

**BEFORE**  
**THE CENTRAL ELECTRICITY REGULATORY COMMISSION**  
**NEW DELHI**

Petition No. \_\_\_ /TT/ \_\_\_

**IN THE MATTER OF: -**

Petition for truing up of transmission tariff for 2019-24 for **Stage-1 of 400 kV Thyristor controlled series compensation project (Fact Device) on Kanpur-Ballabgarh 400 kV S/C line at Ballabgarh in Northern Region** under Section 62 read with Section 79 (1) (d) of the Electricity Act, 2003 and under the Regulation 15 (1) (a) and Regulation 23 of Central Electricity Regulatory Commission (Conduct of Business) Regulations, 2023 read with Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2019.

**Power Grid Corporation of India Ltd.**

--- PETITIONER

Registered office: B-9, Qutab Institutional Area,

Katwaria Sarai, New Delhi. 110 016.

Corporate Centre: 'SAUDAMINI', Plot No-2,

Sector-29, Gurgaon-122 001 (Haryana).

--- RESPONDENT(S)

Uttar Pradesh Power Corporation Ltd.

Shakti Bhawan, 14, Ashok Marg

Lucknow - 226 001

Represented by Its Chairman

**And others**

**FILED BY**

**POWER GRID CORPORATION OF INDIA LTD.**

**GURGAON**

**REPRESENTED BY**

**DATED: 23.09.2024**

Sr. General Manager (Regulatory Cell)



**BEFORE**  
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GURGAON

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Uttar Pradesh Power Corporation Ltd.

Shakti Bhawan, 14, Ashok Marg

Lucknow - 226 001

Represented by Its Chairman

**And others**

----- RESPONDENT(S)

To  
The Secretary  
Central Electricity Regulatory Commission  
New Delhi 110001  
Sir,

The present tariff Petition is filed under Section 62 read with Section 79 (1) (d) of the Electricity Act, 2003 and under the Regulation 15 (1) (a) and Regulation 23 of Central Electricity Regulatory Commission (Conduct of Business) Regulations, 2023 read with Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2019 and same may please to be registered and taken on record by the Hon'ble Commission.



**GURGAON**

**FILED BY**

**DATED:- 23.09.2024**

**POWER GRID CORPORATION OF INDIA LTD.**

**REPRESENTED BY**

**(V.C. Sekhar)**  
**Sr. General Manager (Regulatory Cell)**



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NEW DELHI**

**PETITION NO.: .....**

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Uttar Pradesh Power Corporation Ltd.

**---- RESPONDENT(S)**

Shakti Bhawan, 14, Ashok Marg

Lucknow - 226 001

Represented by Its Chairman

**And others**

**MEMO OF PARTIES**

**Power Grid Corporation of India Ltd.**

VERSUS

**--- PETITIONER**

**Northern Region**

**--- RESPONDENT**

1. UTTAR PRADESH POWER CORPORATION LTD.  
SHAKTI BHAWAN, 14, ASHOK MARG  
LUCKNOW - 226 001  
REPRESENTED BY ITS CHAIRMAN
2. AJMER VIDYUT VITRAN NIGAM LTD  
CORPORATE OFFICE, VIDYUT BHAWAN,  
PANCHSHEEL NAGAR, MAKARWALI ROAD



AJMER-305004 (RAJASTHAN)  
REPRESENTED BY ITS MANAGING DIRECTOR

3. JAIPUR VIDYUT VITRAN NIGAM LTD  
132 KV, GSS RVPNL SUB- STATION BUILDING,  
CALIGIRI ROAD, MALVIYA NAGAR, JAIPUR-302017  
(RAJASTHAN)  
REPRESENTED BY ITS MANAGING DIRECTOR
4. JODHPUR VIDYUT VITRAN NIGAM LTD  
NEW POWER HOUSE, INDUSTRIAL AREA ,  
JODHPUR – 342 003(RAJASTHAN)  
REPRESENTED BY ITS MANAGING DIRECTOR
5. HIMACHAL PRADESH STATE ELECTRICITY BOARD LTD  
VIDYUT BHAWAN  
KUMAR HOUSE COMPLEX BUILDING II  
SHIMLA-171 004  
REPRESENTED BY ITS CHAIRMAN
6. PUNJAB STATE POWER CORPORATION LIMITED  
THE MALL, PSEB HEAD OFFICE, PATIALA - 147 001  
REPRESENTED BY ITS CHAIRMAN AND MANAGING  
DIRECTOR
7. HARYANA POWER PURCHASE CENTRE  
SHAKTI BHAWAN, SECTOR-6  
PANCHKULA (HARYANA) 134 109  
REPRESENTED BY ITS S.E. / C & R-1
8. JAMMU KASHMIR POWER CORPORATION LIMITED  
220/66/33 KV GLADNI SS SLDC BULIDING  
NARWAL, JAMMU  
REPRESENTED BY ITS CHAIRMAN
9. BSES YAMUNA POWER Ltd,  
B-BLOCK, SHAKTI KIRAN, BLDG.  
(NEAR KARKADOOMA COURT),  
KARKADOOMA 2ND FLOOR,  
NEW DELHI-110092  
REPRESENTED BY ITS CEO
10. BSES RAJDHANI POWER Ltd,  
BSES BHAWAN, NEHRU PLACE,  
NEW DELHI  
REPRESENTED BY ITS CEO
11. TATA POWER DELHI DISTRIBUTION LTD.  
33 KV SUBSTATION, BUILDING  
HUDSON LANE, KINGSWAY CAMP



NORTH DELHI - 110009  
REPRESENTED BY ITS CEO

12. CHANDIGARH ELECTRICITY DEPTT.  
CHANDIGARH ADMINISTRATION  
SECTOR -9, CHANDIGARH.  
REPRESENTED BY ITS CHIEF ENGINEER

13. UTTARAKHAND POWER CORPORATION LTD.  
URJA BHAWAN  
KANWALI ROAD  
DEHRADUN.  
REPRESENTED BY ITS MANAGING DIRECTOR

14. NORTH CENTRAL RAILWAY  
ALLAHABAD.  
REPRESENTED BY CHIEF ELECTRICAL  
DISTRIBUTIONENGINEER

15. NEW DELHI MUNICIPAL COUNCIL  
PALIKA KENDRA, SANSAD MARG,  
NEW DELHI-110002  
REPRESENTED BY CHAIRMAN

GURGAON

DATED: 23.09.2024

PETITIONER  
POWER GRID CORPORATION OF INDIA LTD.  
REPRESENTED BY

Sr. General Manager (Regulatory Cell)





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Uttar Pradesh Power Corporation Ltd.

Shakti Bhawan, 14, Ashok Marg

Lucknow - 226 001

Represented by Its Chairman

And others

**--- RESPONDENT(S)**

**MEMO OF APPEARANCE**

**POWER GRID CORPORATION OF INDIA LTD.**

**-- PETITIONER**

1. Shri Dilip Nagesh Rozekar, ED (Commercial & RC), POWERGRID
2. Shri Mohd. Mohsin, Chief GM (Comml- Petition), POWERGRID
3. **Shri V.C. Sekhar, Sr. GM (Commercial-RC), POWERGRID**
4. Shri Zafrul Hasan, GM (Comml- Petition), POWERGRID
5. Shri Angaru Naresh Kumar, DGM, POWERGRID
6. Smt Suchitra Gautam, DGM, POWERGRID
7. Shri Vishal Sagar, DGM, POWERGRID
8. Shri G. Vijay, DGM, POWERGRID



9. Shri Vivek Kumar Singh, DGM, POWERGRID
10. Shri Amit Kumar Chachan, DGM, POWERGRID
11. Smt. Supriya Kumari, CM (Law), POWERGRID
12. Shri Arjun Malhotra, Manager (Law), POWERGRID
13. Smt. Tanushree Rao, DM (Law), POWERGRID

I, V.C. Sekhar, the Petitioner above named do hereby nominate to act, plead and appear on my behalf in the aforesaid matter.

IN WITNESS WHEREOF I have set and subscribed my hands to this writing on this 23<sup>rd</sup> day of September 2024.

