CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI

Petition No. 273/TT/2025

Coram:

Shri Jishnu Barua, Chairperson
Shri Ramesh Babu V., Member
Shri Harish Dudani, Member
Shri Ravinder Singh Dhillon, Member

Date of Order: 18.10.2026

In the matter of:

Approval under Regulation 23 of the Central Electricity Regulatory Commission (Conduct of Business) Regulations, 2023 and the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2019 for the determination of transmission tariff for assets (5 Nos.) under the "Communication System under Eastern Region Fiber Optic Expansion Project (Additional Requirement)" in the Eastern Region".

And
In the matter of:

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

...Petitioner

Versus

1. **Bihar State Power (Holding) Company Limited,**
   Vidyut Bhawan, Bailey Road, Patna - 800 001, Bihar.

2. **West Bengal State Electricity Distribution Company Limited,**
   Bidyut Bhawan, Bidhan Nagar, Block DJ, Sector-II, Salt Lake City,
   Kolkata - 700 091, West Bengal.

3. **Grid Corporation of Orissa Limited,**
   Shahid Nagar, Bhubaneswar - 751 007.

4. **Damodar Valley Corporation,**
   DVC Tower, Maniktala, Civic Centre,
   VIP Road, Kolkata - 700 054, West Bengal.

5. **Power Department, Government of Sikkim,**
   Gangtok – 737 101, Sikkim.

6. Jharkhand Bijli Vitran Nigam Limited,
Engineering Building, H.E.C., Dhurwa,
Ranchi – 834 004, Jharkhand.

...Respondent(s)

Parties Present: Ms. Adya Jha, Advocate, BSPHCL
Ms. Satya Jha, Advocate, BSPHCL
Shri Zafrul Hasan, PGCIL
Shri Angaroo Naresh Kumar, PGCIL
Shri Vivek Kumar Singh, PGCIL
Shri Vishal Sagar, PGCIL
Ms. Supriya Singh, PGCIL
Shri Vijay G., PGCIL
Shri Amit Yadav, PGCIL
Shri Ashish Alankar, PGCIL
Shri Yatin Kalra, PGCIL
Ms. Kirti, PGCIL
Shri Ashish Agarwal, PGCIL

ORDER

The Petitioner, Power Grid Corporation of India Limited (hereinafter referred to as "the Petitioner/PGCIL"), has filed the instant Petition for the determination of transmission tariff for the 2019-24 tariff period under the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2019 (hereinafter referred to as "the 2019 Tariff Regulations") for the period from COD to 31.3.2024 with respect to the following assets (hereinafter referred to as the "communication assets") under the "Eastern Region Fiber Optic Expansion Project (Additional Requirement)" (hereinafter referred to as "the communication project") in the Eastern Region:

Asset No.	Asset Name
Asset-I	Maithon RB – Ranchi OPGW link (188.00 km)
Asset-II	Baripada – Duburi (OPTCL) – Pandiabilli OPGW link (316.06 km)
Asset-III	Barh – Gorakhpur OPGW link (353.017 km)
Asset-IV	Kishanganj – Patna OPGW link (346.67 km)
Asset-V	Teesta III - Kishanganj OPGW link (242.062 km)

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

"a) Admit the petition in filed in compliance with the Regulation 9 of CERC Regulations.

b) Admit the capital cost as claimed in the Petition and approve the Additional Capitalization incurred / projected to be incurred.

c) Approve the Transmission Tariff for the tariff block 2019-24 block for the asset covered under this petition, as per para 32 above.

d) 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 32 above for respective block

e) 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.

f) 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.

g) 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

h) Allow the Petitioner to claim the overall security expenses and consequential IOWC on that security expenses as mentioned at para 37 above.

i) Allow the petitioner to claim the capital spares at the end of tariff block as per actual as per para 32.

j) *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.*

k) 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 under:

a) The Investment Approval (the IA) of the communication project was accorded by the Chairman and Managing Director (CMD) of the Petitioner's Company on 20.9.2018 and circulated vide Memorandum No. C/CP/PA1819-06-0L-

IA006 dated 26.9.2018, at an estimated cost of ₹4719.00 lakhs including an IDC of ₹282.00 lakhs based on the March 2018 price level.

b) The scope of the scheme was discussed and approved in the 33rd TCC / ERPC meeting held on 24th / 25th June 2016, and the same was ratified in the 36th TCC/ERPC meeting held on 13th/ 14th September 2017. The instant communication project is a Central Sector Scheme.

c) As per the IA, the broad scope of work covered under the instant communication project in the Eastern Region is as under:

(i) OPGW fibre optic cable on the existing / under construction EHV transmission lines covering 1,494 km of Fibre Optic Network;

(ii) 15 Nos. SDH for communication based upon Synchronous Digital Hierarchy (SDH) technology to be installed in the substations. The network would also involve installation of 10 Nos. of multiplexers at the wide band nodes. Network Management System (NMS) is also envisaged to monitor the network.

d) As per the IA, the project was scheduled to be commissioned progressively within 36 months. Accordingly, the entire communication project was envisaged to be commissioned by 20.9.2021. The details of the SCOD, COD and time overrun with respect to the communication assets are as under:

Name of Asset	SCOD	COD	Time overrun (in days)
Asset-I: Maithon RB – Ranchi OPGW link (188.00 km)	20.9.2021	19.6.2021	-
Asset-II: Baripada – Duburi (OPTCL) – Pandiabilli OPGW link (316.06 km)		11.7.2021	-
Asset-III: Barh – Gorakhpur OPGW link (353.017 km)		12.10.2022	387
Asset-IV: Kishanganj – Patna OPGW link (346.67 km)		17.5.2023	604
Asset-V: Teesta III - Kishanganj OPGW link (242.062 km)		1.3.2024	893

e) The Revised Cost Estimate (RCE-I) for the communication project has been accorded by the Petitioner's company on 24.4.2025 and circulated vide

Memorandum C/CP/PA2526-01-0A-RCE001 dated 28.4.2025, at an estimated cost of ₹4761.00 lakhs including IDC of ₹ 218.00 lakhs.

f) The modified scope of work as per the RCE-I is as under:

(i) OPGW fibre optic cable on the existing/under construction EHV transmission lines covering 1467 km of Fibre Optic Network;

(j) 16 Nos. of SDH for communication based upon Synchronous Digital Hierarchy (SDH) technology to be installed in the substations. The network would also involve installation of 10 nos. of multiplexers at the wide band nodes. Network Management System (NMS) is also envisaged to monitor the network.

g) The Petitioner has filed the instant Petition for the determination of the transmission tariff for the 2019-24 tariff period with respect to the communication assets. The details of the communication assets covered under the instant communication project is as under:

Name of Asset	COD	Remarks
Asset-I: Maithon RB – Ranchi OPGW link (188.00 km)	19.6.2021	Covered under the instant Petition
Asset-II: Baripada – Duburi (OPTCL) – Pandiabilli OPGW link (316.06 km)	11.7.2021	
Asset-III: Barh – Gorakhpur OPGW link (353.017 km)	12.10.2022	
Asset-IV: Kishanganj – Patna OPGW link (346.67 km)	17.5.2023	
Asset-V: Teesta III - Kishanganj OPGW link (242.062 km)	1.3.2024	
Balance Scope		
Balance Scope/links (Under Execution)		shall be considered for tariff determination subsequently, in accordance with the 2024 Tariff Regulations.

4. The Respondents are Distribution Licensees and Power Departments, primarily beneficiaries of the Eastern Region, who are procuring transmission service from the Petitioner.

5. The Petitioner has served a copy of the Petition on the Respondents, and the notices regarding the filing of this Petition have been published in the newspapers in accordance with Section 64 of the Electricity Act, 2003 (hereinafter referred to as "the Act"). However, the Petitioner has not received any comments or suggestions from the general public in response to the aforesaid notice published in the newspaper. None of the Respondent(s), except BSPHCL, filed a reply. BSPHCL has filed its reply vide affidavit dated 4.9.2025.

6. The hearings in this matter were held on 22.7.2025 & 16.9.2025, and the order was reserved. This order is passed considering the Petitioner's submissions in the Petition vide affidavit dated 3.10.2024 along with the additional submissions filed vide affidavits dated 16.6.2025, 14.8.2025, and 26.9.2025, BSPHCL's reply vide affidavit dated 4.9.2025, and the Petitioner's rejoinder vide affidavit dated 6.10.2025.

7. Having heard the learned counsel for BSPHCL and the representatives of the Petitioner and perused the material on record, we proceed to dispose of the Petition in the succeeding paragraphs.

Determination of the Annual Fixed Charges for the 2019-24 Tariff Period

8. The Petitioner has claimed the following transmission charges for the transmission assets for the 2019-24 tariff period:

Asset-I

(₹ in lakh)

Particulars	2021-22 (pro-rata 286 days)	2022-23	2023-24
Depreciation	20.55	29.97	33.51
Interest on Loan	15.08	20.71	21.45
Return on Equity	18.29	26.67	29.82
Interest on Working Capital	1.04	1.44	1.53
O&M Expenses	8.70	11.10	11.10
Total	**63.66**	**89.89**	**97.41**

Asset-II

(₹ in lakh)

Particulars	2021-22 (pro-rata 264 days)	2022-23	2023-24
Depreciation	33.14	51.30	53.78
Interest on Loan	22.30	31.99	30.40
Return on Equity	29.50	45.67	47.87
Interest on Working Capital	1.58	2.34	2.38
O&M Expenses	12.42	17.17	17.17
Total	**98.94**	**148.47**	**151.60**

Asset-III

(₹ in lakh)

Particulars	2022-23 (pro-rata 171 days)	2023-24
Depreciation	27.42	63.37
Interest on Loan	21.65	46.94
Return on Equity	24.40	56.41
Interest on Working Capital	1.34	2.98
O&M Expenses	9.83	20.98
Total	**84.64**	**190.68**

Asset-IV

(₹ in lakh)

Particulars	2023-24 (pro-rata 320 days)
Depreciation	58.36
Interest on Loan	46.35
Return on Equity	51.94
Interest on Working Capital	3.20
O&M Expenses	19.59
Total	**179.44**

Asset-V

(₹ in lakh)

Particulars	2023-24 (pro-rata 31 days)
Depreciation	4.47
Interest on Loan	3.81
Return on Equity	3.98
Interest on Working Capital	0.25
O&M Expenses	1.58
Total	**14.09**

9. The Petitioner has claimed the following Interest on Working Capital (IWC) with respect to the transmission assets for the 2019-24 tariff period:

Asset-I

(₹ in lakh)

Particulars	2021-22 (pro-rata 286 days)	2022-23	2023-24
O&M Expenses	0.93	0.93	0.93
Maintenance Spares	1.67	1.67	1.67
Receivables	10.02	11.08	11.98
Total Working Capital	12.62	**13.68**	**14.58**
Rate of Interest (%)	**10.50**	10.50	10.50
Interest on Working Capital	**1.04**	**1.44**	**1.53**

Asset-II

(₹ in lakh)

Particulars	2021-22 (pro-rata 264 days)	2022-23	2023-24
O&M Expenses	1.43	1.43	1.43
Maintenance Spares	2.58	2.58	2.58
Receivables	16.87	18.30	18.64
Total Working Capital	**20.88**	**22.31**	**22.65**
Rate of Interest (%)	10.50	10.50	10.50
Interest on Working Capital	**1.58**	**2.34**	**2.38**

Asset-III

(₹ in lakh)

Particulars	2022-23 (pro-rata 171 days)	2023-24
O&M Expenses	1.75	1.75
Maintenance Spares	3.15	3.15
Receivables	22.27	23.44
Total Working Capital	**27.17**	**28.34**
Rate of Interest (%)	10.50	10.50
Interest on Working Capital	**1.34**	**2.98**

Asset-IV

(₹ in lakh)

Particulars	2023-24 (pro-rata 320 days)
O&M Expenses	1.87
Maintenance Spares	3.36
Receivables	25.23
Total Working Capital	**30.46**
Rate of Interest (%)	12.00
Interest on Working Capital	**3.20**

Asset-V

(₹ in lakh)

Particulars	2023-24 (pro-rata 31 days)
O&M Expenses	1.55
Maintenance Spares	2.81
Receivables	20.46
Total Working Capital	**24.83**
Rate of Interest (%)	12.00
Interest on Working Capital	**0.25**

Date of Commercial Operation (COD)

10. The Petitioner, vide affidavit dated 3.10.2024, has claimed the following CODs with respect to the transmission assets:

Sr. No.	Asset Name	COD
1.	**Asset-I:** Maithon RB – Ranchi OPGW link (188.00 km).	19.6.2021
2.	**Asset-II:** Baripada – Duburi (OPTCL) – Pandiabilli OPGW link (316.06 km).	11.7.2021
3.	**Asset-III:** Barh – Gorakhpur OPGW link (353.017 km).	12.10.2022
4.	**Asset-IV:** Kishanganj – Patna OPGW link (346.67 km).	17.5.2023
5.	**Asset-V:** Teesta III - Kishanganj OPGW link (242.062 km).	1.3.2024

11. Regulation 5 of the 2019 Tariff Regulations provides as under:

> *"**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) Energization 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."

12. The Petitioner has submitted the following documents in support of the capital cost claimed for the communication assets considered in the instant Petition:

Asset	COD	Documents submitted
Asset-I	19.6.2021	ERLDC trial run certificate dated 11.8.2021 certifying the successful commissioning of the communication link on 19.6.2021. Notification of DOCO vide letter dated 26.6.2023
Asset-II	11.7.2021	ERLDC trial run certificate dated 19.8.2021 certifying the commissioning of communication link on 10.7.2021. Notification of DOCO vide letter dated 14.9.2021

Asset	COD	Documents submitted
Asset-III	12.10.2022	ERLDC trial run certificate dated 12.12.2022 certifying the commissioning of the communication link on 12.10.2022. Notification of DOCO vide letter dated 26.6.2023
Asset-IV	17.5.2023	ERLDC trial run certificate dated 16.6.2021 certifying the commissioning of the communication link on 17.5.2023. Notification of DOCO vide letter dated 26.6.2023
Asset-V	1.3.2024	ERLDC trial run certificate dated 28.5.2024 certifying the commissioning of communication link on 29.2.2024. Notification of DOCO vide letter dated 7.6.2024

13. The communication assets under the aforementioned project considered in the instant Petition comprise the Fibre Optic Communication Systems. The operating voltage of the communication system is 24/48-volt D/C supply. Therefore, as per the Central Electricity Authority (Measures Relating to Safety and Electric Supply) Regulations 2010 (the 2010 CEA Regulations), a minimum voltage of 650 volts is required for inspection. Further, the Central Government has specified 11 kV as the notified voltage for the purpose of self-certification under Regulation 30 and Regulation 43 of the 2010 CEA Regulations, i.e., inspection by the CEA inspector is not required for systems having a voltage up to 11 kV. Hence, CEA clearance is not applicable to the communication system. The Petitioner has further submitted that the Commission, vide order dated 27.1.2017 in Petition No. 53/TT/2016, acknowledged that CMD approval is not required for assets under the communication system.

14. Accordingly, taking into consideration the ERLDC Certificates confirming the successful commissioning of the OPGW links, and the self-declared COD letter submitted by the Petitioner, the COD of the instant communication assets is considered and approved as follows:

Asset No.	Approved COD
Asset-I	19.6.2021
Asset-II	11.7.2021
Asset-III	12.10.2022
Asset-IV	17.5.2023
Asset-V	1.3.2024

Capital Cost

15. Regulation 19 of the 2019 Tariff Regulations provides as under:

> ***"19. Capital Cost:*** *(1) The Capital cost of the generating station or the transmission system, as the case may be, as determined by the Commission after prudence 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 assets before the date of commercial operation;*
> *(i) Capital expenditure on account of ash disposal and utilization including handling and transportation facility;*
> *(j) Capital expenditure incurred towards railway infrastructure and its augmentation for transportation of coal 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 modernisation 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 upto 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 assets forming part of the project, but not in use, as declared in the tariff petition;
(b) De-capitalised Assets after the date of commercial operation on account of 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 assets.

(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."

16. The Petitioner, vide affidavit dated 3.10.2024, has claimed the capital cost incurred as on COD and the ACE projected to be incurred with respect to the communication assets and had placed on record copies of the Auditor's Certificates dated 23.8.2023 for Asset-I, Asset-III & Asset-IV, Auditor's Certificates dated 28.12.2021 for Asset-II and Auditor's Certificate dated 29.7.2024 for Asset-V in support thereof.

17. Further, the Petitioner has claimed notional IDC of ₹10.40 lakh for Asset-II, ₹31.93 lakh for Asset-III, ₹44.09 lakh for Asset-IV and ₹63.79 lakh for Asset-V in accordance with Regulation 19(2)(b) of the 2019 Tariff Regulations. The capital cost claimed by the Petitioner vide affidavit dated 3.10.2024 is as under:

(₹ in lakh)

Assets	Approved Cost as per FR	Capital Cost claimed as on COD	Projected ACE						Estimated Completion cost
			Notional IDC	2021-22	2022-23	2023-24	2024-25	2025-26	
Asset-I	515.68	391.71	0.00	52.67	59.39	51.09	0.00	0.00	554.86
Asset-II	861.04	661.10	10.40	112.69	57.32	17.82	0.00	0.00	859.33
Asset-III	934.32	870.14	31.93	0.00	50.29	91.78	0.00	0.00	1044.14
Asset-IV	1042.77	958.23	44.09	0.00	0.00	93.13	16.14	0.00	1111.59
Asset-V	618.00	787.06	63.79	0.00	0.00	0.00	14.60	78.56	944.01
Total	**3971.81**	**3668.24**	**150.21**	**165.36**	**167.00**	**253.82**	**30.74**	**78.56**	**4513.93**

18. Further, the Petitioner vide affidavit dated 16.6.2025, has revised the claim of Notional IDC from ₹10.40 lakh to ₹9.49 lakh for Asset-II, from ₹31.93 lakh to ₹36.85 lakh for Asset-III, from ₹44.09 lakh to ₹52.60 lakh for Asset-IV and from ₹63.79 lakh to ₹54.53 lakh for Asset-V. Accordingly, the Petitioner has submitted the revised tariff forms with respect to the instant communication assets. The Petitioner has submitted that the change in Notional IDC is due to an inadvertent arithmetic error in the methodology used earlier for computation of Notional IDC. The details of the same are as under:

(₹ in lakh)

Assets	Approved Cost as per FR	RCE-I	Capital Cost as on COD	Notional IDC	Projected ACE					Estimated Completion cost
					2021-22	2022-23	2023-24	2024-25	2025-26	
Asset-I	515.68	554.84	391.71	0.00	52.67	59.39	51.09	0.00	0.00	554.86
Asset-II	861.04	858.42	661.10	9.49	112.69	57.32	17.82	0.00	0.00	858.42
Asset-III	934.32	1049.06	870.14	36.85	0.00	50.29	91.78	0.00	0.00	1049.06
Asset-IV	1042.77	1120.1	958.23	52.60	0.00	0.00	93.13	16.14	0.00	1120.10
Asset-V	618.00	963.5	787.06	54.53	0.00	0.00	0.00	14.60	78.56	934.75
Total	**3971.81**	**4545.92**	**3668.24**	**153.47**	**165.36**	**167**	**253.82**	**30.74**	**78.56**	**4517.19**

Cost Overrun

19. The Petitioner has submitted that the total estimated completion cost of ₹4363.72 lakh exceeds the approved FR cost of ₹3971.81 lakh and that there is a cost overrun with respect to Asset-I, III, IV and V, exceeding their respective apportioned approved FR cost. The details of the same are as under:

(₹ in lakh)

Assets	Approved Cost as per FR	Capital Cost as on COD	Projected ACE					Estimated Completion cost
			2021-22	2022-23	2023-24	2024-25	2025-26	
Asset-I	515.68	391.71	52.67	59.39	51.09	0.00	0.00	554.86
Asset-II	861.04	661.10	112.69	57.32	17.82	0.00	0.00	848.93
Asset-III	934.32	870.14	0.00	50.29	91.78	0.00	0.00	1012.21
Asset-IV	1042.77	958.23	0.00	0.00	93.13	16.14	0.00	1067.50
Asset-V	618.00	787.06	0.00	0.00	0.00	14.60	78.56	880.22
Total	**3971.81**	**3668.24**	**165.36**	**167.00**	**253.82**	**30.74**	**78.56**	**4363.72**

20. The Petitioner has submitted that the contracts are awarded through an open competitive bidding process and are awarded to the lowest evaluated eligible bidder on an overall basis. The variation in the cost of specific items vis-à-vis the FR apportioned cost is detailed in Form 5 of the tariff forms. The FR cost estimates are indicative and, as a general practice, are worked out on the basis of average unit rates of recently awarded contracts. The cost estimate of the present project was prepared based on the September 2018 price levels. Variations in the cost of OPGW/Communication/PLCC packages arise from items awarded through open competitive bidding, where different bidders quote different rates for BOQ items and the lowest bidder is determined on an overall basis. Consequently, item-wise variations in unit prices vis-à-vis the FR estimates are beyond the Petitioner's control. The cost overruns are also attributable to the increase in the optic fibre cable length vis-à-vis the FR estimates and the increase in IDC & IEDC due to the prolonged project execution period. These delays are attributable to unforeseen and uncontrollable circumstances affecting project execution.

