0.00	0.00	6.33%



Asset-16

(₹ in lakh)

Capex	Capital Cost as on COD	Projected ACE			Capital Cost as on 31-03-2024	Dep Rate	Annual Depreciation		
		2021-22	2022-23	2023-24			2021-22	2022-23	2023-24
Building	0.00	0.00	0.00	0.00	0.00	3.34%	0.00	0.00	0.00
Transmission Line	0.00	0.00	0.00	0.00	0.00	5.28%	0.00	0.00	0.00
Substation	0.00	0.00	0.00	0.00	0.00	5.28%	0.00	0.00	0.00
PLCC	772.73	0.00	15.14	83.65	871.52	6.33%	0.00	49.39	52.52
IT Equipment	0.00	0.00	0.00	0.00	0.00	15.00%	0.00	0.00	0.00
Total	772.73	0.00	15.14	83.65	871.52		0.00	49.39	52.52
							Avg. Gross Block	0.00	780.30
							WAROD	0.00	6.33%

Asset-17

(₹ in lakh)

Capex	Capital Cost as on COD	Projected ACE			Capital Cost as on 31-03-2024	Dep Rate	Annual Depreciation		
		2021-22	2022-23	2023-24			2021-22	2022-23	2023-24
Building	0.00	0.00	0.00	0.00	0.00	3.34%	0.00	0.00	0.00
Transmission Line	0.00	0.00	0.00	0.00	0.00	5.28%	0.00	0.00	0.00
Substation	0.00	0.00	0.00	0.00	0.00	5.28%	0.00	0.00	0.00
PLCC	695.56	0.00	0.06	150.80	846.42	6.33%	0.00	44.03	48.81
IT Equipment	0.00	0.00	0.00	0.00	0.00	15.00%	0.00	0.00	0.00
Total	695.56	0.00	0.06	150.80	846.42		0.00	44.03	48.81
							Avg. Gross Block	0.00	695.59
							WAROD	0.00	6.33%

Asset-19

(₹ in lakh)

Capex	Capital Cost as on COD	Projected ACE			Capital Cost as on 31-03-2024	Dep Rate	Annual Depreciation		
		2021-22	2022-23	2023-24			2021-22	2022-23	2023-24
Building	0.00	0.00	0.00	0.00	0.00	3.34%	0.00	0.00	0.00
Transmission Line	0.00	0.00	0.00	0.00	0.00	5.28%	0.00	0.00	0.00
Substation	0.00	0.00	0.00	0.00	0.00	5.28%	0.00	0.00	0.00
PLCC	336.22	0.00	0.00	0.60	336.82	6.33%	0.00	0.00	21.30
IT Equipment	0.00	0.00	0.00	0.00	0.00	15.00%	0.00	0.00	0.00
Total	336.22	0.00	0.00	0.60	336.82		0.00	0.00	21.30
							Avg. Gross Block	0.00	0.00
							WAROD	0.00	6.33%