**PETITIONER**  
**POWER GRID CORPORATION OF INDIA LTD.**

**GURGAON**

**DATED:-23.09.2024**

**Sr. General Manager (Regulatory Cell)**



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Uttar Pradesh Power Corporation Ltd.

**----- RESPONDENT(S)**

Shakti Bhawan, 14, Ashok Marg

Lucknow - 226 001

Represented by Its Chairman

**And others**

**A. Executive Summary of the Petition:**

**(i) Brief Background of the Petitioner**

1. The Petitioner herein, Power Grid Corporation of India Ltd. (Hereinafter referred to as "**POWERGRID/Petitioner**") is a Government Company within the meaning of the Companies Act, 2013. POWERGRID is deemed transmission licensee in terms of Section 14 of the Electricity Act, 2003. POWERGRID by virtue of a transmission licensee is required to inter-alia build, own, operate and maintain an efficient, coordinated and economical inter-state transmission system ("**ISTS**"). POWERGRID operates and functions within the regulatory control of this Hon'ble Central Electricity Regulatory Commission (hereinafter referred to as "**Hon'ble Commission**"). Tariff for the transmission system established by POWERGRID is required to be determined by



this Hon'ble Commission in accordance with the Tariff Regulations as notified by this Hon'ble Commission in exercise of its powers under Section 178 of the Electricity Act, 2003.

**(ii) Brief background of the Respondent(s):**

POWERGRID has impleaded distribution licensees and Government departments of the respective states which are engaged in distribution of electricity in Northern Region of India. The respondents are also 'Designated Inter State Transmission Customer' (hereinafter referred to as 'DICs') from Northern region in terms of the 2020 Sharing Regulations.

**(iii) Background of Transmission Assets:**

2. POWERGRID has filed the present petition for truing up of transmission tariff for 2019-24 for below asset in Northern Region:

Asset No	Asset Name	DOCO
Asset-1	Stage-1 of 400 kV Thyristor controlled series compensation project (Fact Device) on Kanpur-Ballabgarh 400 kV S/C line at Ballabgarh.	01.07.2002

**(iv) Summary of Claims:**

3. POWERGRID is seeking truing up of transmission tariff for 2019-24 for aforesaid transmission asset on capital cost comprising of expenditure incurred/Admitted upto 31.03.2019 and additional capital expenditure/ de-capitalization during 2019-24 in accordance with provisions of Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2019 ("Tariff Regulations, 2019")
4. The details of claimed capital cost as on 31.03.2019 and additional capital expenditure/ de-capitalization during 2019-24 are as under:

**Rs in lakhs**

Asset No.	Expenditure Up to 31.03.2019	Add -Cap/De-cap 2019-24					Actual Cost as on 31.03.2024
		2019-20	2020-21	2021-22	2022-23	2023-24	
Asset-1	1499.18	0.00	0.00	- 1499.18	0.00	0.00	0.00



5. Details of tariff claimed are as under:

True up annual transmission tariff for 2019-24 tariff block:

Rs in Lakhs

Name of the asset	Particular	2019-20	2020-21	2021-22 (pro-rata for 125 days)
Asset-1	AFC approved	137.14	135.89	46.68
	Revised AFC based on truing up	137.14	135.89	46.68

6. It is prayed to Hon'ble commission to reimburse expenditure of petition filing fee, license fee, newspaper publication expenses and RLDC fee & charges etc.

**B. Detailed Petition:**

**MOST RESPECTFULLY SHOWETH:**

**Issue wise submission(s):**

7. The Petitioner herein, Power Grid Corporation of India Ltd/ POWERGRID. is a Government Company within the meaning of the Companies Act, 1956. POWERGRID is a deemed transmission licensee under Section 14 of the Electricity Act 2003.
8. POWERGRID being transmission licensee is required to inter-alia build, own, operate and maintain an efficient, coordinated and economical inter-state transmission system (ISTS). The tariff for the said transmission systems shall be determined by the Hon'ble Commission in accordance with the provisions of Tariff Regulations, 2019.
9. That the subject project/petition covers approval of transmission tariff for following Asset:

Asset No	Asset Name	DOCO	Remarks
Asset-1	Stage-1 of 400 kV Thyristor controlled series compensation project (Fact Device) on Kanpur-Ballabgarh 400 kV S/C line at Ballabgarh.	01.07.2002	Earlier covered under petition no. 333/TT/2022 now covered under instant petition



**10. Cost details:**

The details of Capital Cost admitted for 2019-24 tariff block vide order dated 22.03.2024 in petition no. 333/TT/2022 for the asset covered in instant petition, and capital cost claimed for the truing up of 2019-24 are as tabulated below:

Capital Cost allowed vide order dated: 22.03.2024 in petition no. 333/TT/2022						
Capital cost as on 31.03.2019	Add -Cap/De-Cap 2019-24					Capital cost as on 31.03.2024
	2019-20	2020-21	2021-22	2022-23	2023-24	
1499.18	0.00	0.00	-1499.18	0.00	0.00	0.00
Capital Cost now claimed in the instant petition						
Capital cost as on 31.03.2019	Add -Cap/De-Cap 2019-24					Capital cost as on 31.03.2024
	2019-20	2020-21	2021-22	2022-23	2023-24	
1499.18	0.00	0.00	-1499.18	0.00	0.00	0.00

**De-capitalization:** The proposal to de-cap instant asset w.e.f 03.08.2021 based on recommendations of CEA, TCC/NRPC and NRPC-TP was allowed by Hon'ble Commission vide order dated 22.03.2024 in petition no. 333/TT/2022 and the same has been considered and tariff upto 03.08.2021 has been trued up in instant petition.

With regard to the unrecovered decapitation claim of Rs. 194.68 Lakhs as on 03.08.2021, Hon'ble Commission vide order dated 22.03.2024 in petition no. 333/TT/2022 directed to make appropriate claims on the basis of order in Petition No.61/MP/2022 at the time of truing up (*The last hearing was held on 18.12.2023, next hearing yet to be scheduled*). Since the order of 61/MP/2022 is yet to be received, the liberty may kindly be allowed to claim the unrecovered depreciation at a later stage through an affidavit.

**11. Transmission tariff:**

The truing up exercise for the period 2019-2024 is to be done at the time of filing tariff petition for next block, i.e. 2024-29 period as per Regulation 13 of Tariff Regulation, 2019.

Regulation 13 of Tariff Regulation, 2019:

**Quote**



“The Commission shall carry out truing up exercise for the period 2019-24 along with the tariff petition filed for the next tariff period, for the following:

-----”

#### **Unquote**

That the Petitioner is required to adjust the yearly impact of MAT as per Regulation 31 (3) of the Tariff Regulations, 2019 dated 07.03.2019 in the truing up petition for 2019-24 tariff block.

Regulation 31 (3) of the tariff Regulation, 2019:

#### **Quote**

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.

#### **Unquote**

It is submitted that the Income Tax assessment of the Petitioner has been completed and Assessment Orders have been issued by the Income Tax Department for FY 2019-20 and 2020-21; and that the Income Tax returns have been filed with the Income Tax Department for FY 2021-22 & 2022-23. Further, it is submitted that the Income Tax Return for 2023-24 will be filed in due course.

As such, basis of year wise effective tax rate and Grossed up ROE to be trued up accordingly for the block period 2019-24 is summarized as under:-

<b>Financial Year</b>	<b>Basis considered</b>	<b>Total Tax &amp; Interest paid (Rs)</b>	<b>Assessed MAT Income under Sec 115 JB (Rs)</b>	<b>Effective Tax percentage</b>	<b>Grossed up ROE (Base rate/(1-t))</b>
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2019-20	Assessment Order	24,52,62,76,991	1,40,37,47,53,855	17.472%	18.782%
2020-21	Assessment Order	26,08,93,59,008	1,49,32,09,65,036	17.472%	18.782%
2021-22	Actual Tax paid	31,81,46,40,406	1,82,08,92,88,030	17.472%	18.782%
2022-23	Actual Tax paid	30,42,88,20,993	1,74,15,76,29,306	17.472%	18.782%
2023-24	Applicable Rate #		#	17.472%	18.782%

# Based on the applicable rate of MAT @ 15 %, Surcharge @ 12% & Cess @ 4%

The above Effective Tax percentage shall be applied by the petitioner in arriving out the Grossed up ROE rate in all cases of truing up petitions to be filed for the period 2019-24. It is submitted that effective rate of tax considered for FY 2019-20 and 2020-21 are based on Assessment Order issued by Income-Tax authorities, for the purpose of grossing up of ROE rate and that the effective rate of tax considered for F/Y 2021-22 and F/Y 2022-23 are based on the Income-tax returns filed, for the purpose of grossing up of ROE rate of respective years. Further, for F/Y 2023-24, pending filing of ITR, effective tax rate is calculated based the applicable MAT rate (i.e. MAT 15% + Surcharge 12.00% + Cess 4%), for the purpose of grossing up of ROE rate.