21. The Petitioner, vide affidavit dated 16.6.2025, has revised the claimed capital cost with respect to the instant communication assets on account of the revision in the Notional IDC calculations and has submitted the Revised Cost Estimate-I (RCE-I) dated 24.4.2025 for the communication project. The Petitioner has also submitted the RCE-based apportionment of the communication assets, along with the FR-based apportionment, COD cost, and completion cost. The details of the same are as under:

(₹ in lakh)

Asset No.	Apportioned Approved Cost as per FR	Apportioned Approved Cost as per RCE-I	Capital Cost as on COD	Projected ACE	Estimated Completion cost as on 31.3.2024	Estimated Completion cost as per Auditor Certificate + NIDC
				2021-2026		
Asset-I	515.68	554.84	385.56	169.3	554.86	554.86
Asset-II	861.04	858.42	667.27	191.15	858.42	858.42
Asset-III	934.32	1049.06	895.56	153.5	1049.06	1049.06
Asset-IV	1042.77	1120.10	1005.41	114.69	1103.24	1120.10
Asset-V	618.00	963.50	833.80	100.95	833.80	934.75
Total	**3971.81**	**4545.92**	**3787.60**	**729.59**	**4399.38**	**4517.19**

22. The Petitioner, vide affidavit dated 16.6.2025, has submitted that the total estimated completion cost of the instant assets is within the apportioned approved RCE-I cost. Accordingly, there is no cost overrun with respect to the instant communication assets. The Petitioner has submitted a comparison of the revised cost estimate of the communication project with its approved cost, and the head-wise variation in cost is as under:

Sr. No.	Variation on account of:	Variation	
		(₹ in crore)	(%)
(i)	**DPR to LOA**		
a	DPR to LOA for approved scope (on competitive bidding while awarding)	6.41	13.59%
	Sub-Total (i)	**6.41**	**13.59%**
(ii)	**Variation in quantities of approved items and addition/deletion of Items**	0.02	0.03 %
(iii)	**Addition/deletion of items**	(-)5.46	(-)11.56%
	Sub-Total (ii) & (iii)	**0.97**	**2.06 %**
(iv)	**Other Reasons (IEDC and IDC)**		
a	IEDC (incl. Contingencies)	0.09	0.20 %
b	IDC	(-)0.64	(-)1.36 %

Sr. No.	Variation on account of:	Variation	
		(₹ in crore)	(%)
	Sub- Total (IEDC & IDC)	**(-) 0.55**	**(-) 1.16 %**
	GRAND TOTAL	**0.42**	**0.89 %**

23. The reasons for the head-wise variation in the cost estimate are explained as under:

I. DPR to LOA for Approved Scope (Net increase of ₹6.41 crore: 13.59 %):

24. The project has incurred a cost increase of ₹ 6.41 crore from the stage of project approval to the award of various contracts. This increase represents a 13.59% rise over the initially approved project cost. The contracts for different packages under the project were awarded through a transparent competitive bidding process, both domestic and global. The awarded prices represent the lowest prices received at the time of bidding. The observed variation in prices during project execution is attributable to market dynamics prevailing at the time of bidding.

II. Variation in Quantities of Approved items and Addition / Deletion of items (Net Increase of ₹0.02 crore: 0.03%):

25. The project experienced a slight variation in cost, amounting to a net increase of ₹0.02 crore (0.03%), attributable to site-specific requirements during the execution phase. This variation arises from the increase in the actual executed length of the optic fibre links compared to the initially planned length. Key factors contributing to this increase include the requirement for additional loops at joint box locations and other adjustments, such as splicing, sagging, and wastage, which led to greater field execution than originally anticipated. For instance, in Asset-V, the OPGW was laid on the mainline and further extended with a Loop-In Loop-Out (LILO) at Rangpo. These modifications were considered and subsequently approved at the 12th TeST committee meeting, ensuring alignment with the technical and operational requirements governed

by the ERPC. However, this adjustment increased the final executed length of the OPGW link beyond the length envisaged at the FR stage.

III. <u>Project Cost Reduction due to Deletion of Transmission Link</u>:

26. The deletion of one transmission link between Teesta Low Dam Project (TLDP) and New Jalpaiguri Project (NJP) has resulted in a reduction in the project cost. M/s WBSETCL, the owner of the transmission line, informed the executing agency on 10.1.2020 that it would undertake the transmission link independently. This change was ratified during the 4th TeST Meeting held on 14.2.2020, under the Eastern Regional Power Committee (ERPC). Deleting this link resulted in a net decrease of ₹5.46 crore, an 11.56% reduction in the total project cost.

<u>IV. Variation in IDC & IEDC Cost (Net Decrease of ₹0.55 crore: (-) 1.16%):</u>

27. The scope of the project has been altered by deleting the TLDP-NJP link, resulting in changes in the Interest During Construction (IDC) and Incidental Expenditure During Construction (IEDC) cost. Despite extensions in the completion period for the other links, the project shows a net decrease of ₹0.55 crore in the total IDC and IEDC under the project, reflecting a 1.16% cost reduction compared to the approved cost.

<u>A. Increase in IEDC:</u> The IEDC, including contingencies, was initially estimated at ₹537 lakh based on normative calculations as per the investment approval. Whereas, in the RCE, the IDC has been worked out on an individual element-wise basis, based on the actual fund flow till 30.9.2024 and up to the commissioning of the balance link (including anticipated commissioning) along with contingencies, which works out to ₹546 lakh, resulting in an increase of ₹9 lakh.

<u>B. Decrease in IDC:</u> The IDC for the project was initially estimated at ₹282 lakh as per the approved DPR cost. However, in the RCE, the IDC was recalculated at ₹218 lakh

based on the actual and anticipated fund flow up to 30.9.2024. This has resulted in a decrease of ₹64 lakh in IDC.

28. The Commission, vide the RoP dated 22.7.2025, directed the Petitioner to provide a comparison between the award cost and the completion cost as per Form 5A. In response, the Petitioner, vide affidavit dated 14.08.2025, submitted that the project was awarded after a thorough and transparent bidding process, which ensured the procurement of goods and services at favourable market prices in accordance with the detailed design specifications. Accordingly, the contracts were awarded to the lowest evaluated eligible bidder following a comprehensive evaluation.

29. Additionally, since the project falls under the Bulk Implementation (Supply + Erection) framework, the Petitioner awarded contracts for the Optical Ground Wire (OPGW) communication packages to M/s ZTT Limited on a firm basis, which inherently excludes any provision for price variation. Thus, the discrepancy between the estimated completion cost and the awarded cost is solely attributable to the inclusion of IDC and IEDC. The details of the same are as under:

(₹ in lakh)

Asset No.	Name / No. of Construction / Supply / Service Package	Scope of Works	Date of Award	Award Value Including Taxes*	IDC	IEDC	Total Est. Completion Cost as per Audited Certificate
I	**Package Description: Eastern Region Fibre Optic Expansion Project (Additional Requirement) • Contract Ex-Works Dtd. 31/10/2018 To M/S ZTT Ind. Pvt. Ltd.	Maithon RB – Ranchi OPGW link along with associated end/ terminal equipment at both ends	31.10.2018	481.22	52.18	21.46	554.86
II		Baripada – Duburi (OPTCL) – Pandiabili OPGW Link along with associated end/ terminal equipment at both ends		792.58	36.73	19.62	848.93
III		Barh – Gorakhpur OPGW link along with associated end/ terminal		864.54	96.85	50.82	1012.21

Asset No.	Name / No. of Construction / Supply / Service Package	Scope of Works	Date of Award	Award Value Including Taxes*	IDC	IEDC	Total Est. Completion Cost as per Audited Certificate
		equipment at both ends					
IV		Kishanganj – Patna OPGW link along with associated end/ terminal equipment at both ends		893.36	108.41	65.73	1067.50
V		Teesta III – Kishanganj OPGW link along with associated end/ terminal equipment at both ends		694.09	131.72	54.41	880.22

Remarks:
** Project awarded on a firm price basis thus involving no provision for price variation; further value of award for each asset arrived at through a breakdown of the consolidated award value.*
*** Package also includes other works (not mentioned above _ associated with scope of subject project in Eastern Region)*

30. BSPHCL, vide affidavit dated 4.9.2025, has submitted that the completion cost has increased due to the delay in execution of the transmission assets. Such delay is attributable to the Petitioner, and consequently, any cost escalation on this count cannot be passed on to the beneficiaries.

31. The Petitioner in its rejoinder vide affidavit dated 6.10.2025 has relied upon the information furnished vide affidavit dated 16.6.2025 to justify the cost overrun through submission of the RCE and head-wise explanations for the variation in cost.

32. We have considered the Petitioner and BSPHCL's submissions. Having perused all the documents placed on record, it is observed that the estimated completion cost of ₹554.86 lakh for Asset-I is slightly higher than the apportioned approved RCE-I cost of ₹554.84 lakh. Therefore, the capital cost for Asset-I is restricted to the apportioned approved RCE cost. The Petitioner is directed to submit the detailed justification for the variation for review at the time of truing up.

33. Further, estimated completion cost ₹858.42 lakh, ₹1049.06 lakh, ₹1120.10 lakh and ₹934.75 lakh with respect to the instant communication assets, namely, Asset-II,

Asset-III, Asset-IV and Asset-V, respectively, is within the apportioned approved RCE cost of ₹858.42 lakh, ₹1049.06 lakh, ₹1120.10 lakh and ₹963.50 lakh, respectively, Accordingly, there is no cost overrun with respect to the said communication assets.

Time over-run

34. As per the IA dated 26.9.2018, the transmission assets were scheduled to be put into commercial operation within 36 months from the date of the IA, i.e., by 20.9.2021. However, the details of the actual commissioning of the communication assets along with the corresponding time overrun are as under:

Assets	SCOD	COD	Time over-run
Asset-I	20.9.2021	19.6.2021	Nil
Asset-II		11.7.2021	Nil
Asset-III		12.10.2022	387 days
Asset-IV		17.5.2023	604 days
Asset-V		1.3.2024	893 days

35. The Petitioner has submitted that there is no time overrun in the commissioning of Asset-I and Asset-II. However, there is a delay of 387 days, 604 days, and 893 days in the COD of Asset-III, Asset-IV and Asset-V, respectively. The detailed justification for the same, as submitted by the Petitioner, is as under:

Asset-III

36. The Petitioner has submitted that the reasons for the time overrun mainly include the following:

i. Delay due to COVID-19 Pandemic
ii. Delay due to Flooding & Water Logging.
iii. Delay due to System/Shut down constraints.

COVID-19 Pandemic:

37. The Petitioner has submitted that COVID-19 was identified by the World Health Organisation (WHO) as a Global Pandemic and constituted a force majeure event across all segments/verticals of the global business/industry. This situation was, by its

nature, unforeseen/unplanned. Consequently, global business and production activities were adversely affected.

38. The projects undertaken by the Petitioner were no exception and faced a multitude of challenges as the Petitioner navigated largely uncharted circumstances, with projects and supply lines experiencing significant and unprecedented risks, leading to delays in execution due to the effects of the Covid-19 pandemic.

Nationwide lockdown in India in various phases owing to the COVID-19 pandemic:

- **Phase 1**: 25 March 2020 – 14 April 2020 (21 days)
- **Phase 2**: 15 April 2020 – 3 May 2020 (19 days)
- **Phase 3**: 4 May 2020 – 17 May 2020 (14 days)
- **Phase 4**: 18 May 2020 – 31 May 2020 (14 days)

Unlock:

- **Unlock 1.0**: 1 June 2020 – 30 June 2020 (30 days)
- **Unlock 2.0**: 1 July 2020 – 31 July 2020 (31 days)
- **Unlock 2.0**: 1 August 2020 – 31 August 2020 (31 days).

39. The Petitioner has submitted that the lockdown imposed due to the COVID-19 pandemic led to widespread restrictions across India, resulting in the suspension of transportation services and closure of educational, industrial, and hospitality operations. Essential services like food shops, banks, and fuel stations remain operational. The Petitioner has further submitted that violation of the lockdown restrictions could result in imprisonment of up to one year. The restrictions severely disrupted supply chains, transportation, and workforce availability, causing delays in ongoing construction projects. Further, unforeseen challenges including delays in supplies from vendors, worker absenteeism due to illness, travel restrictions, and social distancing requirements at project sites, adversely affected the project schedules. The lockdown also resulted in the voluntary withdrawal of construction workers, closure of, or restricted access to, project sites, and suspension of construction activities for approximately 4-5

months from late March 2020 to July 2020. These force majeure circumstances led to global supply chain disruptions and delays in project execution.

40. The Petitioner has further submitted that the Ministry of Power, GoI, vide letters dated 27.7.2020 and 12.6.2021, had provided extensions of 5 months and 3 months respectively with respect to the ongoing inter-state transmission projects owing to the unforeseen circumstances arising due to the COVID-19 Pandemic.

Delay due to Flooding and Water Logging

41. The Petitioner has further submitted that heavy rainfall was observed during the monsoon season, i.e., June 2020 to September 2020 in the state of Bihar, which continued into the post-monsoon period, i.e., from September 2020 to November 2020. Similarly, during the post-monsoon period of 2021, i.e., August 2021 to November 2021, high rainfall was experienced, resulting in flooding at the construction sites and rendering the locations inaccessible.

42. The Petitioner has further submitted that during the above periods most of the foundation locations and approaches were waterlogged and required dewatering. The unprecedented rainfall severely hampered communication, physical infrastructure and transportation, as most of the blocks and subdivisions were cut off from their respective district headquarters. The Petitioner has submitted that while the hindrance caused by normal monsoon rainfall is considered while preparing the completion schedule, the unprecedented rainfall in the instant case adversely affected the works being carried out by the Petitioner. Further, the continuous rainfall during the said periods was accompanied by lightning and thunderstorms, which were not ideal for executing OPGW laying works over existing transmission lines, thereby further affecting the progress of the work. The Petitioner has submitted that the scheduled execution period affected due

to the aforesaid force majeure events spans from Jun 2020 to November 2020 and from August 2021 to November 2021, i.e., approximately 9 months (about 270 days).

Delay due to System/Shutdown Constraints

43. The Petitioner has submitted that the transmission line of POWERGRID, 400kV D/C Barh – Gorakhpur, was LILOed at the Motihari SS of M/S DMTCL *(M/s Dharbanga – Motihari Transmission Company Ltd.).* During the monsoon of 2019, the Motihari LILO section located on the banks of the River Gandaki was affected due to a change in the course of the river, resulting in the washing away of four 400kV towers of the DMTCL LILO line near the LILO point. The Petitioner has submitted that the said event was classified as a Force Majeure (FM) event (by the Committee constituted by the ERPC), and resulted in delay in the OPGW laying works on the POWERGRID main line due to system constraints. The following points summarise the said FM event:

- 400 KV Gorakhpur – Motihari (DMTCL) – D/C line were out since 13.8.2019 on tower collapse at LOC 27/0;
- 400 KV Barh – Motihari (DMTCL) – D/C were out since 4.9.2019 on tower collapse at LOC 26/0;
- Subsequently on 7th Oct 2019 tower no 25/5 of Motihari - Barh got collapsed;
- ERS was installed for temporary restoration of line;
- Permanent restoration of lines (DMTCL's LILO) was completed on 31.3.2021.

44. The Petitioner has further submitted that in the meantime, OPGW laying was being undertaken along the unaffected route of the 400 kV Barh – Gorakhpur line. However, it was also being affected due to system requirements. Since the OPGW laying required shutdown availability, uninterrupted shutdowns could not be availed due to the tower collapse scenario. The ERLDC advised POWERGRID to keep the 400kV Barh – Gorakhpur D/C line in operation, by passing the LILO point, on an urgent basis to maintain the reliability of the ER – NR inter-regional corridor and ensure safe evacuation of power from Barh STPS.

45. The Petitioner has further submitted that, pursuant to the advice of ERLDC, the OPGW work in the Barh - Motihari section of the Barh - Gorakhpur link was completely halted from 16.1.2021 to 31.3.2021, to facilitate permanent restoration and charging of the line. The line was fully restored and charged on 31.3.2021. Accordingly, the Petitioner has submitted that the scheduled execution period affected due to the aforesaid issue spans from 16.1.2021 to 31.3.2021, i.e., approximately 2.5 months or 74 days. The Petitioner has also relied upon the extracts of the 161st OCC meeting held on 1.10.2019, the 175th and 176th OCCs and the 9th, 10th and 11th meetings of TEST *(Telecommunication, SCADA, & Telemetry Committee under the aegis of ERPC)* in support of its submissions.

Asset-IV

46. The Petitioner has submitted that the reasons for the time overrun mainly include the following:

i. Delay due to COVID-19 Pandemic
ii. Delay due to Flooding & waterlogging.
iii. Delay due to System/Shut down constraints.

Delay due to COVID-19 Pandemic

47. The Petitioner has submitted that the same justification as set out above with respect to the time overrun of Asset-III is also applicable to Asset-IV. Accordingly, the same has not been repeated herein for brevity.

Delay due to Flooding & Waterlogging

48. The Petitioner has submitted that the justification regarding the delay due to flooding and waterlogging, as set out above with respect to Asset-III, is also applicable to Asset-IV. Accordingly, the same has not been repeated herein for the sake of brevity.

Delay Due to System/Shutdown constraints

49. The Petitioner has submitted that Instant Asset-IV involved the laying of OPGW cable on the 400kV D/C Patna – Kishanganj line of POWERGRID, which was commissioned w.e.f. 18.3.2016. However, the OPGW work was considerably delayed due to FM events involving the collapse of towers at multiple locations due to severe flooding. The Petitioner has submitted the following details in this regard:

- On 2.9.2018, tower collapse at LOC 129/0 (567) in Ganga river basin and
- Subsequently, on 19.7.2019 tower collapse at LOC 99/2 (409) in Kosi river basin
- ERS was installed for temporary restoration of line on 19.3.2020
- Permanent restoration of the line was completed on 23.3.2021

50. The Petitioner has further submitted that the change in the river course towards the right bank was the major cause of the tower collapse. An analysis of Google Maps was undertaken to assess the change in the river course at the crossing locations over the preceding five years, which indicated continuous erosion of the river bank towards the Patna side bank around Location No. 129/0 (Tower No. 568). The Petitioner has submitted that the issue was also highlighted in various ERPC SCM & OCC Meetings. It has further been submitted that the Member Secretary, ERPC, constituted a Committee to analyse the major outages of ISTS elements of ER, which unanimously decided that the outage could be considered under the category of acts of God and FM events beyond the control of the transmission licensee. The Petitioner has further relied upon the 41st ERPC and TCC meeting held on 26.8.2019 / 27.8.2019 and the relevant extracts of the 9th, 10th and 11th TEST meetings in support of its submissions. The Petitioner has submitted that the scheduled execution period affected due to the aforesaid events spans from 2.9.2018 to 23.3.2021, i.e., approximately 31 months or 933 days.

Asset-V

51. The Petitioner has submitted that the reasons for the time overrun mainly include the following:

i. Delay due to COVID-19 Pandemic
ii. Delay due to Severe RoW issues.
iii. Delay due to non-availability of requisite shutdowns.

Delay Due to COVID-19 Pandemic

52. The Petitioner has submitted that the same justification as set out above with respect to the time overrun of Asset-III is also applicable in the instant Petition. Accordingly, the same has not been repeated herein for the sake of brevity.

Delay Due to Severe RoW issues.

53. The Petitioner has submitted that Severe ROW issues were encountered during execution of the work, which hampered the progress and resulted in the completion date extending beyond the SCOD. During the erection of OPGW, work has been stopped at various locations due to ROW and related compensation issues pertaining to the construction of this transmission line, which were yet to be resolved by the M/s SPTL (Owner of the 400 kV D/C Teesta III – Kishanganj transmission line). Further, at various locations, local villagers/ landowners demanded exorbitant compensation.

54. The Petitioner has submitted that to mitigate the said issues, the matter was taken up with various district and state-level authorities in Bihar, West Bengal and Sikkim, through which the transmission line traverses. The matter was also continuously raised in the regional power committee forums, including ERPC, OCC and TeST meetings. Further, M/S SPTLC (formerly TPTL) was requested on multiple occasions to resolve the pending compensation issues. The Petitioner has submitted that the first of ROW issue arose at Loc. No. 272 on 6.11.2019, while the last ROW issues at Loc. Nos. AP 56, 77 & 195 were resolved on 13.3.2023.

55. It has submitted that multiple ROW issues persisted simultaneously at various locations, with intermittent temporary/permanent resolution during the said period. Further, it has submitted that the uncontrollable ROW issues, coupled with periods of negligible activity, and the consequent demobilisation and remobilisation of labourers/gangs, in considerable time loss from November 2019 to March 2023. After excluding overlapping periods, the net period affecting and hampering execution of the works was 1,223 days, including the period affected by the COVID-19 pandemic, across multiple locations

Delay Due to Non-availability of the Requisite Shut-downs

56. The Petitioner has submitted that on various occasions, delay in getting the requisite shutdowns or A/R in non-auto mode, due to system constraints, contributed to the delay in implementation of OPGW laying works on the main transmission line. The system constraints included high hydro periods, festive seasons, restricted timings, etc. The Petitioner has submitted that the delay due to the aforesaid constraints has been subsumed in the RoW period.

57. The Commission, vide ROP for the hearing dated 16.9.2025, directed the Petitioner to submit details of the time overrun attributable to shutdown issues with respect to Asset-III, Asset-IV and Asset-V. In compliance thereof, the Petitioner, vide affidavit dated 26.9.2025, has submitted the requisite details as follows:

Asset-III

58. The Petitioner has submitted that between August 2019 and September 2019, multiple towers at Loc No. 27/0, 26/0, 25/5 of the DMTCL transmission line collapsed. Accordingly, to maintain grid reliability and the safe evacuation of power from Barh STPS, ERLDC advised the Petitioner to keep its 400 kV Barh-Gorakhpur D/C line operational by bypassing the LILO point. Subsequently, the Petitioner was advised to

completely halt the OPGW work from 16.1.2021 to 31.3.2021 to facilitate permanent restoration of the DMTCL line. The details of the same are as under:

Asset-III				
Location(s)	**Shutdown Issues Required**	**Approved / Not Approved**	**Time Delay**	**Remarks**
Locations of Asset-III line corresponding to DMTCL's location nos. 27/0, 26/0, and 25/5	16.1.2021 to 31.3.2021	16.1.2021 to 31.3.2021	74 days	Due to tower collapse, ERLC denied Shutdown*
*The 175th and 176th OCC Meeting minutes confirm the formal halt of OPGW work from 16.1.2021 until the permanent restoration of the DMTCL line on 31.3.2021.				

Asset-IV

59. The Petitioner has submitted that the shutdown issue arose due to the unforeseen collapse of a Tower on 2.9.2018 on the 400 kV Patna-Kishanganj line, on which the OPGW work was to be carried out. Temporary restoration work was undertaken on 19.3.2020, while permanent restoration was completed on 23.3.2021. The Petitioner has submitted that the said event led to a delay of approximately 933 days (31 months) in the execution of the OPGW installation work. The details of the same are as under:

Asset-IV			
Location(s)	**Shutdown Issues Required**	**Time Delay**	**Remarks**
Various locations 129/0, 99/2, etc	2.9.2018 to 23.3.2021	933 days	Due to tower collapse*, OPGW works could not be taken up in affected areas
*ERPC, via its constituted committee (vide letter no. ERPC/MS/TA/2018-19/8480-84 dated 25.1.2019), unanimously classified this outage as a Force Majeure event.			

Asset-V

60. The Petitioner has submitted that the shutdown issues and constraints were encountered intermittently with respect to Asset-V and that the affected period is entirely

subsumed within the period of delay due to RoW issues affecting the execution of Asset-V.

61. The Commission, vide ROP for the hearing dated 16.9.2025, also directed the Petitioner to submit details of the time overrun due to ROW issues with respect to Asset-V. In compliance thereof, the Petitioner, vide affidavit dated 26.9.2025, has submitted the requisite details as under:

Loc No.	Remarks	Delay Start	Delay End	Total Delay	Net Delay (without overlap)
Loc. No. 272-273 & 273-274/5	Letter to SDM, Siliguri Subdivision dated 20.1.2020 regarding ROW issues	6.11.2019	13.8.2021	644	644
	Follow-up Letter to BDO dated 24.02.2020.				
	Follow-up letter to SDO Siliguri dated 21.12.2020.				
	Letter to Sh. Appu Datta dated 10.03.2021.				
	Letter to Officer-in-Charge, Kharibari Police Station dated 01.04.2021.				
	Letter to Officer-in-Charge, Kharibari Police Station dated 19.07.2021.				
	Follow-up Letter to SDO Siliguri dated 19.07.2021.				
	Follow-up Letter to BDO Kharibari dated 19.07.2022.				
	Letter to Collector & DM, Darjeeling dated 22.07.2021 for support in resolving the ROW issue.				
	Letter to SP, Darjeeling dated 22.07.2021 for support in resolving the ROW issue.				
	Letter to TPTL(Owner of TL) dated 11.08.2020 for resolving the ROW issue				
	Minutes of 10th TEST meeting & 3rd, 4th, 5th, 6th, 7th, 8th & 9th TEST meeting: ROW Issue started on 6.11.2019 and resolved on 13.08.2021 and work completed 17.08.2021.				
No. 290A/0 (Drum No 50-T No 290/3 to 294B)	Minutes of 10th TEST meeting & 3rd, 4th, 5th, 6th, 7th, 8th & 9th TEST meeting: ROW Issue started on 19.10.2019 and 05.04.2021 with help of	19.10.2019	5.4.2021	534	18

Loc No.	Remarks	Delay Start	Delay End	Total Delay	Net Delay (without overlap)
	Administration. Work completed on 12.04.2021.				
	Letter to TPTL(Owner of TL) dated 11.08.2020 for resolving ROW issue				
No. 294B/1, 294B/4, 294B/5 (Drum No 51: T. No 294B to 294D/1)	Minutes of 10th TEST meeting & 4th, 5th, 6th, 7th, 8th & 9th TEST meeting: ROW Issue started on 03.12.2019 and 05.04.2021 with help of Administration. Work completed on 12.04.2021.	3.12.2019	5.4.2021	489	0
	Letter to TPTL(Owner of TL) dated 11.08.2020 for resolving ROW issue				
No 308, 311/2 (Drum No 58; T No 305/1 to 311/5)	Minutes of 10th TEST meeting & 4th, 5th, 6th, 7th, 8th & 9th TEST meeting: ROW Issue started on 09.01.2020 and 16.03.2021 with help of Administration. Work completed on 19.03.2021.	9.1.2020	16.3.2021	432	0
	Letter to TPTL(Owner of TL) dated 11.08.2020 for resolving ROW issue				
No. 316/1 (Drum No 59; T No 311/5, 316/1)	Minutes of 10th TEST meeting & 6th, 7th, 8th & 9th TEST meetings: ROW Issue started on 27.02.2020 and 21.03.2021 with the help of Administration. Work completed on 26.03.2021.	27.2.2020	21.3.2021	388	0
	Letter to TPTL(Owner of TL) dated 11.08.2020 for resolving ROW issue				
	Letter to TPTL(Owner of TL) dated 11.08.2020 for resolving ROW issue				
No. 321,319,320 Drum-60	Minutes of 10th TEST meeting & 8th & 9th TEST meeting: ROW Issue started on 15.12.2020 and 01.04.2021 with the help of Administration. Work completed on 03.04.2021.	15.12.2020	1.4.2021	107	0
No. 56, 56/1 & 57 Drum-9	Minutes of 13th TEST meeting & 8th, 9th, 10th, 11th & 12th TEST meetings: ROW Issue started on 07.02.2021 and persisted till 13.03.2023.	7.2.2021	13.3.2023	764	0
	Letter issued by Dept. of Power, Sikkim dated 17.08.2020 to SDM, Rangpo, Sikkim for resolving ROW issue				

Loc No.	Remarks	Delay Start	Delay End	Total Delay	Net Delay (without overlap)
	Order passed by DM, Namchi, Sikkim dated 18.01.2022 regarding permission for work				
	Letter to SHO, Namchi dated 25.01.2022 for administrative support for OPGW Installation work				
	Letter to SHO, Namchi dated 04.02.2022 for administrative support for OPGW Installation work				
	Letter to SP, South Sikkim dated 10.02.2022 for administrative support for OPGW Installation work				
No. 72 to 73 Drum-11	Minutes of 13th TEST meeting & 8th, 9th, 10th, 11th & 12th TEST meetings: ROW Issue started on 08.02.2021 and persisted till 13.03.2023.	8.2.2021	13.3.2023	763	579
	Letter issued by Dept. of Power, Sikkim dated 17.08.2020 to SDM, Rangpo, Sikkim for resolving ROW issue				
	Order passed by DM, Namchi, Sikkim dated 18.01.2022 regarding permission for work				
	Letter to SHO, Namchi dated 25.01.2022 for administrative support for OPGW Installation work				
	Letter to SHO, Namchi dated 04.02.2022 for administrative support for OPGW Installation work				
	Letter to SP, South Sikkim dated 10.02.2022 for administrative support for OPGW Installation work				
No. 77 Drum-12	**Minutes of 13th TEST meeting & 8th, 9th, 10th, 11th & 12th TEST meeting:** ROW Issue started on 09.02.2021 and persisted till 13.03.2023	9.2.2021	13.3.2023	762	0
	Letter issued by Dept. of Power, Sikkim dated 17.08.2020 to SDM, Rangpo, Sikkim for resolving ROW issue				
	Order passed by DM, Namchi, Sikkim dated 18.01.2022 regarding permission for work				
	Letter to SHO, Namchi dated 25.01.2022 for administrative				

Loc No.	Remarks	Delay Start	Delay End	Total Delay	Net Delay (without overlap)
	support for OPGW Installation work				
	Letter to SHO, Namchi dated 04.02.2022 for administrative support for OPGW Installation work				
	Letter to SP, South Sikkim dated 10.02.2022 for administrative support for OPGW Installation work				
No. 195 to 197/1 (Drum-27B, 28 & 29)	**Minutes of 13th TEST meeting & 8th, 9th, 10th, 11th & 12th TEST meeting:** ROW Issue started on 11.03.2021 and persisted till 13.03.2023	11.3.2021	13.3.2023	732	0
	Total				1241
	First date of ROWs	19.10.2019/6.11.2019			
	Last date of ROW	13.3.2023			
	Net Period affected	1241/1223 days			

62. BSPHCL, vide affidavit dated 4.9.2025, has contended that the Petitioner's justification for the delay in Asset-III, Asset-IV and Asset-V on account of COVID-19, flooding, system/shut-down constraints and RoW issues predominantly relies on events and circumstances that do not qualify as FM and fails to demonstrate that the factors relied upon were uncontrollable and affected the completion of the projects. The detailed submissions of the respondent are as under:

COVID-19 Delays:

63. It has contended that the delay due to COVID-19, including the first and second waves, is not justified in the absence of a correlation demonstrating that the delay in execution of the instant projects was unavoidable and beyond the Petitioner's control despite its best efforts. BSPHCL has relied upon the judgement of the Hon'ble Supreme Court in *Halliburton Offshore Services Inc v. Vedanta Limited & Ors*. Order dated 29.5.2020 in O.M.P. (I) (COMM.) No. 88/2020) in support of its submissions.

64. Additionally, the Petitioner has not provided any details/documents to show that the communication assets were under construction during the period covered by the

MoP's letters, so as to establish the applicability of the said extensions to Asset-III, Asset-IV and Asset-V.

Flooding and Waterlogging:

65. BSPHCL has contended that the Petitioner's claims of 270 days' delay for Asset-III and Asset-IV, due to flooding, are exaggerated and unsupported by site-specific data. The Central Water Commission's date indicates that the flooding was not continuous and that the Petitioner has failed to identify the specific disruptions caused or furnish evidence of mitigation measures undertaken. The applicable regulatory provisions require the Petitioner to demonstrate exceptional adverse weather conditions beyond statistical norms, which, according to the Respondent, the Petitioner has not established.

System / Shut-down Constraints:

66. BSPHCL has contended against the Petitioner's claim of delay of 74 days for Asset-III and 604 days for Asset-IV due to system/shut-down constraints. The Petitioner had ample time and predictability regarding system constraints and availability shutdowns; therefore, such constraints ought to have been duly factored into the project implementation planning. The Petitioner relies on the 175th OCC and 176th OCC meetings of the Eastern Regional Power Committee on 3.2.2021 and 19.2.2021, respectively, and the 9th, 10th, and 11th TEST meetings on 6.6.2021, 1.11.2021, and 8.4.2022, to justify the 74-day time overrun for Asset-III. According to the BSPHCL minutes of the OCC and TeST meetings, relied upon by the Petitioner, they do not contain any decision or endorsement from ERLDC/OCC preventing the execution of OPGW works, and primarily record the Petitioner's statements and general progress updates, while urging early completion of the works rather than condoning the delay. Despite relying upon deliberations related to periods beyond the alleged delay window

of 16.1.2021 to 31.3.2021, the Petitioner has failed to justify the 74-day delay by furnishing documentation such as outage applications, shutdown requests, or formal refusals from ERLDC. BSPHCL, therefore, contended that the Petitioner failed to establish that the delay was unavoidable. BSPHCL also emphasised that the time required to obtain shutdowns was foreseeable and ought to have been accounted for in the Petitioner's project implementation planning.

67. Similarly, BSPHCL has contended against the Petitioner's reliance on the 41st EPRC & TCC Meeting held on 26.8.2019 to 27.8.2019, 178th OCC Meeting held on 30.4.2021, and 11th TeST Meeting held on 8.4.2022, to justify the delay of 604 days for Asset-IV. It has been clarified that the minutes relied upon by the Petitioner do not contain any directive from OCC/ERLDC/ERPC mandating stoppage of the works or condoning the delay. The 1st Committee on Major Outages merely recommended that the outage be considered an FM event, without any deliberations regarding the OPGW works, and specifically allowed a six-month restoration period from 15.2.2019 to 14.8.2019. Despite this, the Petitioner completed restoration substantially later, on 20.3.2021, even after obtaining IA in September 2018 following the tower collapse. Furthermore, the subsequent meeting records document only the Petitioner's statements and progress updates, and lack any detailed application for shutdown or for carrying out the OPGW works. Consequently, the substantial delay of 604 days in commissioning Asset-IV remains unjustifiable and should not be condoned.

ROW Issues:

68. BSPHCL has contended that the ROW-related delays of 1223 days for Asset-V primarily pertain to pre-existing compensation disputes, which were foreseeable risks. It has further submitted that the Petitioner's reliance on the minutes of various TeST / OCC / ERPC meetings to justify condonation of delay on account of the alleged non-

availability of shutdowns and A/R in non-auto mode is misplaced. Firstly, the Petitioner has not specified the exact period sought to be excluded and has merely made vague references to the non-availability of shutdowns without identifying the number of days or correlating them to a delay period. Notably, even where ERLDC denied AR in non-auto mode, the Petitioner has failed to demonstrate any overlap between such denial and the claimed delay period or to establish how the same hindered timely completion of the works. Secondly, the Petitioner's own records indicate that permissions for AR in non-auto mode were granted and utilised, as evidenced by the 7th TeST Meeting held on 28.1.2021 wherein ERLDC permitted A/R from 8.12.2020 onwards with specific working hours. The Petitioner has not clarified why these intervals were insufficient to complete the works. Thirdly, in the 10th TeST Meeting held on 1.11.2021 regarding 317 days of non-availability, BSPHCL has submitted that the Petitioner failed to provide details of (i) the shutdown hours required for the OPGW works, (ii) the shutdown hours actually utilised, and (iii) the direct causal relationship between the alleged delay and commissioning of OPGW. The Committee did not condone this claim but merely referred the matter to OCC. Lastly, the Committee neither condoned nor recommended condonation of delay due to non-availability of shutdowns, as alleged by the Petitioner. Consequently, the substantial delay of 933 days in commissioning Asset-V remains unjustified and ought not to be condoned.