The Hon'ble Commission is requested to allow the petitioner to claim the differential tariff on account of the trued up ROE based on effective tax rate calculated on completion of Income-tax assessment/re-assessment for the F/Y 2019-20, 2020-21,2021-22,2022-23 and 2023-24 on receipt of the respective assessment orders, directly from the beneficiaries, on year to year basis as provided in the regulation.

In line with the above Regulation, the tariff for each year of the tariff period 2019-24 block has been trued up considering the above Effective Tax percentage to arrive at Grossed up ROE rate.

While filing Tariff petition for 2019-24 period, the petitioner had prayed for allowing the floating rate of Interest on loan adjustments. As per Hon'ble Commission order dated 18.04.2022 in petition no. 26/TT/2021, it has been stated that the weighted average rate of IoL has been considered on the basis of rate prevailing as on 1.4.2019 and accordingly,





the floating rate of interest on actual, applicable from time to time, if any, during 2019-24 tariff shall be considered at the time of true up or next revision of tariff.

Accordingly in the present petition, truing up of transmission tariff for the tariff block 2019-24 is being carried out based on of actual additional capitalization/ de-capitalization during 2019-24 tariff block, change in MAT rate as well as actual floating rate of interest during 2019-24.

12. The trued up annual transmission tariff for the tariff period 2019-24 is summarized as below:

Rs in Lakh

Name of the asset	Particular	2019-20	2020-21	2021-22 (pro-rata for 125 days)
Asset-1	AFC approved	137.14	135.89	46.68
	Revised AFC based on truing up	137.14	135.89	46.68

Tariff filing forms along with the other relevant information and supporting documents are attached hereto as **Encl-2**.

That in the subject petition, details are provided in various Tariff Forms with respect to Capital Cost as per books / Gross Block amount as per Books. It is submitted that the petitioner has opted for deemed cost exemption as per Para D7 AA of Ind AS 101 'First-time Adoption of Indian Accounting Standards'. Accordingly Carrying value i.e. Gross Block less Accumulated Depreciation is considered as deemed cost as on the date of transition i.e. 1st April 2015. As such, in case of assets commissioned before 01.04.2015, the accumulated depreciation as on 1st April 2015 is added back to the deemed Capital Cost as per books / Gross Block amount as per Books for arriving at the figures to be provided in various Tariff Forms.

13. The asset completed 12 Yrs of life in 2014-19, and thus the remaining depreciable amount at end of 12 yrs have been spread over the balance useful life of the asset till the date of de-cap as per clause 33 (5) of the CERC Tariff Regulations, 2019. The details have been computed and are provided in Form- 10 A



14. Any under-recovery or over-recovery of grossed up rate on ROE 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 as provided in Tariff Regulations, 2019.
15. Under CGST Act, 2017 implemented w.e.f. 01.07.2017, the Govt. of India has exempted the charges of transmission of electricity vide notification no. 12/2017 – Central Tax (Rate) dated 28.06.2017 at serial no. 25 under the heading 9969 “Transmission or distribution of electricity by an electric transmission or distribution utility” by giving applicable GST rate as NIL. Hence, the Transmission Charges as indicated at para 12 above is exclusive of GST. Further, if GST is levied at any rate and at any point of time in 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 & billed separately by the petitioner. Further additional taxes, if any, are to be paid by the petitioner on account of demand from Govt. / Statutory authorities, the same may be allowed to be recovered from the beneficiaries.
16. In the tariff calculations for 2019-24 period, Interest on Loan has been calculated on the basis of actual rate of interest of various loans deployed for each year. In the tariff calculations for 2024-29 period, Interest on Loan has been calculated on the basis of interest rates prevailing as on 01.04.2024 for respective loans. The change in Interest rate due to floating rate of interest applicable, if any, for the project needs to be claimed / adjusted over the tariff block of 05 years directly from / with the beneficiaries.

For the purpose of the supporting documents for rate of interest, a compendium of floating rate of interest of various loans during the tariff period 2019-24 will be submitted shortly with a Truing-up petition and the details of the same will be submitted through an affidavit once submitted. These documents/details will also be made available on our website [www.powergrid.in](http://www.powergrid.in).

17. The transmission charges at para-12 above is inclusive of O&M expenses derived for the subject asset based on the norms for O&M expenditure for Transmission System as specified under regulation 35 (3) (a) of the Tariff Regulations for block 2019-24.
18. That as per Regulation 35(3)(c) of CERC Tariff Regulations, 2019, the Security Expenses and Capital Spares for transmission system shall be allowed separately after prudence check.



**Security Expenses:**

In this regard, it is submitted that a separate petition shall be filed for truing up of security expenses from 01.04.2019 to 31.03.2024 under the Regulation 35 (3) (C) of Central Electricity Regulatory Commission (Terms and Condition of Tariff) Regulations, 2019.

**Capital Spare:**

With regard to Capital Spares, the Petitioner has filed a separate Petition bearing No 45/MP/2024 for claiming the capital spares under Tariff Regulation, 2019 for 2019-24 period.

Accordingly, these expenses are not claimed in the subject petition through the relevant Tariff Forms and are being claimed separately.

19. The application filing fee, expenses incurred on publication of Notices in Newspapers and License fee may be allowed to be recovered separately from the respondents in terms of Regulation 70(1) and Regulation 70(4) of Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2019. The fees and charges to be paid by the petitioner as ISTS licensee (deemed ISTS licensee) under CERC (Fees and Charges of RLDC and other matters) Regulations, 2023 as amended from time to time shall also be recoverable from the DICs as provided under clause 70(3) of Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2024.
20. The Transmission Charges and other related Charges indicated at para 12 above, is exclusive of incentive, late payment surcharge, FERV, any statutory taxes, levies, duties, cess, filing fees, license fee, RLDC fees and charges or any other kind of imposition (s) and/ or other surcharges etc. whatsoever imposed / charged by any Government (Central/State) and / or any other local bodies/authorities/regulatory authorities in relation to transmission of electricity, environmental protection, and/or in respect of any of its installation associated with the Transmission System and the same shall be borne and additionally paid by the respondent(s) to the petitioner and the same shall be charged, billed separately by the petitioner on the respondents.



**21. Sharing of Transmission Charges**

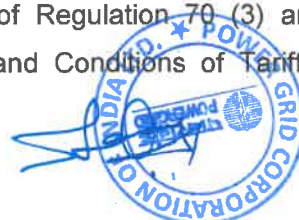
Tariff for Transmission of Electricity (Annual Fixed Cost) for 2019-24 as per para 12 above shall be recovered on monthly basis in accordance with Regulation 57 of Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2019 and shall be shared by the beneficiaries and long-term transmission customers in terms of Central Electricity Regulatory Commission (Sharing of Inter State Transmission Charges and Losses) Regulations, 2010 and/or Central Electricity Regulatory Commission (Sharing of Inter State Transmission Charges and Losses) Regulations, 2020, as amended from time to time for the applicable periods.

- 22.** In the circumstances mentioned above, it will be just and proper that the transmission tariff for the asset covered under this petition be allowed to be charged from the beneficiaries on the basis set out above. **The Petitioner submits that Encl.-1 to Encl.-3 may please be treated as integral part of this petition.**

**C. PRAYER**

It is respectfully prayed that the Hon'ble Commission may be pleased to:

- a) Approve the trued-up Transmission Tariff for 2019-24 block for the asset covered under this petition, as per para 12 above.
- b) Allow the petitioner to recover the shortfall or refund the excess Annual Fixed Charges, on account of Return on Equity due to change in applicable Minimum Alternate/Corporate Income Tax rate as per the Income Tax Act, 1961 (as amended from time to time) of the respective financial year directly without making any application before the Commission as provided in Tariff Regulations, 2019 as per para 12.
- c) 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.
- d) Allow the petitioner to bill and recover RLDC fees & charges and Licensee fee, separately from the respondents in terms of Regulation 70 (3) and (4) Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations,



2019.