69. The Petitioner, in its rejoinder vide affidavit dated 6.10.2025, has submitted that the detailed justification for the reasons for delay has been duly documented and substantiated, as already provided in the original Petition vide affidavit dated 3.10.2024. The Petitioner has further submitted that with regard to the averments made by BSPHCL, all objections and concerns raised by BSPHCL have been adequately

addressed through consolidation of submissions and precise quantification of the FM events vide affidavit dated 26.9.2025.

70. The Petitioner has prayed that the information placed on record be duly taken into consideration and the delay period be condoned under Regulation 22(2) of the 2019 Tariff Regulations, on the ground that the events causing the delay were unforeseen and beyond the reasonable control of the Petitioner.

Analysis and Decision:

71. We have carefully considered the submissions of the Petitioner as well as BSPHCL with regard to the time overrun claimed with respect to the respective communication assets and have perused the documentary evidence placed on record. We observed that, as per the IA, the transmission project was scheduled to be commissioned within 36 months from the date of the IA dated 20.9.2018, i.e., by 20.9.2021. Against the scheduled commissioning date, Asset-I, Asset-II, Asset-III, Asset-IV and Asset-V were commissioned on 19.6.2021, 11.7.2021, 12.10.2022, 17.5.2023 and 1.3.2024, respectively. Therefore, there is no time overrun in respect of Asset-I & Asset-II, whereas there is a time overrun of 387 days, 604 days and 893 days with respect to Asset-III, Asset-IV and Asset-V, respectively. The details of the SCOD, COD and time overrun with respect to the instant communication assets are as follows:

Assets	SCOD	COD	Time over-run
Asset-I	20.9.2021	19.6.2021	Nil
Asset-II		11.7.2021	Nil
Asset-III		12.10.2022	387 days
Asset-IV		17.5.2023	604 days
Asset-V		1.3.2024	893 days

72. Since the issues with respect to time overrun raised by BSPHCL are generic and the same are dealt with by the Commission in terms of the applicable Regulations with

due prudence. The Petitioner has submitted the detailed justification of time overrun with respect to the instant communication assets and the same are analysed as follows:

Asset-III

Delay Due to COVID-19 Pandemic:

73. The Petitioner has submitted that the execution of the instant communication assets was affected on account of the COVID-19 pandemic due to supply and delivery issues, worker absenteeism due to illness, delays in issuance of permits, travel restrictions and loss of time or reduced efficiency due to the requirement to maintain social distancing at the work sites. The Petitioner has relied upon the MoP, GoI letters dated 27.7.2020 & 12.6.2021 and claimed extensions of 5 months & 3 months, respectively, in the SCOD on account of the time overrun due to the COVID-19 Pandemic.

74. We have considered the Petitioner's submission. The relevant extract of the letters dated 27.7.2020 & 12.6.2021 are reproduced as under:

> ***"Letter 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 COVID19 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*
> *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."*

Letter Dated 12.6.2021

"Subject: 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 pro ject sites has 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 States/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 COVID-19 as mentioned above at point (i), shall also be automatically extended by three (3) months."

75. Pursuant to the above, the under-construction transmission projects having an SCOD after 25.3.2020 were granted an extension of 5 months in their SCOD. Further, as per the terms of the letter dated 12.6.2021, under-construction transmission projects having an SCOD falling after 1.4.2021 were granted an extension of three months in their SCOD.

76. In the instant Petition, the SCOD of the instant communication assets is 20.9.2021, which falls after both 25.3.2020 and 1.4.2021. Accordingly, the extensions of 5 months and 3 months as provided in the aforesaid letters dated 27.7.2020 & 12.6.2021, respectively, apply to the instant communication assets. Accordingly, the time overrun of 240 days claimed by the Petitioner on account of the COVID-19 Pandemic is hereby condoned with respect to Asset-III.

Delay Due to Flooding & Waterlogging:

77. The Petitioner has submitted that the execution of the instant communication assets was hampered due to heavy rainfall during the monsoon period from June 2020 to September 2020 and the post-monsoon season from August 2020 to November 2020. Similarly, during the post-monsoon period of 2021, i.e., August 2021 to November 2021, execution of the asset was also affected by heavy rainfall, resulting in flooding & waterlogging at the construction sites.

78. We have considered the Petitioner's submissions. It is observed that the Petitioner has relied upon newspaper clippings, reports of the Central Water Commission (CWC) and reports of the India Meteorological Department (IMD) in support of its claim for time overrun on account of flooding and waterlogging. However, these documents are general in nature and do not substantiate the impact of flooding and waterlogging on execution of the instant transmission asset or establish the period of delay attributable thereto.

79. Regulation 3(25) (a) of the 2019 Tariff Regulations provides as under:

> *"**25.0 Force Majeure** for the purpose of these regulations means the events or circumstances or combination of events or circumstances including those stated below which partly or fully prevents the generating company or transmission licensee to complete the project within the time specified in the Investment Approval, and only if such events or circumstances are not within the control of the generating company or transmission licensee and could not have been avoided had the generating company or transmission licensee taken reasonable care or complied with prudent utility practices:*
> *a) Act of God including lightning, drought, fire and explosion, earthquake, volcanic eruption, landslide, flood, cyclone, typhoon, tornado, geological surprises, or exceptionally adverse weather conditions which are in excess of the statistical measures for the last hundred years; or*
> *b) Any act of war, invasion, armed conflict or act of foreign enemy, blockade, embargo, revolution, riot, insurrection, terrorist or military action; or*
> *c) Industry wide strikes and labour disturbances having a nationwide impact in India; or*
> *d) Delay in obtaining statutory approval for the project except where the delay is attributable to project developer*;

80. As per Regulation 3(25)(a) of the 2019 Tariff Regulations, an “act of God” like rainfall may be considered an FM event only where the rainfall exceeds the average rainfall of the preceding hundred years. In the instant Petition, the Petitioner has failed to substantiate, by placing adequate supporting documents on record, that the rainfall during the period from August 2020 to November 2020 and August 2021 to November 2021 was unprecedented and resulted in deferment of the works associated with the instant transmission asset, thereby affecting its scheduled commissioning.

81. The Petitioner has itself submitted that the possible hinderances caused by rainfall during the monsoon season are generally taken into consideration while preparing the completion schedule. Accordingly, we are of the view that any impact of rainfall during the monsoon period June 2020 to September 2020 on the execution activities of the instant communication assets, if any, ought to have been duly accounted for in the project planning. In view of the foregoing deliberations, we are not inclined to condone the time overrun of approximately 9 months claimed by the Petitioner with respect to the commissioning of the instant transmission assets on account of flooding & waterlogging.

Delay Due to System/Shut Down Constraints

82. The Petitioner has submitted that the 400 kV D/C Barh-Gorakhpur transmission line had been LILOed at the Motihari Sub-station of M/s DMTCL and that the OPGW laying work on the said transmission line was affected due to the washing away of four towers of the DMTCL LILO line near the LILO point. The Petitioner further submitted that the towers at Location No. 27/0 of the 400 kV D/C Gorakhpur - Motihari Line and at Location No. 26/0 & 25/5 of 400 kV D/C Barh - Motihari Line collapsed on 13.8.2019 and 04.09.2019 & 7.10.2019, respectively. The Petitioner contended that ERLDC advised a complete stoppage of the OPGW work from 16.1.2021 until permanent

restoration of the line, which was completed on 31.3.2021 to facilitate charging of the line after completion of the restoration works. Accordingly, the Petitioner has claimed a time overrun of 74 days from 16.1.2021 to 31.3.2021.

83. We have considered the Petitioner's submissions. After pursuance of each and every documents placed on record, it is observed that during the 163rd OCC meeting held on dated 15.11.2019, the forum took note of the collapse of the towers at Location No. 27/0 of 400 kV D/C Gorakhpur-Motihari Line and at Location No. 26/0 & 25/5 of 400 kV D/C Barh - Motihari Line get collapsed on 13.8.2019 and 4.9.2019 & 7.10.2019 respectively, and requested the Petitioner to provide a restoration plan for the 400 kV D/C Barh-Gorakhpur line by bypassing the LILO point. The relevant extract of the minutes of meeting is reproduced as under:

> ***"163rd OCC meeting***
>
> ***3. 400 kV Barh - Motihari D/C and 400 kV Barh - Gorahkpur D/C lines***
> *In 161st OCC, ERLDC informed that 400 KV Gorakhpur –Motihari(DMTCL) –D/C were out since 13/08/2019 on tower collapse at LOC 27/0 and 400 KV Barh – Motihari(DMTCL) –D/C were out since 04/09/2019 on tower collapse at LOC 26/0.*
> *After detailed deliberation, it was emerged that one circuit of 400 KV Barh– Motihari(DMTCL) –D/C line could be restored as 400 KV Barh – Motihari(DMTCL) line and other circuit could be directly connected to Gorakhpur as 400 KV Barh-Gorakhpur line so that Barh STPS generation could be evacuated safely.*
> *Subsequently it has been reported that on 7th Oct 2019 tower no 25/5 of Motihari - Barh got collapsed due to which temporary restoration of 400kV Barh - Motihari line as planned, now seems in-feasible.*
> *Under the circumstances POWERGRID is requested to furnish a detailed plan for restoration of 400kV Barh – Gorakhpur D/C (by passing the LILO point) on urgent basis to maintain reliability of ER – NR inter regional corridor and safe evacuation of Barh STPS power.*
> *Xxxxxx*
> *Members may update.*
>
> ***Deliberation in the meeting***
>
> *DMTCL informed that the restoration work would start from 15th December 2019 after completion of approach road for carrying the construction material and mobilization of gangs.*
> *DMTCL added that restoration of 400 kV Barh - Motihari D/C line would take five months and restoration of 400 kV Motihari -Gorakhpur D/C line would take six months.*
> *OCC agreed for charging of elements at Motihari S/s on periodic basis. OCC advised DMTCL to interact with ERLDC and Bihar for necessary charging code.*
> *OCC advised Powergrid to make direct connectivity i.e. 400 kV Barh - Gorakhpur D/C line, till restoration of the LILO portion of Motihari.*

Powergrid agreed to make direct connectivity with Twin Moose conductor but DMTCL has to do the necessary destringing of the conductor of the LILO section with the original line to enable PGCIL to establish the direct connectivity.
OCC advised DMTCL to complete the destringing work at the earliest so that Powergrid could start the bypass arrangement.
Bihar informed that they are facing severe power shortage at Motihari due to outage of above lines and requested DMTCL to accelerate the restoration work. Bihar requested DMTCL to complete the restoration work before summer.
OCC referred the issue to 42nd TCC Meeting.
OCC advised DMTCL to attend 42nd TCC Meeting to be held at Port Blair on 12th December 2019."

84. The said issue was further deliberated in the 175th OCC meeting held on 3.2.2021, and the 176th OCC meeting held on 4.3.2021, wherein DMTCL apprised the forum of the progress of the restoration works. After detailed deliberations, it was advised that OPGW work on the 400 kV Barh - Motihari line would commence after completion of the line's permanent restoration works. Accordingly, the Petitioner demobilised the manpower deployed for the OPGW works. The relevant extract of the aforesaid meetings is reproduced as under:

"175th OCC meeting

Item No. B.4 Outage of Important Transmission System.

1. 400 kV Barh - Motihari D/C and 400 kV Motihari - Gorakhpur D/C lines.
In the 173rd OCC Meeting, DMTCL informed that they had resumed the work and they are planning to bring one circuit of 400kV Gorakhpur-Motihari line on ERS by 10th December 2020.
DMTCL added that they are putting out all efforts for permanent restoration of all the four circuits by 31st Mar 2021.
Regarding the issue of SCADA data of NTPC Barh, DMTCL informed that ABB engineer would visit the site on 26thNov 2020 to resolve the issue.
***In the 174th OCC meeting**, DMTCL informed that one circuit of 400kV Gorakhpur - Motihari line was ready for charging and the line would be charged after getting clearance from CEA.*
ERLDC informed that there was a restriction of power flow of 350 MW in 400kV Barh-Motihari line therefore, 400kV Gorakhpur-Motihari line could not be charged simultaneously to avoid overloading of the line during normal operation. 400kV Gorakhpur-Motihari line would be kept on anti-theft charging from one end and the line would be restored from other end in case of tripping of 400kV Barh - Motihari line.
OCC opined that both the lines could be put in service on each bus by opening bus coupler at Motihari.
After detailed deliberation, OCC advised ERLDC to make suitable scheme for above subjected lines based on existing loading conditions at Motihari for reliable power supply to Bihar.
On query, DMTCL intimated that the permanent restoration of the lines would be completed by March 2021.

Deliberation in the meeting

DMTCL submitted that the work for pile foundations were completed at all locations, whereas at 02 nos. (at 26/0 & 26/3) locations the work for pile cap is under progress
DMTCL informed that the works are in progress at all fronts and both the lines would get restored by 2nd week of March'21.
Regarding non-availability of SCADA data of Motihari, DMTCL submitted that the same has not been rectified yet. They informed that they are pursuing the issue with the vendor i.e. M/S ABB for early restoration. They also informed that the SCADA data would get restored once the 400 kV lines from Motihari get restored to its present configuration.
It was informed that the OPGW work of 400 kV Barh - Motihari lines would be started after permanent restoration of the lines.

176th OCC meeting

1. 400 kV Barh - Motihari D/C and 400 kV Motihari - Gorakhpur D/Clines.
In the 175th OCC meeting, DMTCL submitted that the work for pile foundations were completed at all locations, whereas at 02 nos. (at 26/0 & 26/3) locations the work for pile cap is under progress.
DMTCL informed that the works are in progress at all fronts and both the lines would get restored by 2nd week of March'21.
Regarding non-availability of SCADA data of Motihari, DMTCL submitted that the same has not been rectified yet. They informed that they are pursuing the issue with the vendor i.e. M/S ABB for early restoration. They also informed that the SCADA data would get restored once the 400 kV lines from Motihari get restored to its present configuration.
It was informed that the OPGW work of 400 kV Barh - Motihari lines would be started after permanent restoration of the lines.
Deliberation in the meeting
DMTCL informed that all the tower erection has been completed except one special tower in 400 kV Motihari - Gorakhpur Section which is expected to be completed by Februray,2021. They added that stringing of conductors is also under progress and the lines will be restored by 2nd week of March,2021.
They further informed that keeping in view the onset of summer and rise in demand, the shutdown schedule for final restoration work would be reviewed and submitted for approval.
OCC advised DMTCL to submit their shutdown requirement plan to ERLDC and ERPC secretariat and also advised to coordinate with ERLDC & SLDC Bihar for finalizing the shutdown dates.
Regarding non-availability of SCADA data, they informed that SCADA data would get restored once the 400 kV lines from Motihari get restored to its original configuration.
Powergrid informed that as per the advice of ERLDC, they have demobilized the OPGW installation gang for OPGW work in 400 kV Barh - Motihari Ckt-2 and the work would be resumed after permanent restoration of Barh - Motihari & Motihari - Gorakhpur lines."

85. In view of the foregoing deliberations, we are of the view that the time overrun in the execution of OPGW works on the 400 kV D/C account of Barh - Gorakhpur line, arising due to the collapse of towers on the LILO portion of the said line at Motihari sub-station, is beyond the control of the Petitioner, and the Petitioner has suspended the OPGW laying works in accordance with the deliberations and advice recorded in the

OCC meetings. Accordingly, considering the consequential effect of suspending the execution activities on the project completion schedule, the 74-day time overrun from 16.1.2021 to 31.3.2021 due to delay on account of system/shutdown constraints is hereby condoned.

86. Accordingly, the details of the time overrun claimed and condoned with respect to Asset-III are as follows:

Sr. No.	Particulars	Time overrun claimed (in Days)				Time overrun condoned	Remarks
		From	To	Total	Net time overrun w.e.f SCOD 20.9.2021		
1	Due to COVID-19 Pandemic	-	-	240	240	240	-
2	Delay due to flooding and waterlogging	June 2020	November 2020	270	147	0	Not Condoned
		August 2021	November 2021			0	
3	Delay due to system /shutdown constraints	16.1.2021	31.3.2021	74		74	Considering consequential effects in commissioning of instant transmission asset
Total				**584**	**387**	**314**	

Asset-IV:

A. Delay Due to COVID-19 Pandemic:

87. The Petitioner has submitted that the same justification as set out earlier with respect to submitted earlier with respect to time overrun in Asset-III. Accordingly, the same has not been repeated herein. The time overrun due to the COVID-19 pandemic has been analysed in detail in respect of Asset-III, and 240 days have been condoned at paragraph 77 above. Since Asset-IV also forms part of the instant transmission project, the 240-day time overrun due to the COVID-19 pandemic is also hereby condoned in respect of Asset-IV.

B. Delay Due to Flooding and Water Logging

88. The Petitioner has submitted that the same justification as set out earlier with respect to the time overrun in Asset-III is also applicable to Asset-IV. Accordingly, the Petitioner has not repeated the same herein for brevity. The time overrun due to flooding and waterlogging has been analysed in detail in respect of Asset-III, wherein the Petitioner's claimed time overrun of approximately nine months was not condoned. Since the Petitioner has relied upon similar justifications with respect to Asset-IV, we are not inclined to re-examine the same. Accordingly, in line with the analysis undertaken in respect of Asset-III, the time overrun of approximately 9 months claimed by the Petitioner for commissioning Asset-IV on account of flooding & waterlogging is also not condoned.

C. Delay Due to System/Shutdown Constraints:

89. The Petitioner has submitted that the 400 kV D/C Patna - Kishanganj transmission line was affected due to the collapse of towers at Loc No. 129/0 on 2.9.2018 and at 99/2 on 19.7.2019. The temporary restoration of the line was completed on 19.3.2020, and permanent restoration was completed on 23.3.2021. Accordingly, the Petitioner has claimed a time overrun of 933 days for the period from 2.9.2018 to 23.3.2021.

90. We have considered the Petitioner’s submissions and pursued the documents placed on record. It is observed that during the 41st ERPC & TCC meetings, the issue of the outage of the Petitioner's 400 kV D/C Patna - Kishanganj transmission line was deliberated in detail. Based on the recommendations of the Committee constituted to analyse major outages of ISTS elements in the Eastern Region, the forum decided that the period from 2.9.2018 to 14.2.2019 and from 2.9.2018 to 16.1.2019, in respect of Circuit-I and Circuit-II, respectively, along with the minimum restoration period of six

months, i.e. from 15.2.2019 to 14.8.2019, would be considered under the category of acts of God and Force Majeure. The relevant extract of the said meeting is reproduced as under:

"41st TCC meeting

ITEM NO. B9: Outage of important transmission lines
2) Outage of 400kV D/C Patna – Kishanganj line of PGCIL

400 kV D/C Patna – Kishanganj line has been out since 02.09.2018 due to tower collapse which occurred as a result of change of course of Ganga river. The circuit – 2 has been restored on 16.01.2019 on ERS but the final restoration of D/C line has not yet been done. In different meetings of ERPC, PGCIL has highlighted the challenges being faced by them in normalising the lines. They have requested that the above outages be considered under category of acts of god and forced majeure event beyond the control of transmission licensee for the purpose of certification of Transmission Availability.

To deal with the issue, Member Secretary, ERPC constituted a "Committee for analysing the major outages of ISTS elements of ER" vide no. ERPC/MS/TA/2018-19/8480-84 dated 25.01.2019. The Committee had made extensive deliberation on this issue in its meeting held on 13.02.2019 and, on the advice of Member Secretary, ERPC, the Committee also visited the affected location of tower collapse to assess the actual site condition and volume of work involved etc.

Based on the recommendation of the Committee and taking into consideration the findings of the Committee in its site visit, the followings have been decided:

i) The zero date for commencement of the restoration work would be considered w.e.f. 15.02.2019 and the outages period for Circuit – 1 from 02.09.2018 to 14.02.2019 would be considered under the category of acts of god and force majeure category. For Circuit – 2, outage from 02.09.2018 to 16.01.2019 would be considered under the category of acts of god and force majeure category as it was restored on ERS.

ii) The reasonable restoration time allowable shall be considered six months from the zero date of the restoration work. So, the period from 15.02.2019 to 14.08.2019 may be considered under the category of acts of god and force majeure category.

iii) Transmission Availability certificate shall be revised / issued by ERPC Secretariat accordingly.

Subsequently, in 160th OCC, Powergrid informed that 400 kV Kishenganj - Patna D/C lines would be restored by end of December 2019.

ENICL & PGCIL may update.

Deliberation in the TCC Meeting

Member Secretary, ERPC informed TCC regarding the actions taken by him in assessing the damages, progress of the work including the restoration time required, by forming a committee with the representatives of the utility constituents and transmission licensees.

After deliberation the followings were decided:
i. As suggested by MS ERPC, Bihar, Jharkhand, & DVC shall nominate a member each for the committee "committee for analyzing the major outages of ISTS elements of ER".

ii. The committee shall review the progress made by ENICL & Powergrid in restoring the lines. For this the committee shall also make site visit as and when required. Powergrid & ENICL shall make all out effort to normalize the line at the earliest.

iii. In case of certifying availability under forced majeure condition, the maximum availability to be given is up to 98 %. No incentives shall be applicable for such availability.

iv. The transmission licensee shall continuously monitor the change of the course of the river so that situation like this may be avoided in future."

91. In view of the foregoing, we are of the view that the period from 2.9.2018 to 14.8.2019 relating to the restoration of 400 kV D/C Patna – Kishanganj transmission Line was acknowledged by the ERPC as an FM event. However, as per FORM-12 submitted by the Petitioner, the LOA for the instant communication project, including the communication asset, was issued on 31.10.2018. Therefore, considering the consequential impact of the time taken for restoration of the 400 kV D/C Patna–Kishanganj transmission line on the OPGW laying works on the said transmission line, the time overrun of 286 days for the period from 1.11.2018 to 14.8.2019 is hereby condoned in respect of Asset-IV on account of system/shutdown constraints.

92. Accordingly, the details of the time overrun claimed and condoned with respect to Asset-IV is as follows:

Sr. No.	**Particulars**	**Time overrun claimed (in Days)**				**Time overrun condoned**	**Remarks**
		From	**To**	**Total**	**Net time overrun w.e.f. SCOD 20.9.2021**		
1	Due to COVID-19 Pandemic	-	-	240	240	240	
2	Delay due to flooding and waterlogging	June 2020	November 2020	270	364	0	Not condoned
		August 2021	November 2021			0	

3	Delay due to system /shutdown constraints	2.9.2018	23.3.2021	933		286	Considering consequential effects in commissioning of instant transmission asset
Total				**1443**	**604**	**526**	

Asset-V:

A. Delay Due to COVID-19 Pandemic:

93. The Petitioner has submitted that the same justification as set out earlier with respect to the time overrun of Asset-III is also applicable to Asset-V. Accordingly, the same has not been repeated herein for the sake of brevity.

94. The time overrun due to the COVID-19 Pandemic has been analysed in detail with respect to Asset-III and 240 days has been condoned in the above discussions. Since Asset-V also forms part of the instant communication project, the 240-day time overrun on account of the COVID-19 Pandemic is also hereby condoned with respect to Asset-V.

B. Delay Due to Severe RoW Issues:

95. The Petitioner has submitted that the OPGW erection works were hampered at various locations due to ROW issues/Old compensation issues arising from incomplete or partial compensation relating to the construction of the 400 kV D/C Teesta III-Kishanganj transmission line by M/s SPTL. The Petitioner has contended that, due to the said RoW issues, considerable time was lost in de-mobilisation and re-mobilisation of workers. Accordingly, the Petitioner has claimed a time overrun of 1223 days due to various RoW issues.

96. We have considered the Petitioner's submissions and perused the documents placed on record. It is observed that the RoW issues at location No. 272-273, 273-274/5, 290A/0, 294B/1, 294B/4, 294B/5, 308, 311/2, 316/1, 321, 319 & 320 were resolved by

the Petitioner with the help of the concerned administrative authorities and the works at these locations were completed well before the SCOD. Accordingly, we are not inclined to consider the time overrun due to the consequential effect of RoW issues at the aforementioned locations.

97. Further, the Petitioner had taken effective steps to resolve the ROW issues at Location No. 56, 56/1, 72 to 73, 77, 195-197/1. However, the issues continued until 13.3.2023. The relevant extracts of the 8th TEST, 9th TEST, 10th TEST and 13th TEST meetings are summarised as under:

"***8th TEST meeting held on 11.3.2021***

TEM NO. B.9: Issues related to OPGW Installation in Teesta III - Kishanganj line-Powergrid

POWERGRID is implementing OPGW on Teesta III-Kishanganj TL under Fiber Optic Expansion Package (Additional Requirement). Out of total 215 Km, 90 Km work has been completed. But following issues are causing hindrance towards completion of the work.

B. ROW issues / Old compensation issues: *Severe ROW issues are being faced during execution of the work hampering the work and causing delay to the work. During erection of OPGW, work has been stopped at various locations due to ROW issues/Old compensation issues. In all locations, local villagers are demanding payment of old pending compensation from TPTL. ROW issues occurred till date is detailed as under:*

Sr	RoW Location/Drum no	ROW Since	Contact Person, site
(i)	272/3 (Drum No: 42; T No. 270 to 273)	11.2.2020	Ganesh Kumar Roy Hatidoba, Kharibari, Ragali
II)	T No. 274 (Drum No: 43; T No 274/5 to 273)	6.11.2019	Appu Datta Buraganj, Darjeeling
III)	T No 290A/0 (Drum No 50- T No 290/3 to 294B)	19.10.2019	Tejabpur, Kishangan
IV)	T No. 294B/1,294B/4,294B/5 (Drum No 51: T. No 294B to 294D/1)	03.12.2019	Md Ezaz Pothiya, Kishanganj
V)	T No 308,311/2 (Drum No 58; T No 305/1 to 311/5)	09.01.2020	Nur Ishlam, Umar Ali, Bhola Lahara, Kishangan
VI)	316/1 (Drum No 59; T No 311/5,316/1	27.02.2020	Mansur Ali, Zamuruddin Rahaman, Afroj Alam (Marwa Toli, Khirdoho), Kishanganj
VII)	AP321N,AP319N,AP320 Drum-60	15.12.2020	Kamal Kumar Ghosh, Hazi Mubarak Hussain at Kochadhaman
VIII)	AP 56, AP56/1 & AP57 Drum-9	07.02.2021	Phal Bahadur (Vill-Tumin & Kokaley)
IX)	AP72 to AP73 Drum-11	08.02.2021	Vill-Singbel, PS-Singtam, East Sikkim

X)	*AP77 Drum-12*	*09.02.2021*	*Vill-Ralap, PS-Singtam, East Sikkim*

Meeting has been done with district administration for resolving this issue.
Being owner of the line, TPTL is requested to provide necessary support for resolving the ROW issue.
Members may discuss.

Deliberation in the meeting
Powergrid informed that out of total 215 km, 130 km work has been completed.
On query, Powergrid further told that it would take around 4 months to complete full work.
TPTL informed that the ROW issue of Bihar section has been taken up with the district administration and District Magistrate has agreed to provide police force from 15.03.2021 onwards.

TeST Committee advised Powergrid to expedite the work and complete it at the earliest as it would be difficult to allow shutdown during the rainy season. TeST Committee further advised TPTL to coordinate with Powergrid to resolve ROW issue

9th TEST meeting held on 16.6.2021
TEM NO. B.13.1: Issues related to OPGW Installation in Teesta III - Kishanganj line-
POWERGRID is implementing OPGW on Teesta III-Kishanganj TL under Fiber Optic Expansion Package (Additional Requirement). Out of total 215 Km, 151 Km work has been completed. But following issues are causing hindrance towards completion of the work.

A. ROW issues / Old compensation issues:
POWERGRID is implementing OPGW on Teesta III- Kishanganj TL under Fiber Optic Expansion Package (Additional Requirement). Out of total 215 Km, 151 Km work has been completed. But severe ROW issues are being faced at site due to old compensation issues causing hindrance towards completion of the work.

The status of ROW issues occurred till date is detailed as under:

Sr	***RoW Location/Drum no***	***ROW Since***	***Contact Person, site***	***Status***
(i)	*272/3 (Drum No: 42; T No. 270 to 273)*	*11.2.2020*	*Ganesh Kumar Roy Hatidoba, Kharibari, Ragali*	*Pending due old compensation demand during TL Construction by villager*
II)	*T No. 274 (Drum No: 43; T No 274/5 to 273)*	*6.11.2019*	*Appu Datta Buraganj, Darjeeling*	*Resolved. Issue resolved on 18.04.2021 with help of Administration. Work completed 20.04.2021*
III)	*T No 290A/0 (Drum No 50- T No 290/3 to 294B)*	*19.10.2019*	*Tejabpur, Kishangan*	*Resolved. Issue resolved on 05.04.2021 with help of Administration. Work completed 12.04.2021.*
IV)	*T No. 294B/1,294B/4,294B/5 (Drum No 51: T. No 294B to 294D/1)*	*03.12.2019*	*Md Ezaz Pothiya, Kishanganj*	*Resolved. Issue resolved on 05.04.2021 with help of Administration. Work completed 12.04.2021*

V)	*T No 308,311/2 (Drum No 58; T No 305/1 to 311/5)*	*09.01.2020*	*Nur Ishlam, Umar Ali, Bhola Lahara, Kishangan*	*Resolved. Issue resolved on 16.03.2021 with help of Administration. Work completed 19.03.2021*
VI)	*316/1 (Drum No 59; T No 311/5,316/1*	*27.02.2020*	*Mansur Ali, Zamuruddin Rahaman, Afroj Alam (Marwa Toli, Khirdoho), Kishanganj*	*Resolved. Issue resolved on 21.03.2021 with help of Administration. Work completed 26.03.2021*
VII)	*AP321N,AP319N, AP320 Drum-60*	*15.12.2020*	*Kamal Kumar Ghosh, Hazi Mubarak Hussain at Kochadhaman*	*Resolved. Issue resolved on 01.04.2021 with help of Administration. Work completed 03.04.2021*
VIII)	*AP 56, AP56/1 & AP57 Drum-9*	*07.02.2021*	*Phal Bahadur (Vill-Tumin & Kokaley)*	*Pending due to old compensation demand during TL Construction by villager.*
IX)	*AP72 to AP73 Drum-11*	*08.02.2021*	*Vill-Singbel, PS-Singtam, East Sikkim*	*Pending due to old compensation demand during TL Construction by village*
X)	*AP77 Drum-12*	*09.02.2021*	*Vill-Ralap, PS-Singtam, East Sikkim*	*Pending due to old compensation demand during TL Construction by villager.*
xi)	*Location number AP 195 to AP 197/1 (Drum27B, 28 & 29)*	*11.3.2021*	*Satish Pokhrun Vill,PS&PO:Rellin g Dist.: Darjelling Pin: 734201*	*Pending due to old compensation demand during TL Construction by villager*

In 8th TeST Meeting, TeST Committee advised Powergrid to expedite the work and complete it at the earliest as it would be difficult to allow shutdown during the rainy season. TeST Committee further advised TPTL to coordinate with Powergrid to resolve ROW issue.

TPTL &Powergrid may update.

Deliberation in the meeting

Powergrid representative informed that ROW issues of Bihar region had already been resolved. He further informed that there are pending ROW issues in West Bengal and Sikkim. However, Powergrid submitted that as per TPTL"s confirmation ROW issues of Sikkim had been resolved. Powergrid representative further added that pending work of OPGW would be completed in 3 months if lockdown restriction eases for mobilization of the team.

Test Committee advised Powergrid to coordinate with TPTL to resolve ROW issues at the earliest.

On query, Powergrid representative informed that OPGW work of LILO section of Teesta-III-Kishanganj line (to be LILOed at Rangpo) would also be completed before commissioning of the LILO section.

10th TEST meeting held on 1.11.2021

TEM NO. B.16: Issues related to OPGW Installation in Teesta III - Kishanganj line- *POWERGRID is implementing OPGW on Teesta III-Kishanganj TL under Fiber Optic Expansion Package (Additional Requirement). Out of total 215 Km, 152 Km work has been completed. But following issues are causing hindrance towards completion of the work.*

B. ROW issues / Old compensation issues:

Severe ROW issues are being faced during execution of the work hampering the work and causing delay to the work. During erection of OPGW, work has been stopped at various locations due to ROW issues/Old compensation issues. In all locations, local villagers are demanding payment of old pending compensation from TPTL. ROW issues have been resolved at some places however based on past experience, owner of the line, M/s TPTL is requested to provide necessary support for resolving the ROW issue. Following is the summary:

Sr	***RoW Location/Drum no***	***ROW Since***	***Contact Person, site***	***Status***
(i)	*272/3 (Drum No: 42; T No. 270 to 273)*	*11.2.2020*	*Ganesh Kumar Roy Hatidoba, Kharibari, Ragali*	***Resolved.*** *Issue resolved on 13.08.2021 with help of Administration. Work completed 17.08.2021.*
II)	*T No. 274 (Drum No: 43; T No 274/5 to 273)*	*6.11.2019*	*Appu Datta Buraganj, Darjeeling*	***Resolved.*** *Issue resolved on 18.04.2021 with help of Administration. Work completed 20.04.2021*
III)	*T No 290A/0 (Drum No 50- T No 290/3 to 294B)*	*19.10.2019*	*Tejabpur, Kishangan*	***Resolved.*** *Issue resolved on 05.04.2021 with help of Administration. Work completed 12.04.2021.*
IV)	*T No. 294B/1,294B/4,294B/5 (Drum No 51: T. No 294B to 294D/1)*	*03.12.2019*	*Md Ezaz Pothiya, Kishanganj*	***Resolved.*** *Issue resolved on 05.04.2021 with help of Administration. Work completed 12.04.2021*
V)	*T No 308,311/2 (Drum No 58; T No 305/1 to 311/5)*	*09.01.2020*	*Nur Ishlam, Umar Ali, Bhola Lahara, Kishangan*	***Resolved.*** *Issue resolved on 16.03.2021 with help of Administration. Work completed 19.03.2021*
VI)	*316/1 (Drum No 59; T No 311/5,316/1*	*27.02.2020*	*Mansur Ali, Zamuruddin Rahaman, Afroj Alam (Marwa Toli, Khirdoho), Kishanganj*	***Resolved.*** *Issue resolved on 21.03.2021 with help of Administration. Work completed 26.03.2021*
VII)	*AP321N,AP319N, AP320 Drum-60*	*15.12.2020*	*Kamal Kumar Ghosh, Hazi Mubarak Hussain at Kochadhaman*	***Resolved.*** *Issue resolved on 01.04.2021 with help of Administration. Work completed 03.04.2021*
VIII)	*AP 56, AP56/1 & AP57 Drum-9*	*07.02.2021*	*Phal Bahadur (Vill-Tumin & Kokaley)*	***Pending*** *due to old compensation demand during TL Construction by villager.*
IX)	*AP72 to AP73 Drum-11*	*08.02.2021*	*Vill-Singbel, PS-Singtam, East Sikkim*	***Pending*** *due to old compensation demand during TL Construction by village*
X)	*AP77 Drum-12*	*09.02.2021*	*Vill-Ralap, PS-Singtam, East Sikkim*	***Pending*** *due to old compensation demand during TL Construction by villager.*
xi)	*Location number AP 195 to AP 197/1 (Drum27B, 28 & 29)*	*11.3.2021*	*Satish Pokhrun Vill,PS&PO: Relling Dist.: Darjelling Pin: 734201*	***Pending*** *due to old compensation demand during TL Construction by villager*

Powergrid may explain. TPTL may respond.

Deliberation in the meeting

Powergrid representative informed that most of the ROW issues had been resolved except for 3-4 ROW issues.

TPTL representative submitted that they had already resolved all the compensation related issues and no compensation related issues are pending from their side. He further informed that in Sikkim it is observed that local people are demanding money even after compensation had been paid by TPTL.

TeST Committee advised Powergrid to resolve the pending ROW issues and also advised TPTL to help Powergrid if any further help is required.

13h TEST meeting held on 13.3.2023

TEM NO. B.18: Issues related to OPGW Installation in Teesta III - Kishanganj line- *POWERGRID is implementing OPGW on Teesta III-Kishanganj TL under Fiber Optic Expansion Package (Additional Requirement). Out of total 215 Km, 179 Km work has been completed. But following issues are causing hindrance towards completion of the work.*

B ROW issues / Old compensation issues: *Severe ROW issues are being faced during execution of the work because of which work is getting delayed. In all locations, local villagers are demanding payment of old pending compensation or compensation for shifting of houses due to induction. ROW issues occurred till date is detailed as under:*

Sr	***RoW Location/Drum no***	***ROW Affected Drum No.***	***Contact Person, site***	***RoW issues***
5	*Tower No.115/0*	*17*	*Name of the landowner: Gajendra Chettri (Mob: 8436105960). Village: Mamley PS: Namchi PO: Namchi Dist.: South Sikkim*	*Boulders kept near wall of landowner which hadn't been removed by M/s TPTL Induction related problems faced by landowner*
12	*Tower No.122 to 126*	*16B*	*Name of the landowner: Purna Bahadur Rai (Mob: 9593739944) Village: Lower Tingrithang PW PS: Namchi PO: Namchi Dist.: South Sikkim Pin: 737126*	*Induction related issues. Land owner claims wires too close to house and therefore claims compensation for housing property.*
13	*Tower No. 55 to 60*	*9*	*Phal Bahadur (Vill-Tumin & Kokaley) P.S: Singtam P.O: Tumin Dist: East Sikkim*	*Previous Compensation related issues during Construction*
14	*Tower No. 68 to 74*	*11*	*9) Person didn't disclose name Village: Singbel P.S: Singtam P.O: Makha Dist.: East Sikkim*	
15	*Tower No. 74 to 81*	*12*	*10) Person didn't disclose name Village:*	

			Ralap P.S: Singtam P.O: Makha Dist.: East Sikkim	
16	*Tower No. 195-197/1*	*27B*	*11) Satish Pokhrun (Mob.: 7872446069) Village: Relling P.S: Relling Dist.: Darjeeling*	*Previous Compensation related issues during Construction*
17	*Tower No. 197/1-201/1*	*28*		
18	*Tower No. 201/1-209/1*	*29*		

Several Meetings has been done with District administration and M/s TPTL (being owner of the line) for resolving the above issues. District Administration at Sikkim is providing support for resolving the issue.