- e) Allow to make appropriate claims of unrecovered depreciation on the basis of order in Petition No.61/MP/2022 through separate affidavit.
- f) Allow the petitioner to file a separate petition before Hon'ble Commission for claiming the overall security expenses and consequential IOWC on that security expenses as mentioned at para 18 above.
- g) Allow the petitioner to file a separate petition before Hon'ble Commission for claiming the overall capital spares at the end of tariff block as per actual as mentioned at Para 18 above.
- h) Allow the Petitioner to bill and recover GST on Transmission Charges separately from the respondents, if GST on transmission is levied at any rate in future. Further, any taxes including GST and duties including cess etc. imposed by any statutory/Govt./municipal authorities shall be allowed to be recovered from the beneficiaries.

and pass such other relief as Hon'ble Commission deems fit and appropriate under the circumstances of the case and in the interest of justice

**GURGAON**

**DATED:-23.09.2024**

**FILED BY  
POWER GRID CORPORATION OF INDIA LTD.**

**REPRESENTED BY**

**V. C. Sekhar**  
**Sr. General Manager (Regulatory Cell)**



**BEFORE**  
**THE CENTRAL ELECTRICITY REGULATORY COMMISSION**  
**NEW DELHI**

PETITION NO.: .....

**IN THE MATTER OF:** Petition for truing up of transmission tariff for 2019-24 for **Stage-1 of 400 kV Thyristor controlled series compensation project (Fact Device) on Kanpur-Ballabgarh 400 kV S/C line at Ballabgarh in Northern Region** under Section 62 read with Section 79 (1) (d) of the Electricity Act, 2003 and under the Regulation 15 (1) (a) and Regulation 23 of Central Electricity Regulatory Commission (Conduct of Business) Regulations, 2023 read with Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2019.

**Power Grid Corporation of India Ltd.**

Registered office: B-9, Qutab Institutional Area,  
Katwaria Sarai, New Delhi. 110 016.

Corporate Centre : 'SAUDAMINI', Plot No-2,  
Sector-29, Gurgaon-122 001 (Haryana).

--- PETITIONER

Uttar Pradesh Power Corporation Ltd.

Shakti Bhawan, 14, Ashok Marg

Lucknow - 226 001

Represented by Its Chairman

**And others**

----- RESPONDENT(S)

**AFFIDAVIT VERIFYING THE PETITION**

I, V.C. Sekhar, S/O Late Sh. V. Devaiah, working as Senior General Manager (Regulatory Cell) in the Powergrid Corporation of India Ltd., having its registered Office at B-9, Qutab Institutional Area, Katwaria Sarai, New Delhi-110 016, do hereby solemnly affirm and state as under: -

1. That the deponent is the Senior General Manager of Petitioner and is well conversant with the facts and the circumstances of the case and therefore competent to swear this affidavit.



22 22



2. That the accompanying Petition under Section 62 of the Electricity Act, 2003, has been filed by my authorized representative/nominated counsel under my instruction and the contents of the same are true and correct to the best of my knowledge and belief.
3. That the contents of Para 01 to 22 of the facts as mentioned in the Petition are true and correct based on my personal knowledge, belief and records maintained in the office and the contents of Para 01 to 22 of the Petition are believed to be true on the basis of the legal advice received.
4. That the annexures annexed to the Petition are correct and true copies of the respective originals.
5. That the Deponent has not filed any other Petition or Appeal before any other forum or court of law with respect to the subject matter of the dispute

  
(DEPONENT)

**VERIFICATION**

Solemnly affirmed at Gurgaon on this 23<sup>rd</sup> day of Sept' 2024 that the contents of the above affidavit are true to my knowledge and belief and no part of it is false and nothing material has been concealed there from.







पावरग्रिड  
POWERGRID

पावर ग्रिड कॉर्पोरेशन ऑफ इंडिया लिमिटेड  
(भारत सरकार का उद्यम)  
POWER GRID CORPORATION OF INDIA LIMITED  
(A Government of India Enterprise)

Ref: CC/Commercial/2024

Date: 28.08.2024


## LETTER OF AUTHORIZATION

In reference to the POWER OF ATTORNEY dated 14.08.2024 and in supersession of letter of authorization dated 13.12.2022 I hereby authorize following executives to sign Petitions, Appeals, Vakalatnama, Affidavits, etc. and to represent POWERGRID before various forums/ courts / tribunals i.e Central Electricity Regulatory Commission, State Electricity Regulatory Commission, Appellate Tribunal for Electricity, High courts and Supreme Court etc. :

1. Sh. Mohd. Mohsin, Chief General Manager
2. Sh. V. C. Sekhar, Senior General Manager
3. Sh. Zafrul Hasan, General Manager

Further, following executives are authorised to represent cases before Central Electricity Regulatory Commission and Appellate Tribunal for Electricity

1. Sh. Angaru Naresh Kumar, Deputy General Manager
2. Smt. Suchitra Gautam, Deputy General Manager
3. Sh. Vishal Sagar, Deputy General Manager
4. Sh. G. Vijay, Deputy General Manager
5. Sh. Vivek Kumar Singh, Deputy General Manager
6. Sh. Amit Kumar Chachan, Deputy General Manager
7. Smt. Supriya Singh, Chief Manager (Law)
8. Sh. Arjun Malhotra, Manager (Law)
9. Smt. Tanushree Rao, Deputy Manager (Law)

  
28/08/2024

Dilip Nagesh Rozekar  
Executive Director (Commercial & RC)

दिलीप रोजेकर / DILIP ROZEKAR

Executive Director (Commercial & Regulatory/Cell)  
पावर ग्रिड कॉर्पोरेशन ऑफ इंडिया लिमिटेड  
Power Grid Corporation of India Ltd.  
(भारत सरकार का उद्यम / Govt. of India Enterprise)  
Plot No.-2, Sector-29, Gurugram-122001 (Haryana)



केन्द्रीय कार्यालय : "सौदामिनी" प्लॉट सं. 2, सेक्टर-29, गुरुग्राम-122001, (हरियाणा), दूरभाष : 0124-2571700-719  
Corporate Office : "Saudamini", Plot No. 2, Sector-29, Gurugram-122001, (Haryana) Tel. : 0124-2571700-719

पंजीकृत कार्यालय : बी-9, कुतुब इंस्टीट्यूशनल एरिया, कटवारिया सराय, नई दिल्ली-110016. टेल. 011-26560112, 26564812, 26564812, 26564892, सीआईएन : L40101DL1989GOI038121  
Registered Office : B-9, Qutab Institution Area, Katwaria Sarai, New Delhi-110016. Tel. 011-26560112, 26564812, 26564812, 26564892, CIN : L40101DL1989GOI038121  
Website : www.powergridindia.com



Encl-1

CENTRAL ELECTRICITY REGULATORY COMMISSION  
NEW DELHI

Petition No.333/TT/2022

Coram:

Shri Jishnu Barua, Chairperson  
Shri Arun Goyal, Member  
Shri P. K. Singh, Member

Date of Order: 22.03.2024

In the matter of:

Approval under Regulation 86 of Central Electricity Regulatory Commission (Conduct of Business) Regulations, 1999 and Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2019 for revision of Transmission tariff for 2019-24 tariff block for Stage-1 of 400 kV Thyristor controlled series compensation project (Fact Device) on Kanpur-Ballabgarh 400 kV S/C line at Ballabgarh in Northern Region; and approval under Regulation 76 and Regulation 77 of Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2019, "Power to Relax" and "Power to Remove Difficulty" for one-time reimbursement of unrecovered depreciation for Stage-1 of 400 kV Thyristor controlled series compensation project (Fact Device) on Kanpur-Ballabgarh 400 kV S/C line at Ballabgarh in Northern Region.

And in the matter of:

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

... Petitioner

Vs.

1. Uttar Pradesh Power Corporation Limited,  
Shakti Bhavan, 14, Ashok Marg, Lucknow – 226 001
2. Ajmer Vidyut Vitran Nigam Limited,  
132 kV, GSS RVPNL Sub- station building,  
Caligiri Road, Malviya Nagar, Jaipur– 302017
3. Jaipur Vidyut Vitran Nigam Limited,  
132 kV, GSS RVPNL Sub- station building,  
Caligiri Road, Malviya Nagar, Jaipur– 302017
4. Jodhpur Vidyut Vitran Nigam Limited,  
132 kV, GSS RVPNL Sub- station building,  
Caligiri Road, Malviya Nagar, Jaipur– 302017

  
ATTESTED TRUE COPY  
Page-28 to 56  
Authorised Signatory  
Power Grid Corporation of India Ltd.  
Plot No. 2, Sector-29, Gurgaon-122001 (HARYANA)



5. Himachal Pradesh State Electricity Board  
Vidyut Bhawan, Kumar House Complex Building-II, Shimla – 171 004
6. Punjab State Electricity Board  
The Mall, Patiala – 147 001
7. Haryana Power Purchase Centre  
Shakti Bhawan, Sector-6,  
Panchkula, Haryana – 134 109
8. Power Development Department  
Government of Jammu & Kashmir,  
Mini Secretariat, Jammu
9. BSES Yamuna Power Limited  
BSES Bhawan, Nehru Place,  
New Delhi
10. BSES Rajdhani Power Limited  
BSES Bhawan, Nehru Place,  
New Delhi
11. Tata Power Delhi Distribution Limited  
33 kV Sub-Station Building, Hudson lane, Kingsway Camp,  
North Delhi – 110 009
12. Chandigarh Administration,  
Sector - 9, Chandigarh
13. Uttarakhand Power Corporation Limited  
Urja Bhawan, Kanwali Road, Dehradun
14. North Central Railway,  
Allahabad
15. New Delhi Municipal Council,  
Palika Kendra, Sansad Marg  
New Delhi – 110 002
16. Central Transmission Utility of India Ltd. (CTUIL)  
First Floor, Saudamini Plot No-2, Sector-29,  
Near IFFCO Chowk Metro Station, Gurgaon – 122 001

...Respondent(s)



**For Petitioner :** Ms. Swapna Seshadri, Advocate, PGCIL  
Ms. Sneha, Advocate, PGCIL  
Shri Utkarsh Singh, PGCIL  
Ms. Supriya Singh, PGCIL  
Shri Bipin Bihari Rath, PGCIL  
Shri Vivek Kumar Singh, PGCIL

**For Respondents :** Shri Sandeep Kamawat, CTUIL  
Shri Akshayvat Kislay , CTUIL  
Shri Siddharth Sharma, CTUIL

### ORDER

The instant petition is filed Power Grid Corporation of India Limited for revision of transmission tariff of 2019-24 tariff period under the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2019 (hereinafter referred to as “the 2019 Tariff Regulations”) and approval under Regulation 76 and Regulation 77 of Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations’ 2019, “Power to Relax” and “Power to Remove Difficulty” for one-time reimbursement of unrecovered depreciation, in respect of assets under Stage-1 of 400 kV Thyristor controlled series compensation project (Fact Device) on Kanpur-Ballabgarh 400 kV S/C line (hereinafter referred to as “the transmission asset”) at Ballabgarh in Northern Region.

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

- “1) Approve the de-cap and revision of transmission tariff for 2019-24 block for the assets covered under this petition.*
- 2) Allow unrecovered depreciation under Regulation 76 and Regulation 77 of CERC (Terms and Conditions of Tariff) Regulations’ 2019, “Power to Relax” and “Power to Remove Difficulty”.*
- 3) 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 2014 and Tariff regulations 2019 as per para 8 and 9 above for respective block.*



- 4) 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.
- 5) 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.
- 6) 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 respondents.
- 7) Allow the Petitioner to claim the overall security expenses and consequential IOWC on that security expenses separately.
- 8) Allow the Petitioner to bill and recover GST on Transmission Charges separately from the respondents, if GST on transmission is levied at any rate in future. Further, any taxes including GST and duties including cess etc. imposed by any statutory/Govt./municipal authorities shall be allowed to be recovered from the beneficiaries.

and pass such other relief as Hon'ble Commission deems fit and appropriate under the circumstances of the case and in the interest of justice."

### **Background**

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

- a. The Investment Approval (IA) for the transmission asset was accorded by the Board of Directors of the Petitioner vide Memorandum dated 12.5.2000 at an estimated cost of ₹1476 lakh at the 4<sup>th</sup> quarter 1999 price level, including an IDC of ₹83 lakh.
- b. The transmission asset was scheduled to be put into commercial operation in December 2000 against which it was put into commercial operation on 1.7.2002.
- c. The transmission tariff for the period from 1.4.2002 to 31.3.2004 for the transmission asset was determined vide order dated 23.3.2005 in Petition No. 116/2002; for the period from 1.4.2004 to 31.3.2009, vide order dated 9.5.2006 in Petition No. 60/2005; and for the period from 1.4.2009 to 31.3.2014 vide order dated 14.9.2009 in Petition No.131/2009. The transmission tariff for the 2009-14 period was trued up, and the tariff for the period from 1.4.2014 to 31.3.2019 was determined vide order dated 15.2.2016 in Petition No.168/TT/2014. The tariff for



the 2014-19 period was trued up and the tariff for the period from 1.4.2019 to 31.3.2024 was determined vide order dated 1.2.2021 in Petition No. 7/TT/2020.

- d. The Petitioner, in its Petition 7/TT/2020, had claimed additional capitalization during 2019-24 for upgradation of Fact Device Series Compensation (FSCs) due to obsolescence of technology and the lack of availability of spare parts.
- e. The Commission, vide order dated 1.2.2021 in Petition No 7/TT/2020, disallowed the additional capitalization projected against the upgradation of FSCs and directed to consult OEM and seek a comprehensive report on the status of control and protection system for FSC installation in 400 kV S/C Kanpur-Ballabgarh Line at Ballabgarh Sub-station with the purpose of grid reliability and security and place the same on record for consideration of the Commission at the time of true up of the 2019-24 tariff period.
- f. The Petitioner held a meeting with stakeholders on 3.8.2021 under the chairmanship of Chief Engineer (PSPA-1), CEA, where it was observed by various stakeholders that there is no need for refurbishing the FSCs as system already possesses sufficient power transfer capacity.
- g. Based on the above meeting, the matter was taken up with NRPC in the 49<sup>th</sup> NRPC meeting held on 27.9.2021, and the 47<sup>th</sup> TCC held on 23.9.2021 & 24.9.2021, in which TCC resolved that the Petitioner may approach the Commission, contingent upon the outcome of the forthcoming CEA's NRPC-TP meeting, where discussions on the viability of the FSC will be held.
- h. Accordingly, the matter was further taken up for discussion in the 4<sup>th</sup> meeting of NRPC-TP held on 05.10.2021 & 12.10.2021, wherein it was decided that there was



no requirement for refurbishment of FSC at Kanpur-Ballabgarh Line-1 and also the same cannot be relocated as the FSC is designed for a particular line with specific line parameters.

- i. The transmission tariff allowed for the 2019-24 tariff period vide order dated 1.2.2021 in Petition No. 7/TT/2020, and the revised transmission tariff claimed by the Petitioner in the instant petition is as follows:

Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
Allowed in order dated 1.2.2021 in Petition no. 7/TT/2020	137.14	135.89	136.50	137.76	139.05
Claimed by the Petitioner in the instant petition	137.14	136.09	46.82	-	-

- j. The Petitioner has sought revision of transmission tariff approved for the 2020-21 to 2023-24 tariff period on account of De-Capitalisation of transmission asset on 3.8.2021 and has also sought one-time reimbursement of unrecovered depreciation of ₹194.68 lakh under Regulation 76 and Regulation 77 of Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations' 2019, "Power to Relax" and "Power to Remove Difficulty".