The above is for information and record of all concerned.

Members may note.

Deliberation in the meeting

Powergrid representative informed that OPGW installation work for 36 km of line is pending and it is expected that work will be completed by June 2023.
Members Noted.

TeST Committee referred the issue to 49th TCC & ERPC Meeting for information."

98. Upon careful perusal of the foregoing minutes, we are of the view that the time overrun of 539 days, for the period from 20.9.2021 to 13.3.2023 in the execution of the OPGW laying works on account of various RoW issues was beyond the Petitioner's control. Since the 240-day time overrun from 20.9.2021 (SCOD) has already been subsumed under the time overrun due to the COVID-19 pandemic, the balance time overrun of 299 days is hereby condoned on account of the various RoW issues encountered by the Petitioner in commissioning the instant communication asset.

C. Delay Due to Non-availability of Requisite Shutdowns

99. The Petitioner has submitted that the delay in obtaining the requisite shutdowns or A/R in non-auto mode, due to the various system constraints, also affected the execution of the OPGW laying works on the main transmission line. However, the Petitioner has submitted that the said period of delay has already been subsumed under the time overrun due to RoW issues.

100. We have considered the Petitioner's submissions. It is observed that the Petitioner has referred to delay on account of non-availability of requisite shutdowns; it has neither separately quantified the time overrun attributable to this reason nor claimed any specific period on this account. The Petitioner has submitted that the said delay has been subsumed under the RoW-related delay.

101. In view of the foregoing and considering the Petitioner's submissions, since the time overrun due to ROW issues has already been analysed, the period attributable to "non-availability of requisite shutdowns" has been stated by the Petitioner to be subsumed therein, the time overrun on account of non-availability of requisite shutdowns is not being separately analysed.

102. The Petitioner has not submitted any justification for the time overrun during the period from 13.3.2023 to 1.3.2024 in commissioning of the instant communication assets. Accordingly, the 354-day time overrun for the period from 13.3.2023 to 1.3.2024 is not condoned.

103. Accordingly, the details of the time overrun claimed and condoned with respect to Asset-V are as follows:

Sr. No.	**Particulars**	**Time overrun claimed (in Days)**				**Time overrun condoned**	**Remarks**
		From	**To**	**Total**	**Net time overrun w.e.f. SCOD 20.9.2021**		
1	Due to COVID-19 Pandemic	-	-	240	240	240	
2	Delay due to RoW issues	6.11.2019	13.3.2023	1223	299	299	240 days subsumed under delay due to the COVID-19 pandemic
3	Delay due to non-availability of shutdowns	-	-	-		-	Subsumed under RoW issues

4	Time Overrun not condoned	-	-	-	354	0	Justifications not provided by the Petitioner.
Total				**1463**	**893**	**539**	

104. Accordingly, the details of the SCOD, COD, time over-run claimed by the Petitioner and time overrun Condoned/not condoned with respect to the communication asserts is as follows:

Assets	SCOD	COD	Time over-run claimed	Time over-run condoned	Time over-run not condoned
Asset-I	20.9.2021	19.6.2021	NA	NA	NA
Asset-II		11.7.2021	NA	NA	NA
Asset-III		12.10.2022	387 days	314	73 days
Asset-IV		17.5.2023	604 days	526	78 days
Asset-V		1.3.2024	893 days	539	354 days

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

105. The Petitioner has claimed the IDC with respect to the communication assets and has submitted a statement showing the computation of IDC and the discharge of IDC liability as on the date of commercial operation and thereafter as under:

(₹ in lakh)

Asset No.	IDC as per the Auditor's Certificate	IDC Discharged up to COD	IDC discharged during 2021-22	IDC discharged during 2022-23	IDC discharged during 2023-24	IDC discharged during 2024-25
Asset-I	21.46	15.31	4.81	1.34	0.00	0.00
Asset-II	19.62	16.31	0.47	2.85	0.00	0.00
Asset-III	50.82	39.39	0.00	7.38	4.05	0.00
Asset-IV	65.73	60.31	0.00	0.00	4.70	0.72
Asset-V	54.41	46.62	0.00	0.00	0.00	7.79

106. Further, the Petitioner, vide affidavit dated 3.10.2024, has claimed Notional IDC with respect to the communication assets in accordance with Regulation 19(2)(b) and Regulation 21(1) of the 2024 Tariff Regulations.

107. The Commission, vide its Technical Validation (TV) letter dated 27.5.2025, sought details of the computation of Notional IDC claimed for the communication assets. In response, the Petitioner, vide affidavit dated 16.6.2025, has revised the Notional IDC

and has submitted the detailed computation thereof. Further, the Petitioner has submitted that the revision was necessitated by an inadvertent arithmetic error in the methodology adopted earlier for computation of the Notional IDC. The details of the same are as under:

(₹ in lakh)

Particulars	Notional IDC	
	As submitted in petition (affidavit dated 27.5.2025)	Revised submission vide affidavit dated 16.6.2025
Asset-I	0.00	0.00
Asset-II	10.40	9.49
Asset-III	31.93	36.85
Asset-IV	44.09	52.60
Asset-V	63.79	54.53

108. BSPHCL, vide affidavit dated 4.9.2025, submitted on 16.9.2025, stated that the Petitioner has claimed IDC and IEDC up to the COD, i.e., up to 12.10.2022 for Asset-III, 17.5.2023 for Asset-IV and 1.3.2024 for Asset-V and has failed to limit the computation of IDC and IEDC to the SCOD. BSPHCL has relied upon Regulation 21(3) of the 2019 Tariff Regulations and has submitted that the Petitioner has failed to provide detailed justification, supported by relevant documents, including prudent phasing of funds and IDC incurred during the period of delay. Further, since the Petitioner has failed to establish that the delay is attributable to the Petitioner, the delay should be disallowed under Regulation 21(5) of the 2019 Tariff Regulations.

109. The Petitioner, vide affidavit dated 6.10.2025, in its rejoinder, has submitted that the computation sheet of IDC along with the phasing of loans and accrued / discharge statement, and the IEDC discharge statement, was already submitted as part of the original Petition. The revised Notional IDC was submitted vide affidavit dated 16.6.2025. The Petitioner has submitted that the details of LD, if any, shall be submitted at the time of truing-up, as the contracts for the packages associated with the communication project are yet to be closed.

110. We have considered the Petitioner and BSPHCL's submissions. As discussed above, the time overrun with respect to Asset-III, Asset-IV and Asset-V has been partially condoned, with the COD modified to 31.7.2022 for Asset-III, 28.2.2023 for Asset-IV and 13.3.2023 for Asset-V. Accordingly, the IDC on a cash basis up to the COD has been calculated based on the loan details provided in the statement showing the discharge of IDC and Form-9C for the communication assets as per the 2019 Tariff Regulations. The IDC claimed and allowed as on COD, along with the summary of discharge of IDC liability up to COD and thereafter for the purpose of tariff determination, is as follows:

(₹ in lakh)

Asset	IDC as per the Auditor's Certificate (A)	IDC disallowed due to time overrun not condoned (B)	IDC Allowed (C)=(A)-(B)	Undischarged IDC (D)				IDC allowed on COD (E)=(C)-(D)
				21-22	22-23	23-24	24-25	
Asset-I	21.46	0.00	21.46	4.81	1.34	0.00	0.00	15.31
Asset-II	19.62	0.04	19.58	0.47	2.84	0.00	0.00	16.27
Asset-III	50.82	4.03	46.79	0.00	7.38	0.60	0.00	38.82
Asset-IV	65.73	4.60	61.13	0.00	4.00	0.00	0.00	57.13
Asset-V	54.41	16.41	38.00	0.00	0.00	0.00	8.38*	29.62

**** ₹8.38 lakh to be allowed as ADD CAP as IDC discharged in 2024-25 during 2024-29 Tariff Period.***

111. Regulation 19(2)(b) of the 2024 Tariff Regulations provides as under:

> "*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;"*

112. We observed that the Petitioner has claimed the Notional IDC on normative debt funded through equity, in accordance with Regulation 19(2)(b) of the 2024 Tariff Regulations. As discussed above, there is no time overrun with respect to Asset-I and Asset-II, while the time overrun with respect to Asset-III, Asset-IV and Asset-V has been partially condoned with the COD modified to 31.7.2022, 28.2.2023 and 13.3.2023, respectively. Accordingly, the Notional IDC allowed based on the computation up to the

revised/modified COD, and the documents provided by the Petitioner for the 2024-29 tariff period, is as follows:

(₹ in lakh)

Particulars	Notional IDC		
	Claim by the Petitioner	Notional IDC disallowed due to time over-run not condoned/computational difference	Notional IDC allowed
Asset-I	0.00	0.00	0.00
Asset-II	9.49	0.36	9.13
Asset-III	36.85	6.41	30.44
Asset-IV	52.6	8.25	44.35
Asset-V	54.53	19.11	35.42

113. The Petitioner has submitted that the entire IEDC has been discharged up to COD. Since the time overrun for the communication assets has been disallowed / partially condoned, IEDC has been disallowed on a pro-rata basis. The IEDC claimed as per the Auditor's Certificate, the IEDC disallowed, and the IEDC discharged up to COD are as follows:

(₹ in lakh)

Asset	IEDC as per Auditor Certificate (A)	IEDC disallowed due to time overrun not condoned (B)	IEDC allowed (C) = (A-B)
Asset-I	52.18	0.00	52.18
Asset-II	36.73	0.00	36.73
Asset-III	96.85	4.77	92.08
Asset-IV	108.41	4.97	103.44
Asset-V	131.72	23.44	108.28

Initial Spares

114. 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:

"(d) Transmission System

(i) Transmission line- 1.00%
(ii) Transmission sub-station
- *Green Field- 4.00%*
- *Brown Field- 6.00%*

(iii) Series Compensation devices and HVDC Station- 4.00%
(iv) Gas Insulated Sub-station (GIS)
- *Green Field- 5.00%*
- *Brown Field- 7.00%*

(v) Communication System- 3.50%
(vi) Static Synchronous Compensator- 6.00%"

115. The Petitioner has submitted that the Initial Spares have been claimed under the PLCC / Communication head and that, as per Regulation 23 (d) of the 2019 Tariff Regulations, the applicable limit is 3.5%. The details of the Initial Spares claimed by the petitioner are as under:

(₹ in lakh)

Asset	**Particular**	**Plant and Machinery Cost for calculation of initial spares**	**Limit (C) (%)**	**Spare claimed (B)**	**Allowable spares allowable as pet Ceiling limit**
Asset-I	OPGW & Communication system	481.22	3.50	16.79	16.84
Asset-II		792.58		25.85	27.81
Asset-III		864.54		28.03	30.34
Asset-IV		893.36		28.44	31.37
Asset-V		694.09		24.27	24.29

116. The Petitioner has submitted the details of the discharge of Initial Spares as under:

(₹ in lakh)

Asset	**Initial Spares Claimed**	**COD**	**2021-22**	**2022-23**	**2023-24**	**2024-25**
Asset-I	16.79	12.17	2.56	2.06	0.00	0.00
Asset-II	25.85	25.85	0.00	0.00	0.00	0.00
Asset-III	28.03	20.88	0.00	3.72	3.43	0.00
Asset-IV	28.44	24.50	0.00	0.00	3.94	0.00
Asset-V	24.27	22.76	0.00	0.00	0.00	1.51

117. BSPHCL, vide affidavit dated 4.9.2025, has emphasised the Petitioner's obligation to provide detailed item-wise amounts of the Initial Spares claimed and to demonstrate the necessity and justification for claiming the same.

118. We have considered the Petitioner and BSPHCL's submissions. The details of the COD and the respective cut-off dates with respect to the instant communication assets, as per the 2019 Tariff Regulations, are as follows:

Asset No.	Commercial Operation date	Cut-Off Date
Asset-I	19.6.2021	30.6.2024
Asset-II	11.7.2021	31.7.2024
Asset-III	12.10.2022	31.10.2025
Asset-IV	17.5.2023	31.5.2026
Asset-V	01.3.2024	31.3.2027

119. As per Regulation, 23(d)(v) of the 2019 Tariff Regulations, the Initial Spares have been worked out and allowed with respect to the instant communication assets as under:

(₹ in lakh)

Asset	Particular	Plant and Machinery Cost for calculation of initial spares	Limit (C) (%)	Spare claimed (B)	Allowable spares allowable as pet Ceiling limit
Asset-I	OPGW & Communication system	481.22	3.50%	16.79	16.84
Asset-II		792.58		25.85	27.81
Asset-III		864.54		28.03	30.34
Asset-IV		893.36		28.44	31.37
Asset-V		694.09		24.27	24.29

120. Accordingly, the details of the capital cost allowed as on COD for the communication assets are as follows:

(₹ in lakh)

Asset No.	Capital Cost claimed as on COD (Auditor Certificate) (A)	Add.: Notional IDC (B)	Less: IDC Disallowed (C)	Less: IEDC Disallowed (D)	Less: Undischarged IDC as on COD (E)	Capital Cost as on COD (F)=(A+B-C-D-E)
Asset-I	391.71	0.00	0.00	0.00	6.15	385.56
Asset-II	661.10	9.13	0.04	0.00	3.31	666.88
Asset-III	870.14	30.44	4.03	4.77	7.98	883.81
Asset-IV	958.23	44.35	4.60	4.97	4.00	989.00
Asset-V	787.06	35.42	16.41	23.44	8.38	774.25

Additional Capital Expenditure (ACE)

121. Regulation 24 of the 2019 Tariff Regulations provides as under:

> *"**24. Additional Capitalisation within the original scope and up to 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".

122. The Petitioner has claimed that the ACE incurred/ projected to be incurred on account of balance/retention payments and unexecuted works under Regulations 24(1)(a) and 24(1)(b) of the 2019 Tariff Regulations. The details of the ACE claimed by the Petitioner are as follows:

(₹ in lakh)

Assets	Projected ACE			Total ACE
	2021-22	2022-23	2023-24	
Asset-I	57.48#	60.73#	51.09	169.30
Asset-II	113.16#	60.17#	17.82	191.15
Asset-III	-	57.67#	95.83#	153.50
Asset-IV	-	-	97.83#	97.83
Asset-V	-	-	0.00	0.00

#Includes accrual IDC discharged after COD

123. The Petitioner has further submitted that the ACE claimed with respect to the communication assets is within the original scope of work and has been claimed against previously recognised but undischarged liabilities.

124. We have considered the Petitioner's submissions. It is observed that the Petitioner has claimed the ACE towards the final / balance retention payments for works executed prior to the cut-off date and towards the original scope of works deferred for execution. Accordingly, as per Regulations 24(1)(a) and 24(1)(b) of the 2019 Tariff

Regulations, the ACE claimed by the Petitioner with respect to the instant communication assets for the 2019-24 tariff period is allowed, subject to truing up. The details of the ACE allowed are as follows:

Asset-I

(₹ in lakh)

Particulars	2021-22	2022-23	2023-24
ACE as per Auditor's Certificate allowed under Regulation 24 (1) (a) towards undischarged liabilities recognised to be payable at a future date and Regulation 24 (1) (b) towards works deferred for execution	52.67	59.39	51.09
Add: IDC discharge	4.81	1.34	0.00
Less: As the completion cost is restricted to the apportioned RCE cost	0.00	0.00	0.02
ACE allowed in the instant order	**57.48**	**60.73**	**51.07**

Asset-II

(₹ in lakh)

Particulars	2021-22	2022-23	2023-24
ACE as per Auditor's Certificate allowed under Regulation 24 (1) (a) towards undischarged liabilities recognised to be payable at a future date and Regulation 24 (1) (b) towards works deferred for execution	112.69	57.32	17.82
Add: IDC discharge	0.47	2.84	0.00
ACE allowed in the instant order	**113.16**	**60.16**	**17.82**

Asset-III

(₹ in lakh)

Particulars	2022-23	2023-24
ACE as per Auditor's Certificate allowed under Regulation 24 (1) (a) towards undischarged liabilities recognised to be payable at a future date and Regulation 24 (1) (b) towards works deferred for execution	50.29	91.78
Add: IDC discharge	7.38	0.60
ACE allowed in the instant order	**57.67**	**92.38**

Asset-IV

(₹ in lakh)

Particulars	2023-24
ACE as per Auditor's Certificate allowed under Regulation 24 (1) (a) towards undischarged liabilities recognised to be payable at a future date and Regulation 24 (1) (b) towards works deferred for execution	93.13
Add: IDC discharge	4.00
ACE allowed in the instant order	**97.13**

125. Accordingly, the details of the capital cost and ACE allowed with respect to the communication assets for the 2019-24 tariff period are as follows:

(₹ in lakh)

Assets	Capital Cost as on COD	ACE			Capital Cost as on 31.3.2024
		2021-22	2022-23	2023-24	
Asset-I	385.56	57.48	60.73	51.07	554.84
Asset-II	666.88	113.16	60.16	17.82	858.02
Asset-III	883.81	0.00	57.67	92.38	1033.86
Asset-IV	989.00	0.00	0.00	97.13	1086.13
Asset-V	774.25	0.00	0.00	0.00	774.25

Debt-Equity Ratio

126. Regulation 18 of the 2019 Tariff Regulations provides as under:

> ***"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:*
>
> *i. where equity actually deployed is less than 30% of the capital cost, actual equity shall be considered for determination of tariff:*
> *ii. the equity invested in foreign currency shall be designated in Indian rupees on the date of each investment:*
> *iii. 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 sas 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."

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

Asset-I

Funding	Capital Cost as on COD (₹ in lakh)	%	ACE during 2019-24 (₹ in lakh)	%	Capital Cost as on 31.3.2024 (₹ in lakh)	%
Debt	269.89	70.00	118.51	70.00	388.40	70.00
Equity	115.67	30.00	50.79	30.00	166.46	30.00
Total	**385.56**	**100.00**	118.51	**100.00**	**554.86**	**100.00**

Asset-II

Funding	Capital Cost as on COD (₹ in lakh)	%	ACE during 2019-24 (₹ in lakh)	%	Capital Cost as on 31.3.2024 (₹ in lakh)	%
Debt	466.82	70.00	133.80	70.00	600.62	70.00
Equity	200.06	30.00	57.34	30.00	257.41	30.00
Total	**666.88**	**100.00**	**191.14**	**100.00**	**858.02**	**100.00**

Asset-III

Funding	Capital Cost as on COD (₹ in lakh)	%	ACE during 2019-24 (₹ in lakh)	%	Capital Cost as on 31.3.2024 (₹ in lakh)	%
Debt	618.67	70.00	105.03	70.00	723.70	70.00
Equity	265.14	30.00	45.01	30.00	310.16	30.00
Total	**883.81**	**100.00**	**150.05**	**100.00**	**1033.86**	**100.00**

Asset-IV

Funding	Capital Cost as on COD (₹ in lakh)	%	ACE during 2019-24 (₹ in lakh)	%	Capital Cost as on 31.3.2024 (₹ in lakh)	%
Debt	692.30	70.00	67.99	70.00	760.29	70.00
Equity	296.70	30.00	29.14	30.00	325.84	30.00
Total	**989.00**	**100.00**	**97.13**	**100.00**	**1086.13**	**100.00**

Asset-V

Funding	Capital Cost as on COD (₹ in lakh)	%	ACE during 2019-24 (₹ in lakh)	%	Capital Cost as on 31.3.2024 (₹ in lakh)	%
Debt	541.98	70.00	0.00	70.00	541.98	70.00
Equity	232.27	30.00	0.00	30.00	232.27	30.00
Total	**774.25**	**100.00**	**0.00**	**100.00**	**774.25**	**100.00**

Depreciation

128. Regulation 33 of the 2019 Tariff Regulations provides as under:

> ***"33. Depreciation:*** *(1) Depreciation shall be computed from the date of commercial operation of a generating station or unit thereof or a transmission system or element thereof including communication system. In 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."