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

5. The Petitioner has served the petition on the Respondents and notice regarding filing of this petition has been published in newspapers in accordance with Section 64 of the Electricity Act, 2003. No comments or suggestions have been received from the general public in response to the aforesaid notices published in the newspapers. Respondent No. 1, Uttar Pradesh Power



Corporation Ltd. (UPPCL) has filed its reply vide affidavit dated 5.8.2022. In response, the Petitioner has filed its rejoinder vide affidavit dated 29.12.2022.

6. During the hearing on 12.1.2023, the Commission directed the Petitioner to implead CTUIL as a party to the instant petition. Accordingly, the Petitioner vide email dated 20.1.2023 impleaded CTUIL as a party to the instant petition.

7. This order is being issued considering the submissions made by the Petitioner in the petition, affidavit dated 17.2.2023, UPPCL's reply vide affidavit 5.8.2022, and the Petitioner's rejoinder to the reply of UPPCL, vide affidavit dated 29.12.2022.

8. The hearing in this matter was held on 1.12.2022, 12.1.2023, 6.3.2023 and on 27.9.2023 the order was reserved.

9. Having heard the representatives of the Petitioner and Respondents and perused the material on record, we proceed to dispose of the petition.

#### **Revision of transmission charges for 2019-24 tariff period**

10. The Petitioner has claimed decapitalization of the transmission asset w.e.f. 3.8.2021 and reimbursement of unrecovered depreciation of ₹194.68 lakh.

11. The Petitioner has claimed the following revised tariff for the transmission asset for the 2019-24 tariff period:

Particulars	(₹ in lakh)		
	2019-20	2020-21	2021-22 (pro rata for 125 days)
Depreciation	29.24	29.24	10.01
Interest on Loan	2.80	0.60	0.00
Return on Equity	70.01	70.01	23.98
Interest on Working Capital	2.94	2.96	1.03
O&M Expenses	32.15	33.28	11.80
<b>Total</b>	<b>137.14</b>	<b>136.09</b>	<b>46.82</b>





12. The Petitioner has requested for a revision of the transmission tariff for the 2019-24 tariff period based on the De-Capitalisation of the transmission asset w.e.f. 3.8.2021. Further, the Petitioner has requested a one-time reimbursement of unrecovered depreciation of ₹194.68 lakh under Regulation 76 and Regulation 77 of the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2019, "Power to Relax" and "Power to Remove Difficulty."

**Revision of Transmission Tariff for 2019-24 Tariff Period**

13. The Commission, vide order dated 1.2.2021 in petition no. 7/TT/2020, had allowed the tariff for the 2019-24 period as below:

(₹ in lakh)					
Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
Depreciation	29.24	29.24	29.24	29.24	29.24
Interest on Loan	2.80	0.60	0.00	0.00	0.00
Return on Equity	70.01	70.01	70.01	70.01	70.01
Interest on Working Capital	2.94	2.76	2.80	2.85	2.89
O&M Expenses	32.15	33.28	34.45	35.66	36.91
<b>Total</b>	<b>137.14</b>	<b>135.89</b>	<b>136.50</b>	<b>137.76</b>	<b>139.05</b>

14. The Petitioner has submitted the information as required under the 2019 Tariff Regulations for the revision of annual fixed charges for the 2019-24 period. The tariff for the 2019-24 period has accordingly been revised, as discussed in the subsequent paragraphs.

15. The details of the revised transmission charges claimed by the Petitioner are as follows:

(₹ in lakh)			
Particulars	2019-20	2020-21	2021-22 (pro rata for 125 days)
Depreciation	29.24	29.24	10.01
Interest on Loan	2.80	0.60	0.00
Return on Equity	70.01	70.01	23.98
Interest on Working Capital	2.94	2.96	1.03
O&M Expenses	32.15	33.28	11.80
<b>Total</b>	<b>137.14</b>	<b>136.09</b>	<b>46.82</b>





### **Capital Cost as on 1.4.2019**

16. The Commission, vide order dated 1.7.2021 in Petition No. 7/TT/2020, had allowed the transmission tariff for the transmission asset for the 2019-24 period based on the admitted capital cost of ₹1499.18 lakh as on 1.4.2019 for the transmission asset. The Petitioner has not claimed any ACE during the 2019-24 tariff period. However, the Petitioner claimed de-capitalization of ₹1499.18 lakh during 2021-22. Accordingly, the capital cost considered in accordance with Regulation 19 of the 2019 Tariff Regulations is as follows.

(₹ in lakh)

Particular	2019-20	2020-21	2021-22
Opening Capital Cost	1499.18	1499.18	1499.18
Add: Addition during the year/period	0.00	0.00	0.00
Less: Decapitalization during the year/period	0.00	0.00	1499.18
Less: Reversal during the year/period	0.00	0.00	0.00
Add: Discharges during the year/period	0.00	0.00	0.00
<b>Closing Capital Cost</b>	<b>1499.18</b>	<b>1499.18</b>	<b>0.00</b>
<b>Average Capital Cost</b>	<b>1499.18</b>	<b>1499.18</b>	<b>749.59</b>

17. The capital cost of ₹1499.18 lakh as on 31.3.2019 has been considered by the Commission.

### **Additional Capital Expenditure (ACE):**

18. The Petitioner in Petition No. 7/TT/2020 has claimed ACE of ₹871.20 lakh (₹784.08 lakh during 2020-21 and ₹87.12 lakh during 2021-22) and de-capitalisation of ₹334.38 lakh during 2020-21 on account of upgradation of FSCs in view of obsolescence of old technology used in these FSCs. The Commission vide order dated 1.2.2021 did not approve the proposed ACE for the 2019-24 tariff period. The relevant extracts of the order dated 1.2.2021 is as follows:

*"73. We have considered the submissions of the Petitioner and perused the documents placed on record. The Petitioner has submitted letter dated 13.2.2014 received from BHEL regarding*



supply of certain items in connection to Jeypore Substation. In the annexure to aforesaid letter, BHEL has expressed regret in supply of some items. However, the items for which BHEL has expressed its inability are not legible. Hence, it cannot be determined whether those items were related to control and protection panel of FSCs installed at Jeypore sub-station. Further, vide email dated 14.11.2019, AGM (CE-SACDA, HVDC & RPM), BHEL suggested for an R&M of the FSCs system installed at Jeypore Sub-station on account of non-availability of electronic components control and protection panel as the said system was installed way back in 2005. It is also noted that the Petitioner has not placed on record any communication to demonstrate that it has approached the OEM seeking solution for outage due to maloperation of control and protection system at Ballabgarh Substation. Rather the Petitioner has submitted copy of proposal received from OEM for upgradation of the control and protection system for FSC installed in 400 kV S/C Kanpur-Ballabgarh Line at Ballabgarh Sub-station. On perusal of the said proposal, it is observed that the Petitioner itself intended to upgrade the existing control and protection system for smooth operation and maintenance of the system. In view of the above, we are not convinced that the proposed ACE during 2019-24 is on account of suggestion from OEM for replacement of old control and protection system for FSC installation in 400 kV S/C Kanpur-Ballabgarh Line at Ballabgarh Sub-station. Therefore, we are of the considered view that the Petitioner has proposed ACE during 2019-24 for replacement of old control and protection system for FSC installation at Ballabgarh Sub-station without express recommendation of the OEM and hence, the proposed expenditure is disallowed. The Petitioner is directed to consult OEM and seek comprehensive report on the status of control and protection system for FSC installation in 400 kV S/C Kanpur-Ballabgarh Line at Ballabgarh Sub-station with the purpose of grid reliability and security and place the same on record for consideration of the Commission at the time of true up of the 2019-24 tariff period.

74. The total capital cost allowed as on 1.4.2019 is ₹1499.18 lakh and the Petitioner has proposed ACE of ₹536.82 lakh (de-capitalisation of ₹334.38 lakh reduced). The proposed ACE is about 35.80% of the total capital cost approved as on 31.3.2019. Therefore, we are of the view that the proposed ACE is in the nature of upgradation and, therefore, the Petitioner is directed to obtain consent of beneficiaries or the long term customers and RPC. The Petitioner is also directed to submit the details of power transfer capability of the Kanpur-Ballabgarh 400 kV S/C line at Ballabgarh, dynamic stability details, voltage regulation and reactive power balance and load sharing between parallel lines at the time of true up.

76. We have perused the aforesaid orders. In Petition No. 133/TT/2015, the Commission has allowed ACE for tower strengthening and replacement of insulators based on recommendation of CEA. Similarly, in Petition No. 35/TT/2015, the Commission took a considered view based on the report of CPRI and discussion in 12th meeting of SRPC. Further, in Petition No. 543/TT/2014, the Commission allowed ACE as a special case under Regulation 54 of the 2014 Tariff Regulations and also observed that it should not to be quoted as a precedent in future petitions. It is clear that the Commission had allowed ACE in the above cases referred by the Petitioner only after prudence check and it was a conscious decision. The Petitioner is also directed to discuss this issue in the RPC/OCC and seek consent of beneficiaries for upgradation of FSC installation in 400 kV S/C Kanpur-Ballabgarh Line at Ballabgarh Sub-station, if required, and place the same along with OEM report on record for consideration of the Commission at the time of true up of the 2019-24 tariff period



19. The Respondent, UPPCL, vide affidavit dated 5.8.2022, has submitted that the Petitioner took a unilateral decision to refurbish the FSC. The Petitioner discussed the matter with beneficiaries at the forum of CTU, NRPC, CEA and TCC only as per the specific directions of the Commission ordered in Petition No. 7/TT/2020 and despite specific direction from the Commission to come back with this matter at the time of true-up of tariff, the Petitioner approached the Commission with this petition prior to true-up. UPPCL has further submitted that it has no liability to bear the cost on account of the de-capitalization of FSC because UPPCL had never consented to such capital expenditure. Therefore, it has requested to remove the capital expenditure made on refurbishment of FSC by the Petitioner with effect from the date the work of refurbishment was completed. It was submitted that the Petitioner has to bear the full impact of this expenditure. The Respondent has no liability to share this cost as reimbursement or through tariff or any other mode.

20. In response, the Petitioner vide affidavit dated 29.12.2022 has submitted that the Respondent got confused with the claim on unrecovered depreciation being a claim for the cost incurred for the refurbishment of FSC. However, no expenditure has been incurred/claimed against refurbishment of FSC and the unrecovered depreciation is claimed for the original investment done for the FSC. Thus, it is prayed that the Commission should allow unrecovered depreciation as claimed in the petition, as FSC was installed as per system requirement and is being removed based on system requirement, and the investment made should be fully recovered.

21. We have considered the submissions of the Petitioner and UPPCL. The Petitioner has not proposed any ACE in the 2019-24 tariff Period. Therefore, the Respondents are not required to bear any additional cost/ tariff.



## De-Capitalization

22. The Petitioner has proposed to de-capitalize the transmission asset after undergoing a series of discussions with beneficiaries and the Northern Regional Power Committee (NRPC) in accordance with the direction of the Commission, vide order dated 1.2.2021. The relevant extract of paragraphs 73, 74 and 76 of the aforementioned order is as follows:

*“73..... The Petitioner is directed to consult OEM and seek comprehensive report on the status of control and protection system for FSC installation in 400 kV S/C Kanpur-Ballabgarh Line at Ballabgarh Sub-station with the purpose of grid reliability and security and place the same on record for consideration of the Commission at the time of true up of the 2019-24 tariff period.*

*74..... Therefore, we are of the view that the proposed ACE is in the nature of upgradation and, therefore, the Petitioner is directed to obtain consent of beneficiaries or the long term customers and RPC. The Petitioner is also directed to submit the details of power transfer capability of the Kanpur-Ballabgarh 400 kV S/C line at Ballabgarh, dynamic stability details, voltage regulation and reactive power balance and load sharing between parallel lines at the time of truing up.*

*76.... The Petitioner is also directed to discuss this issue in the RPC/OCC and seek consent of beneficiaries for upgradation of FSC installation in 400 kV S/C Kanpur-Ballabgarh Line at Ballabgarh Sub-station, if required, and place the same along with OEM report on record for consideration of the Commission at the time of true up of the 2019-24 tariff period.”*

23. Further, the Commission vide hearing dated 1.2.2023 directed the Petitioner to implead CTUIL as a party to the instant petition. In compliance with the Commission's directive, CTUIL was impleaded as a party to the instant petition.

24. As regards the consent of beneficiaries with regard to upgradation of the transmission asset, the Petitioner has submitted that CTUIL was approached to carry out a load flow study of FSC at Ballabgarh and a meeting was held on 3.8.2021 with stakeholders under the chairmanship of Chief Engineer (PSPA-1), CEA, to discuss the issue. After detailed deliberations, all parties reached a consensus that there was no necessity to proceed with the refurbishment of the FSC at the Kanpur-Ballabgarh transmission line. The relevant extract of the minutes of the meetings is as follows:



*“(ii) In view of the factors like loading of Kanpur-Ballabgarh line in present and future scenarios, the voltage profile of Kanpur & Ballabgarh and the angular difference, CTUIL suggested that there is no requirement to refurbish the FSC at Kanpur-Ballabgarh Line-1 and system has sufficient power transfer capacity and sufficient margin in terms of stability (both voltage and angular) even without FSC at Line-1.*

*(iii) POSOCO stated that at present these lines remain under-loaded. However, POSOCO enquired about the anticipated loading on these lines in future scenarios with RE generations. On which, CTUIL replied that as per the system studies, under normal conditions, these lines remain less loaded of the order of 200-300 MW.*

*(iv) UPPTCL also suggested that as loading on the Kanpur-Ballabgarh Lines are quite low in present scenario and are also expected to be low in 2024-25 scenario, refurbishment of FSC at Kanpur-Ballabgarh Line-1 is not advisable.*

*(v) After deliberations, it was agreed that there is no requirement of refurbishment of FSC at Kanpur-Ballabgarh Line-1.”*

25. Further, the Petitioner submitted the matter was taken up in the 49<sup>th</sup> NRPC held on 27.9.2021 and 47<sup>th</sup> TCC held on 23.9.2021 and 24.9.2021, respectively. In the said meetings, the Technical Co-ordination Committee (TCC) resolved that the Petitioner may approach the Commission based on the decision from CEA's upcoming NRPCTP meeting regarding the utility of FSC. The relevant extract of the minutes of the meetings is as follows:

*“C.6.4 Representative of CTU informed that as noted in the MoM of the meeting held on 03.08.21, there was no requirement of the FSC in present load flow conditions. Hence FSC refurbishment for Kanpur-Ballabgarh Line-1 was declined. He further informed that the matter will also be deliberated in upcoming 4<sup>th</sup> NRPC (TP) meeting.*

*C.6.5 Representative of POWERGRID informed that balance unrecovered Depreciation (up to 90%) for this FSC is about Rs. 2.0 Crores as on 31.03.2021. If the FSC in Line-1 is being de-capitalized due to no utility in present network condition, the balance unrecovered depreciation may be reimbursed.*

*TCC decided that POWERGRID may approach CERC based on the decision taken in the upcoming CEA's NRPCTP meeting regarding utility of the FSC*

***NRPC deliberations:***

*C.6.6 NRPC concurred with the TCC deliberations.”*

26. The Petitioner submitted that the matter was further taken up for discussion in the 4<sup>th</sup> meeting of NRPC-TP held on 5.10.2021 and 12.10.2021, wherein it was decided that there was





no requirement for refurbishment of FSC at Kanpur-Ballabgarh Line-1. The relevant extract of the minutes of the meetings is as follows:

*“10.6 CTU stated that relocation of FSC is a challenging task as FSCs are designed for a particular line with specific line parameters like Short Circuit MVA, as such it is difficult to find the exact match for the FSC to fit in after relocation. Also, there is a technical issue of control and protection in the FSC of Kanpur- Ballabgarh line. Therefore, it cannot be relocated.*

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*10.9 After Deliberation following was decided:*

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*(iii) There is no requirement of refurbishment of FSC at Kanpur-Ballabgarh Line-1”*

27. The Petitioner further submitted that the instant transmission asset is not required now and, in the future, and the same cannot be reallocated to other locations as FSC is designed for a particular line with specific line parameters like Short Circuit MVA. Moreover, there is a technical issue of control and protection in the FSC of the Kanpur-Ballabgarh line. Therefore, the Petitioner has proposed to de-capitalize the instant asset w.e.f. 3.8.2021, i.e. from the date when the first meeting was held with stakeholders wherein it was decided that the transmission asset was not required in present and future scenarios.