129. Depreciation has been worked out based on the admitted capital cost as on the COD. The weighted average rate of depreciation (WAROD) at Annexure-I has been worked out as per the rates of depreciation specified in the 2019 Tariff Regulations. The details of the depreciation allowed for the communication assets are as follows:

Asset-I

(₹ in lakh)

Sl. No.	Particulars	2021-22 (pro-rata 286 days)	2022-23	2023-24
A	Opening Capital Cost	385.56	443.04	503.77
B	Addition during the year 2019-24 due to ACE	57.48	60.73	51.09
C	Closing Capital Cost (A+B)	443.04	503.77	554.86
D	Average Capital Cost (A+C)/2	414.30	473.41	529.32
E	Average Capital Cost (90% depreciable assets)	414.30	473.41	529.32
F	Average Capital Cost (100% depreciable assets)	0.00	0.00	0.00
G	Depreciable value (excluding IT equipment and software) (E*90%)	372.87	426.06	476.38
H	Depreciable value of IT equipment and software (F*100%)	0.00	0.00	0.00
I	Total Depreciable Value (G+H)	372.87	426.06	476.38
J	Weighted average rate of Depreciation (WAROD) (in %)	6.33	6.33	6.33
K	Balance useful life at the beginning of the year (Year)	15	15	14
L	Lapsed useful life at the beginning of the year (Year)	0	0	1
M	**Depreciation during the year (D*J)**	**20.55**	**29.97**	**33.51**
N	Cumulative Depreciation at the end of the year	20.55	50.52	84.03
O	Remaining Aggregate Depreciable Value at the end of the year (I-O)	352.32	375.54	392.35

Asset-II

(₹ in lakh)

Sl. No.	Particulars	2021-22 (pro-rata 264 days)	2022-23	2023-24
A	Opening Capital Cost	666.88	780.04	840.20

Sl. No.	Particulars	2021-22 (pro-rata 264 days)	2022-23	2023-24
B	Addition during the year 2019-24 due to ACE	113.16	60.16	17.82
C	Closing Capital Cost (A+B)	780.04	840.20	858.02
D	Average Capital Cost (A+C)/2	723.46	810.12	849.11
E	Average Capital Cost (90% depreciable assets)	723.46	810.12	849.11
F	Average Capital Cost (100% depreciable assets)	0.00	0.00	0.00
G	Depreciable value (excluding IT equipment and software) (E*90%)	651.11	729.11	764.20
H	Depreciable value of IT equipment and software (F*100%)	0.00	0.00	0.00
I	Total Depreciable Value (G+H)	651.11	729.11	764.20
J	Weighted average rate of Depreciation (WAROD) (in %)	6.33	6.33	6.33
K	Balance useful life at the beginning of the year (Year)	15	15	14
L	Lapsed useful life at the beginning of the year (Year)	0	0	1
M	**Depreciation during the year (D*J)**	**33.13**	**51.28**	**53.75**
N	Cumulative Depreciation at the end of the year	33.13	84.41	138.16
O	Remaining Aggregate Depreciable Value at the end of the year (I-O)	617.99	644.70	626.05

Asset-III

(₹ in lakh)

Sl. No.	Particulars	2022-23 (pro-rata 171 days)	2023-24
A	Opening Capital Cost	883.81	941.48
B	Addition during the year 2019-24 due to ACE	57.67	92.38
C	Closing Capital Cost (A+B)	941.48	1033.86
D	Average Capital Cost (A+C)/2	912.65	987.67
E	Average Capital Cost (90% depreciable assets)	912.65	987.67
F	Average Capital Cost (100% depreciable assets)	0.00	0.00
G	Depreciable value (excluding IT equipment and software) (E*90%)	821.38	888.90
H	Depreciable value of IT equipment and software (F*100%)	0.00	0.00
I	Total Depreciable Value (G+H)	821.38	888.90
J	Weighted average rate of Depreciation (WAROD) (in %)	6.33%	6.33%
K	Balance useful life at the beginning of the year (Year)	15	15
L	Lapsed useful life at the beginning of the year (Year)	0	0

Sl. No.	Particulars	2022-23 (pro-rata 171 days)	2023-24
M	**Depreciation during the year (D*J)**	**27.06**	**62.52**
N	Cumulative Depreciation at the end of the year	27.06	89.58
O	Remaining Aggregate Depreciable Value at the end of the year (I-O)	794.32	799.32

Asset-IV

(₹ in lakh)

Sl. No.	Particulars	2023-24 (pro-rata 320 days)
A	Opening Capital Cost	989.00
B	Addition during the year 2019-24 due to ACE	97.13
C	Closing Capital Cost (A+B)	1086.13
D	Average Capital Cost (A+C)/2	1037.57
E	Average Capital Cost (90% depreciable assets)	1037.57
F	Average Capital Cost (100% depreciable assets)	0.00
G	Depreciable value (excluding IT equipment and software) (E*90%)	933.81
H	Depreciable value of IT equipment and software (F*100%)	0.00
I	Total Depreciable Value (G+H)	933.81
J	Weighted average rate of Depreciation (WAROD) (in %)	6.33%
K	Balance useful life at the beginning of the year (Year)	15
L	Lapsed useful life at the beginning of the year (Year)	0
M	**Depreciation during the year (D*J)**	**57.43**
N	Cumulative Depreciation at the end of the year	57.43
O	Remaining Aggregate Depreciable Value at the end of the year (I-O)	876.39

Asset-V

(₹ in lakh)

Sl. No.	Particulars	2023-24 (pro-rata 31 days)
A	Opening Capital Cost	774.25
B	Addition during the year 2019-24 due to ACE	0.00
C	Closing Capital Cost (A+B)	774.25
D	Average Capital Cost (A+C)/2	774.25
E	Average Capital Cost (90% depreciable assets)	774.25
F	Average Capital Cost (100% depreciable assets)	0.00
G	Depreciable value (excluding IT equipment and software) (E*90%)	696.82
H	Depreciable value of IT equipment and software (F*100%)	0.00
I	Total Depreciable Value (G+H)	696.82
J	Weighted average rate of Depreciation (WAROD) (in %)	6.33%
K	Balance useful life at the beginning of the year (Year)	15
L	Lapsed useful life at the beginning of the year (Year)	0
M	**Depreciation during the year (D*J)**	**4.15**
N	Cumulative Depreciation at the end of the year	4.15
O	Remaining Aggregate Depreciable Value at the end of the year (I-O)	692.67

Interest on Loan (IoL)

130. Regulation 32 of the 2019 Tariff Regulations provides as under:

> *"**32. Interest on loan capital:** (1) The loans arrived at in the manner indicated in regulation 18 of these regulations shall be considered 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."*

131. The Petitioner has claimed the weighted average rate of IoL, based on its actual loan portfolio and the applicable rate of interest.

132. BSPHCL, vide affidavit dated 4.9.2025, has contended that automatic billing and adjustment of changes arising from fluctuations in floating rates of interest should not be permitted, as the IoL is required to be determined in terms of Regulation 32 of the

2019 Tariff Regulations, based on the weighted rate of interest calculated on the actual loan portfolio as on the relevant date.

133. The Petitioner, vide affidavit dated 6.10.2025, in its rejoinder, submitted that the IoL has been calculated on the interest rate prevailing as on 1.4.2019 / SCOD for the respective loans. The Petitioner has further submitted that any variations in the interest rate due to changes in the floating rate of interest shall be submitted at the time of truing-up.

134. The Petitioner has considered the loan pertaining to "Canara-01 Loan" as an opening loan in Form 9C submitted for determination of the tariff. However, as per the IDC Statement, the said loan was availed after COD and therefore cannot be considered part of the opening loan as on COD. Accordingly, the said loan has been reduced from the Gross Opening Loan with respect to Asset-III, Asset-IV and Asset-V and has been considered as a loan drawal during the year. Accordingly, the said loan has been treated in accordance with the applicable provisions of the 2024 Tariff Regulations. Accordingly, the IoL allowed with respect to the communication assets for the 2019-24 tariff period is as follows:

Asset-I

(₹ in lakh)

	Particulars	2021-22 (pro-rata 286 days)	2022-23	2023-24
	Interest on Loan			
A	Gross Normative Loan	269.89	310.13	352.64
B	Cumulative Repayments up to the Previous Year	0.00	20.55	50.52
C	Net Loan-Opening (A-B)	269.89	289.58	302.12
D	Additions	40.24	42.51	35.76
E	Repayment during the year	20.55	29.97	33.51
F	Net Loan-Closing (C+D-E)	289.58	302.12	304.37
G	Average Loan (C+F)/2	279.73	295.85	303.24
H	Weighted Average Rate of Interest on Loan (in %)	6.8811	6.9996	7.0736
I	**Interest on Loan (G*H)**	**15.08**	**20.71**	**21.45**

Asset-II

(₹ in lakh)

	Particulars	2021-22 (pro-rate 264 days)	2022-23	2023-24
	Interest on Loan	466.82	546.03	588.14
A	Gross Normative Loan	0.00	33.13	84.41
B	Cumulative Repayments up to the Previous Year	466.82	512.90	503.73
C	Net Loan-Opening (A-B)	79.21	42.11	12.47
D	Additions	33.13	51.28	53.75
E	Repayment during the year	512.90	503.73	462.46
F	Net Loan-Closing (C+D-E)	489.86	508.32	483.10
G	Average Loan (C+F)/2	6.2906	6.2898	6.2898
H	Weighted Average Rate of Interest on Loan (in %)	**22.29**	**31.97**	**30.39**
I	**Interest on Loan (G*H)**	466.82	546.03	588.14

Asset-III

(₹ in lakh)

	Particulars	2022-23 (pro-rata 171 days)	2023-24
	Interest on Loan		
A	Gross Normative Loan	618.67	659.04
B	Cumulative Repayments up to the Previous Year	0.00	27.06
C	Net Loan-Opening (A-B)	618.67	631.97
D	Additions	40.37	64.66
E	Repayment during the year	27.06	62.52
F	Net Loan-Closing (C+D-E)	631.97	634.11
G	Average Loan (C+F)/2	625.32	633.04
H	Weighted Average Rate of Interest on Loan (in %)	7.2645	7.3151
I	**Interest on Loan (G*H)**	**21.28**	**46.31**

Asset-IV

(₹ in lakh)

	Particulars	2023-24 (pro-rata 320 days)
	Interest on Loan	
A	Gross Normative Loan	692.30
B	Cumulative Repayments up to the Previous Year	0.00
C	Net Loan-Opening (A-B)	692.30
D	Additions	67.99
E	Repayment during the year	57.43
F	Net Loan-Closing (C+D-E)	702.87
G	Average Loan (C+F)/2	697.58
H	Weighted Average Rate of Interest on Loan (in %)	7.4480
I	**Interest on Loan (G*H)**	**45.43**

Asset-V

(₹ in lakh)

	Particulars	2023-24 (pro-rata 31 days)
	Interest on Loan	
A	Gross Normative Loan	541.98
B	Cumulative Repayments up to the Previous Year	0.00
C	Net Loan-Opening (A-B)	541.98
D	Additions	0.00
E	Repayment during the year	4.15
F	Net Loan-Closing (C+D-E)	537.83
G	Average Loan (C+F)/2	539.90
H	Weighted Average Rate of Interest on Loan (in %)	7.6304
I	**Interest on Loan (G*H)**	**3.49**

Return on Equity (RoE)

135. Regulations 30 and 31 of the 2019 Tariff Regulations provide as under:

*"**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 shall be computed at the weighted average rate of interest on actual loan portfolio of the generating station or the transmission system

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."

"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:

Rate of pre-tax return on equity = 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:

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."

136. The Petitioner has submitted that the MAT rate is applicable to the Petitioner's Company.

137. BSPHCL, vide affidavit dated 4.9.2025, has submitted that the Petitioner ought to file a separate application under Regulation 31(3) of the Tariff Regulations for recovery of shortfall/refund of excess AFC on account of RoE arising due to change in the MAT rate in the respective financial year.

138. The Petitioner, vide affidavit dated 6.10.2025, has filed a rejoinder stating that, in terms of the relevant provisions of the Regulations, it has submitted the calculation of the MAT rate and the grossed-up ROE rate. The Petitioner has further submitted that it will submit the actual tax paid and other relevant details at the time of truing-up.

139. Accordingly, the MAT rate applicable during the 2019-24 tariff period has been considered to determine RoE, which shall be trued-up based on the actual tax rate in accordance with Regulation 31(3) of the 2019 Tariff Regulations. The RoE with respect to the communication assets has been worked out and allowed as follows:

Asset-I

(₹ in lakh)

	Particulars	2021-22 (pro-rata 286 days)	2022-23	2023-24
	Return on Equity			
A	Opening Equity	115.67	132.91	151.13
B	Additions	17.24	18.22	15.33
C	Closing Equity (A+B)	132.91	151.13	166.46
D	Average Equity (A+C)/2	124.29	142.02	158.79
E	Return on Equity (Base Rate) (in %)	15.500	15.500	15.500
F	MAT Rate for respective year (in %)	17.472	17.472	17.472
G	Rate of Return on Equity (in %)	18.782	18.782	18.782
H	**Return on Equity (D*G)**	**18.29**	**26.67**	**29.82**

Asset-II

(₹ in lakh)

	Particulars	2021-22 (pro-rate 264 days)	2022-23	2023-24
	Return on Equity			
A	Opening Equity	200.06	234.01	252.06
B	Additions	33.95	18.05	5.35
C	Closing Equity (A+B)	234.01	252.06	257.41

	Particulars	2021-22 (pro-rate 264 days)	2022-23	2023-24
D	Average Equity (A+C)/2	217.04	243.04	254.73
E	Return on Equity (Base Rate) (in %)	15.500	15.500	15.500
F	MAT Rate for the respective year (in %)	17.472	17.472	17.472
G	Rate of Return on Equity (in %)	18.782	18.782	18.782
H	**Return on Equity (D*G)**	**29.48**	**45.65**	**47.84**

Asset-III

(₹ in lakh)

	Particulars	2022-23 (pro-rata 171 days)	2023-24
	Return on Equity		
A	Opening Equity	265.14	282.44
B	Additions	17.30	27.71
C	Closing Equity (A+B)	282.44	310.16
D	Average Equity (A+C)/2	273.79	296.30
E	Return on Equity (Base Rate) (in %)	15.500	15.500
F	MAT Rate for the respective year (in %)	17.472	17.472
G	Rate of Return on Equity (in %)	18.782	18.782
H	**Return on Equity (D*G)**	**24.09**	**55.65**

Asset-IV

(₹ in lakh)

	Particulars	2023-24 (pro-rata 320 days)
	Return on Equity	
A	Opening Equity	296.70
B	Additions	29.14
C	Closing Equity (A+B)	325.84
D	Average Equity (A+C)/2	311.27
E	Return on Equity (Base Rate) (in %)	15.500
F	MAT Rate for the respective year (in %)	17.472
G	Rate of Return on Equity (in %)	18.782
H	**Return on Equity (D*G)**	**51.11**

Asset-V

(₹ in lakh)

	Particulars	2023-24 (pro-rata 31 days)
	Return on Equity	
A	Opening Equity	232.27
B	Additions	0.00
C	Closing Equity (A+B)	232.27

	Particulars	2023-24 (pro-rata 31 days)
D	Average Equity (A+C)/2	232.27
E	Return on Equity (Base Rate) (in %)	15.500
F	MAT Rate for the respective year (in %)	17.472
G	Rate of Return on Equity (in %)	18.782
H	**Return on Equity (D*G)**	**3.70**

Operation & Maintenance Expenses (O&M Expenses)

140. The Petitioner has claimed the following O&M Expenses with respect to the instant communication assets for the 2019-24 tariff period:

(₹ in lakh)

Particulars	2021-22 (Pro-rata 286 days)	2022-23	2023-24
Asset-I	8.70	11.10	11.10

(₹ in lakh)

Particulars	2021-22 (Pro-rata 264 days)	2022-23	2023-24
Asset-II	12.42	17.17	17.17

(₹ in lakh)

Particulars	2022-23 (Pro-rata 171 days)	2023-24
Asset-III	9.83	20.98

(₹ in lakh)

Particulars	2023-24 (Pro-rata 320 days)
Asset-IV	19.59

(₹ in lakh)

Particulars	2023-24 (Pro-rata 31 days)
Asset-V	1.58

141. Regulation 35(4) of the 2019 Tariff Regulations provides as under:

> *"**35. Operation and Maintenance Expenses:***
> *…*
> *(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."*

142. Further, Regulation 3(46) of the 2019 Tariff Regulations provides as under:

> *"Original Project Cost' means the capital expenditure incurred by the generating company or the transmission licensee, as the case may be, within the original scope of the project up to the cut-off date, and as admitted by the Commission;"*

143. We have considered the Petitioner's submissions. The O&M Expenses have been worked out as per the norms specified in the 2019 Tariff Regulations with respect to the communication assets for the 2019-24 tariff period and are as follows:

Asset	COD	Cut-Off Date
Asset-I	19.06.2021	30.6.2024
Asset-II	11.07.2021	31.7.2024
Asset-III	12.10.2022	31.10.2025
Asset-IV	17.05.2023	31.5.2026
Asset-V	01.03.2024	31.3.2027

Asset-I

(₹ in lakh)

Particulars	2021-22 (pro-rata 286 days)	2022-23	2023-24
Original Project Cost up to cut-off date	554.84	554.84	554.84
Norms as per Regulations (%)	2%	2%	2%
O&M Expense allowed	8.70	11.10	11.10

Asset-II

(₹ in lakh)

Particulars	2021-22 (pro-rata 264 days)	2022-23	2023-24
Original Project Cost up to cut-off date	858.42	858.42	858.42
Norms as per Regulations (%)	2%	2%	2%
O&M Expense	12.42	17.17	17.17

Asset-III

(₹ in lakh)

Particulars	2022-23 (pro-rata 171 days)	2023-24
Original Project Cost up to cut-off date	1033.86	1033.86
Norms as per Regulations (%)	2%	2%
O&M Expense	**9.69**	**20.68**

Asset-IV

(₹ in lakh)

Particulars	2023-24 (pro-rata 320 days)
Original Project Cost up to cut-off date	1086.13
Norms as per Regulations (%)	2

Particulars	2023-24 (pro-rata 320 days)
O&M Expense	18.99

Asset-V

(₹ in lakh)

Particulars	2023-24 (pro-rata 31 days)
Original Project Cost up to cut-off date	774.25
Norms as per Regulations (%)	2%
O&M Expense	1.31

Interest on Working Capital (IWC)

144. Regulations 34(1)(c), 34(3), 34(4), and 3(7) of the 2019 Tariff Regulations provide as under:

> ***"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;".*

145. The Petitioner has submitted that it has computed IWC for the 2019-24 period, considering the SBI Base Rate plus 350 basis points as on 1.4.2019. The Petitioner has

considered the IWC at 10.50% during FY 2021-22 to 2023-24 for Asset-I and Asset-II, and during FY 2022-23 to FY 2023-24 for Asset-III. Further, the Petitioner has considered the IWC rate at 12% for FY 2023-24 for Asset-IV and Asset-V.

146. The IWC has been worked out in accordance with Regulation 34 of the 2019 Tariff Regulations. The Rate of Interest (ROI) considered is 10.50% (SBI 1-year MCLR applicable as on 1.4.2019 of 8.50% plus 350 basis points) for the FY 2019-20, whereas ROI for the FY 2023-24 considered is 12.00% (SBI 1-year MCLR applicable as on 1.4.2023 of 8.50% plus 350 basis points). The components of the working capital and interest thereon allowed are as follows:

Asset-I

(₹ in lakh)

	Particulars	2021-22 (pro-rata 286 days)	2022-23	2023-24
	Interest on Working Capital			
A	Working Capital for O&M Expenses (O&M expenses for one month)	0.92	0.92	0.92
B	Working Capital for Maintenance Spares (15% of O&M expenses)	1.66	1.66	1.66
C	Working Capital for Receivables (Equivalent to 45 days of annual fixed cost / annual transmission charges)	10.02	11.08	12.00
D	**Total Working Capital (A+B+C)**	**12.61**	**13.67**	**14.59**
E	Rate of Interest (in %)	10.50	10.50	12.00
F	**Interest on working capital (D*E)**	**1.04**	**1.44**	**1.75**

Asset-II

(₹ in lakh)

	Particulars	2021-22 (pro-rate 264 days))	2022-23	2023-24
	Interest on Working Capital			
A	Working Capital for O&M Expenses (O&M expenses for one month)	1.43	1.43	1.43
B	Working Capital for Maintenance Spares (15% of O&M expenses)	2.57	2.57	2.57
C	Working Capital for Receivables (Equivalent to 45 days of annual fixed cost / annual transmission charges)	16.86	18.30	18.67
D	**Total Working Capital (A+B+C)**	**20.86**	**22.30**	**22.68**

	Particulars	2021-22 (pro-rate 264 days))	2022-23	2023-24
E	Rate of Interest (in %)	10.50	10.50	12.00
F	**Interest on working capital (D*E)**	**1.58**	**2.34**	**2.72**

Asset-III

(₹ in lakh)

	Particulars	2022-23 (pro-rata 171 days)	2023-24
	Interest on Working Capital		
A	Working Capital for O&M Expenses (O&M expenses for one month)	1.72	1.72
B	Working Capital for Maintenance Spares (15% of O&M expenses)	3.10	3.10
C	Working Capital for Receivables (Equivalent to 45 days of annual fixed cost / annual transmission charges)	21.96	23.18
D	**Total Working Capital (A+B+C)**	**26.78**	**28.00**
E	Rate of Interest (in %)	10.50	12.00
F	**Interest on working capital (D*E)**	**1.32**	**3.36**

Asset-IV

(₹ in lakh)

	Particulars	2023-24 (pro-rata 320 days)
	Interest on Working Capital	
A	Working Capital for O&M Expenses (O&M expenses for one month)	1.81
B	Working Capital for Maintenance Spares (15% of O&M expenses)	3.26
C	Working Capital for Receivables (Equivalent to 45 days of annual fixed cost / annual transmission charges)	24.76
D	**Total Working Capital (A+B+C)**	**29.83**
E	Rate of Interest (in %)	12.00
F	**Interest on working capital (D*E)**	**3.13**

Asset-V

(₹ in lakh)

	Particulars	2023-24 (pro-rata 31 days)
	Interest on Working Capital	
A	Working Capital for O&M Expenses (O&M expenses for one month)	0.11
B	Working Capital for Maintenance Spares (15% of O&M expenses)	0.20
C	Working Capital for Receivables (Equivalent to 45 days of annual fixed cost / annual transmission charges)	18.64
D	**Total Working Capital (A+B+C)**	**18.94**

	Particulars	2023-24 (pro-rata 31 days)
E	Rate of Interest (in %)	12.00
F	**Interest on working capital (D*E)**	**0.19**

Annual Fixed Charges for the 2019-24 Tariff Period

147. The details of transmission charges allowed with respect to the communication assets for the 2019-24 tariff period are as follows:

Asset-I

(₹ in lakh)

Particulars	2021-22 (pro-rata 286 days)	2022-23	2023-24
Annual Transmission Charges			
Depreciation	20.55	29.97	33.51
Interest on Loan	15.08	20.71	21.45
Return on Equity	18.29	26.67	29.82
O & M Expenses	8.70	11.10	11.10
Interest on Working Capital	1.04	1.44	1.75
Total	**63.66**	**89.88**	**97.63**

Asset-II

(₹ in lakh)

Particulars	2021-22 (pro-rate 264 days)	2022-23	2023-24
Annual Transmission Charges			
Depreciation	33.13	51.28	53.75
Interest on Loan	22.29	31.97	30.39
Return on Equity	29.48	45.65	47.84
O & M Expenses	12.41	17.16	17.16
Interest on Working Capital	1.58	2.34	2.72
Total	**98.89**	**148.40**	**151.86**

Asset-III

(₹ in lakh)

Particulars	2022-23 (pro-rata 171 days)	2023-24
Annual Transmission Charges		
Depreciation	27.06	62.52
Interest on Loan	21.28	46.31
Return on Equity	24.09	55.65
O & M Expenses	9.69	20.68
Interest on Working Capital	1.32	3.36
Total	**83.44**	**188.51**

Asset-IV

(₹ in lakh)

Particulars	2023-24 (pro-rata 320 days)
Annual Transmission Charges	
Depreciation	57.43
Interest on Loan	45.43
Return on Equity	51.11
O & M Expenses	18.99
Interest on Working Capital	3.13
Total	**176.09**

Asset-V

(₹ in lakh)

Particulars	2023-24 (pro-rata 31 days)
Annual Transmission Charges	
Depreciation	4.15
Interest on Loan	3.49
Return on Equity	3.70
O & M Expenses	1.31
Interest on Working Capital	0.19
Total	**12.84**

Filing Fee and Publication Expenses

148. The Petitioner has sought reimbursement of the fee paid for filing the Petition and the publication expenses.

149. We have considered the Petitioner's submissions. The Petitioner is entitled to reimbursement of the fee paid for filing the Petition and publication expenses incurred on this count directly from the beneficiaries or long-term customers, as the case may be, on a pro-rata basis in accordance with Regulation 70(1) of the 2019 Tariff Regulations.

Licence Fee and RLDC Fees and Charges

150. The Petitioner has sought reimbursement of the licence fee, RLDC Fees and Charges. The Petitioner is allowed the reimbursement of the licence fee in accordance with Regulation 70(4) of the 2019 Tariff Regulations for the 2019-24 tariff period. The

Petitioner may also recover the RLDC fee and charges from the beneficiaries under Regulation 70(3) of the 2019 Tariff Regulations for the 2019-24 tariff period.

Goods and Services Tax

151. The Petitioner has submitted that under the Central Goods and Services Tax (CGST) Act, 2017, implemented w.e.f. 1.7.2017, the Government of India has exempted the charges for transmission of electricity vide Notification No. 12/2017 – Central Tax (Rate) dated 28.6.2017 at Serial No. 25 under Heading 9969 "Transmission or distribution of electricity by an electric transmission or distribution utility" by prescribing the applicable GST rate as NIL. Accordingly, the AFC claimed by the Petitioner excludes GST.

152. The Petitioner has further submitted that, if GST is levied at any rate and at any point of time in the future on charges of transmission of electricity, the same shall be borne and additionally paid by the Respondent(s) to the Petitioner and the same shall be charged and billed separately by the Petitioner. Further, any additional taxes, if any, are to be paid by the Petitioner on demand from Government/Statutory authorities, and the same may be allowed to be recovered from the beneficiaries.

153. BSPHCL, vide affidavit dated 4.9.2025, submitted that the Petitioner's prayer to allow it to bill and recover (a) GST on transmission charges separately from the Respondents, if GST on transmission is levied at any rate in future and (b) 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. Any automatic approval for recovery of GST and/or taxes, if imposed in future, should not be permitted and any such adjustment should be claimed strictly through the truing-up mechanism.

154. The Petitioner, vide affidavit dated 6.10.2025, has filed a rejoinder and reiterated its submissions made in the original petition.

155. We have considered the Petitioner's and BSPHCL's submissions. Since GST is not presently levied on electricity transmission, the Petitioner's prayer in this regard is premature. Accordingly, the same is not allowed at this stage.

Security Expenses

156. The Petitioner has been submitted that security expenses with respect to the transmission assets have not been claimed in the instant Petition, and that it would file a separate Petition for claiming the overall security expenses and the consequential IWC, in accordance with Regulation 35(3)(c) of the 2019 Tariff Regulations.

157. In this regard, the Petitioner submitted that it filed a separate Petition No. 260/MP/2020 before the Commission, claiming overall security expenses and the consequential IWC. It was proposed to consider the actual security expenses incurred by the Petitioner for FY 2018-19, escalated at 3.51% per annum, and the estimated additional Security Expenses for new sub-stations to be commissioned in future, to arrive at the Estimated Security Expense for the FYs 2019-20, 2020-21, 2021-22, 2022-23 and 2023-24.

158. The Petitioner further submitted that the Commission, vide order dated 3.8.2021, allowed the Petitioner to recover the estimated Security Expenses from the beneficiaries in accordance with the provisions of the 2020 Sharing Regulations. The difference, if any, between the estimated security expenses and actual security expenses calculated as per the audited accounts on a year-to-year basis, may be allowed to be recovered/ refunded from beneficiaries.

159. We have considered the Petitioner's submissions. In Petition No. 260/MP/2020, the Petitioner has claimed consolidated security expenses, on a projected basis for the FY 2019-24 tariff period, based on the actual security expenses incurred in FY 2018-

19. The Commission, vide order dated 3.8.2021 in Petition No. 260/MP/2020, approved the security expenses for the period 1.4.2019 to 31.3.2024. Therefore, the Petitioner's prayer in the instant Petition to file a separate Petition to claim the overall security expenses and consequential IWC has become infructuous.

Capital Spares

160. The Petitioner has not claimed capital spares for the transmission assets for the 2019-24 tariff period in the instant Petition. The Petitioner has submitted that it shall file a separate Petition to claim the capital spares at the end of the tariff period. It is submitted that Petition No. 45/MP/2024 has been filed, claiming the capital spares for the 2019-24 tariff period as per the 2019 Tariff Regulations.

161. 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

162. With regard to the Sharing of Transmission Charges, the Petitioner has submitted that the transmission tariff claimed for the 2019-24 tariff period will be recovered on a monthly basis in accordance with Regulation 57 of the 2019 Tariff Regulations, and will be shared by the beneficiaries and long-term transmission customers in accordance with the Central Electricity Regulatory Commission (Sharing of Inter-State Transmission Charges and Losses) Regulations, 2020 or as amended from time to time.

163. We have considered the Petitioner's submission. Regulation 6(3) of the 2020 Sharing Regulations provides as under:

> ***6. Components and sharing of Regional Component (RC)***
> *(1) Regional Component shall be sum of the following components*
> ---

(b) Yearly Transmission Charges for static compensators (STATCOMs), static VAR compensators (SVCs), bus reactors, spare transformers, spare reactors and any other transmission element(s) located in the concerned region and identified by the Central Transmission Utility as being critical for providing stability, reliability and resilience in the grid.

Provided that where separate Yearly Transmission Charges are not available in respect of specific transmission elements, the Yearly Transmission Charges for such transmission elements shall be worked out and provided by the Central Transmission Utility, apportioning Yearly Transmission Charges approved by the Commission for the integrated project, based on indicative capital cost

(2) Yearly Transmission Charges covered under sub-clauses (a) of Clause (1) of this Regulation shall be shared by drawee DICs of the receiving region in proportion to their quantum of GNA and GNARE.

(3) Yearly Transmission Charges covered under sub-clause (b) of Clause (1) of this Regulation shall be shared by drawee DICs of the region in which the asset is located in proportion to their quantum of GNA and GNARE."

164. It is observed that the instant Communication scheme was approved in the 33rd ERPC and TCC meetings and the 36th ERPC meeting and was implemented as the "Eastern Region Fibre Optic Expansion project". Accordingly, the Communication charges approved in this order shall be shared under the Regional Component. Accordingly, the liabilities of the DICs towards arrears of transmission charges determined through this order shall be computed DIC-wise in accordance with the provisions of the applicable Tariff Regulations and Sharing Regulations and shall be recovered from the concerned DICs through Bills under Regulation 15(2)(b) of the 2020 Sharing Regulations. Accordingly, the billing, collection, and disbursement of the transmission charges shall be governed by the provisions of the Central Electricity Regulatory Commission (Sharing of inter-State Transmission Charges and Losses) Regulations, 2020, as provided in terms of Regulation 57 of the 2019 Tariff Regulations.

Interim Tariff

165. The Petitioner has prayed to allow the interim tariff, in accordance with Regulation 10(3) of the 2019 Tariff Regulations, to be included in the Point-of-Connection (PoC) charges.

166. We have considered the Petitioner's submission. Since we have determined the transmission tariff with respect to the transmission assets in this order, the prayer for an interim tariff becomes redundant.

167. **To Summarise:**

a. The summary of the AFC claimed by the Petitioner and the AFC allowed with respect to the transmission assets for the 2019-24 tariff period is as follows:

Asset-I

(₹ in lakh)

AFC	2021-22 (pro-rata 286 days)	2022-23	2023-24
Claimed	63.66	89.89	97.41
Allowed	63.66	89.88	97.63

Asset-II

(₹ in lakh)

AFC	2021-22 (pro-rate 264 days)	2022-23	2023-24
Claimed	98.94	148.47	151.60
Allowed	98.89	148.40	151.86

Asset-III

(₹ in lakh)

AFC	2022-23 (pro-rata 171 days)	2023-24
Claimed	84.64	190.68
Allowed	83.44	188.51

Asset-IV

(₹ in lakh)

AFC	2023-24 (pro-rata 320 days)
Claimed	179.44
Allowed	176.09

Asset-V

(₹ in lakh)

AFC	2023-24 (pro-rata 31 days)
Claimed	14.09
Allowed	12.84

168. Annexure-I to this order forms an integral part of the order.

169. This order disposes of the Petition No. 273/TT/2025 in terms of the above findings and discussions.

sd/-	**sd/-**	**sd/-**	**sd/-**
(Ravinder Singh Dhillon)	**(Harish Dudani)**	**(Ramesh Babu V.)**	**(Jishnu Barua)**
Member	**Member**	**Member**	**Chairperson**

ANNEXURE-I

Asset-I

2019-24	Admitted Capital Cost as on 1.4.2019 / COD (₹ in lakh)	ACE (in lakh)				Admitted Capital Cost as on 31.3.2024 (₹ in lakh)	Rate of Depreciation as per Regulations	Annual Depreciation as per Regulations (₹ in lakh)		
Capital Expenditure		2021-22	2022-23	2023-24	Total			2021-22	2022-23	2023-24
PLCC	385.56	57.48	60.73	51.09	169.30	554.86	6.33%	26.23	29.97	33.51
Total										
						Average Gross Block (₹ in lakh)		414.30	473.41	529.32
						Weighted Average Rate of Depreciation (%)		**6.33%**	**6.33%**	**6.33%**

Asset-II

2019-24	Admitted Capital Cost as on 1.4.2019 / COD (₹ in lakh)	ACE (in lakh)				Admitted Capital Cost as on 31.3.2024 (₹ in lakh)	Rate of Depreciation as per Regulations	Annual Depreciation as per Regulations (₹ in lakh)		
Capital Expenditure		2021-22	2022-23	2023-24	Total			2021-22	2022-23	2023-24
PLCC	666.88	113.16	60.16	17.82	191.14	858.02	6.33%	45.80	51.28	53.75
Total										
						Average Gross Block (₹ in lakh)		**723.46**	**810.12**	**849.11**
						Weighted Average Rate of Depreciation (%)		**6.33%**	**6.33%**	**6.33%**

Asset-III

2019-24	Admitted Capital Cost as on 1.4.2019 / COD (₹ in lakh)	ACE (in lakh)			Admitted Capital Cost as on 31.3.2024 (₹ in lakh)	Rate of Depreciation as per Regulations	Annual Depreciation as per Regulations (₹ in lakh)		
Capital Expenditure		2022-23	2023-24	Total			2021-22	2022-23	2023-24
PLCC	883.81	57.67	92.38	150.05	1033.86	6.33%		57.77	62.52
Total	**883.81**	**57.67**	**92.38**	**150.05**	**1033.86**			**57.77**	**62.52**
					Average Gross Block (₹ in lakh)		0.00	**912.65**	**987.67**
					Weighted Average Rate of Depreciation (%)		**6.33%**	**6.33%**	**6.33%**

Asset-IV

2019-24	Admitted Capital Cost as on 1.4.2019 / COD (₹ in lakh)	ACE (in lakh)		Admitted Capital Cost as on 31.3.2024 (₹ in lakh)	Rate of Depreciation as per Regulations	Annual Depreciation as per Regulations (₹ in lakh)
Capital Expenditure		2023-24	Total			2023-24
PLCC	989.00	97.13	97.13	1086.13	6.33%	65.68
Total	**988.70**	**97.13**	**97.13**	**1086.13**		**65.68**
				Average Gross Block (₹ in lakh)		**1037.57**
				Weighted Average Rate of Depreciation (%)		**6.33%**

Asset-V

2019-24	Admitted Capital Cost as on 1.4.2019 / COD (₹ in lakh)	ACE (in lakh)		Admitted Capital Cost as on 31.3.2024 (₹ in lakh)	Rate of Depreciation as per Regulations	Annual Depreciation as per Regulations (₹ in lakh)
Capital Expenditure		2023-24	Total			2023-24
Batteries	13.18	0.00	0.00	13.18	6.33%	0.83
PLCC	761.06	0.00	0.00	761.06	6.33%	48.18
Total	**774.25**	**0.00**	**0.00**	**774.25**		**49.01**
				Average Gross Block (₹ in lakh)		**774.25**
				Weighted Average Rate of Depreciation (%)		**6.33%**