28. We have considered the submission made by the Petitioner and gone through the minutes of the meeting held on 3.8.2021 with stakeholders under the chairmanship of Chief Engineer (PSPA-1), CEA, minutes of the 49<sup>th</sup> NRPC held on 27.9.2021 and 47<sup>th</sup> TCC held on 23.9.2021 and 24.9.2021, the minutes of the 4<sup>th</sup> meeting of NRPC-TP held on 5.10.2021 and 12.10.2021, wherein it was decided that there was no requirement of refurbishment of FSC at Kanpur-Ballabgarh Line-1. Taking into consideration the recommendations of CEA, TCC/NRPC and NRPC-TP that the instant asset is not required, we accordingly decapitalize the transmission asset w.e.f. 3.8.2021.



## Debt-Equity Ratio

29. Regulations 18 of the 2019 Tariff Regulations provides as follows:

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

*Provided that:*

*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 as may be admitted by the Commission as additional capital expenditure for determination of supplementary tariff, shall be serviced in the manner specified in clause (1) of this Regulation."*

30. The debt-equity ratio has been allowed in accordance with Regulation 18(3) of the 2019 Tariff Regulations. As per Regulation 18(3) of the 2019 Tariff Regulations, the debt-equity ratio



allowed by the Commission for the determination of tariff for the period ending on 31.3.2019 shall be considered. Accordingly, the debt-equity ratio of 75.14:24.86 for the period ending on 31.3.2019 has been considered for the purpose of revision of the tariff of the transmission asset for the 2019-24 tariff period. The details of the debt-equity ratio as on 1.4.2019 of the asset is as follows:

Funding	Capital Cost as on 1.4.2019 (₹ in lakh)	(in %)
Debt	1126.43	75.14
Equity	372.75	24.86
Total	1499.18	100.00

### Depreciation

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

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

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

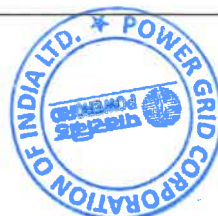
*(2) The value base for the purpose of depreciation shall be the capital cost of the asset admitted by the Commission. In case of multiple units of a generating station or multiple elements of a transmission system, weighted average life for the generating station of the transmission system shall be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

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

*Provided that the salvage value for IT equipment and software shall be considered as NIL and 100% value of the asset 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 asset 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 asset 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 asset.*
- (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 up to 31.3.2019 from the gross depreciable value of the asset.*
- (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 asset 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 decapitalized 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.”*

32. The Petitioner has claimed unrecovered depreciation of ₹194.68 lac in respect of transmission assets on account of decapitalization. The Petitioner has sought to recover the unrecovered depreciation under Regulation 76 (Power to Relax) and Regulation 77 (Power to



Remove Difficulty) of the 2019 Tariff Regulations. UPPCL has submitted that it has no liability to bear any cost on account of the de-capitalization of FSC because UPPCL had never consented to such capital expenditure, and the Petitioner has to bear the full impact of this expenditure.

33. In response, the Petitioner has submitted that no expenditure has been incurred/ claimed against the refurbishment of FSC, and the unrecovered depreciation is claimed for the original investment done for the FSC. Further, the Petitioner requested the Commission to allow unrecovered depreciation as claimed in the petition, as FSC was installed as per system requirement and is being removed based on system requirement, and investment made should be duly recovered.

34. We have considered the submissions of the Petitioner and UPPCL. It is observed that there is no provision to recover the unrecovered depreciation on account of de-capitalization in the 2019 Tariff Regulations.

35. It is further observed that the Petitioner has filed a Petition No. 61/MP/2022 seeking recovery of unrecovered depreciation on decapitalization of the transmission assets. Therefore, we are not inclined to allow the Petitioner's prayer for recovery of the unrecovered depreciation due to decapitalization of the instant transmission asset under the "Power to Relax" in this order, and the same shall be subject to the order in Petition No. 61/MP/2022. The Petitioner may make appropriate claims on the basis of the order in Petition No.61/MP/2022 at the time of truing up.

36. Depreciation has been allowed considering the gross fixed assets and cumulative depreciation as on 1.4.2019 as approved by the Commission vide order dated 1.2.2021 in Petition No. 7/TT/2020 for 2019-24. Further, the transmission asset has been de-capitalized as on 3.8.2021. Accordingly, depreciation allowed in respect of the transmission asset for 2019-20, 2020-21 and 2021-22 is as follows:



(₹ in lakh)

Particulars	2019-20	2020-21	2021-22
Opening Gross Block	1499.18	1499.18	1499.18
Additional Capital Expenditure	0.00	0.00	0.00
De-Capitalization during the year	0.00	0.00	1499.18
Closing Gross Block	1499.18	1499.18	0.00
Average Gross Block	1499.18	1499.18	749.59
Weighted Average Rate of Depreciation (%)	Spread	Spread	Spread
Balance Useful life of Asset	9	8	7
Elapsed life at the beginning of the year	16	17	18
Aggregate Depreciation Value	1349.26	1349.26	1349.26
<b>Depreciation during the year (Annualised)</b>	<b>29.24</b>	<b>29.24</b>	<b>29.24</b>
<b>Pro-rated Depreciation during the year</b>	<b>29.24</b>	<b>29.24</b>	<b>10.01</b>
Aggregate Cumulative Depreciation	1115.33	1144.57	1154.58
Remaining Aggregate Depreciation Value at the end of the year	233.93	204.69	194.68

37. The details of depreciation allowed vide order dated 1.2.2021 in Petition No. 7/TT/2020, as claimed by Petitioner in the instant petition and depreciation allowed in respect of the transmission asset in the instant order are as follows:

(₹ in lakh)

Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
Allowed vide order dated 1.2.2021 in Petition No. 7/TT/2021	29.24	29.24	29.24	29.24	29.24
Claimed by the Petitioner in the instant petition	29.24	29.24	10.01	-	-
Allowed after revision in this order	29.24	29.24	10.01	-	-

### Interest on Loan (IoL)

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

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

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

*(3) The repayment for each of the year of the tariff period 2019-24 shall be deemed to be equal to the depreciation allowed for the corresponding year/period. In case of decapitalization of asset, 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”.

39. The Petitioner has repaid the entire loan availed for the purpose of the transmission asset before 1.4.2019. The Commission vide order dated 1.2.2021 in Petition No. 7/TT/2020 has allowed IoL based on normative loan outstanding as on 1.4.2019, i.e. ₹40.34 lakh. Further, the Petitioner has decapitalized the transmission asset amounting to ₹1499.18 lakh on 3.8.2021. The Commission, vide order dated 1.2.2021 in Petition No. 7/TT/2020, had approved the debt equity ratio for the 2019-24 tariff period as 75.14:24.86. Accordingly, a reduction in loan amounting to ₹1126.43 lakh has been done, corresponding to 75.14% of the decapitalized amount. The revised IoL allowed for the 2019-24 tariff period is as follows:

(₹ in lakh)

Particulars	2019-20	2020-21	2021-22
Gross Normative Loan	1126.43	1126.43	1126.43
Cumulative repayment up to the previous Year	1086.09	1115.33	1126.43
Net Loan-Opening	40.34	11.10	0.00
Addition due to Additional Capitalization	0.00	0.00	0.00



Particulars	2019-20	2020-21	2021-22
Repayment during the year	29.24	11.10	0.00
Less: Decrease due to de-capitalization during the year/ period	0.00	0.00	1126.43
Net Loan Closing	11.10	0.00	0.00
Average Loan	25.72	5.55	0.00
Weighted Average Rate of Interest on Loan (in %)	10.90	10.90	10.90
<b>Interest on Loan</b>	<b>2.80</b>	<b>0.60</b>	<b>0.00</b>

40. The details of IoL allowed vide order dated 1.2.2021 in Petition No. 7/TT/2020, as claimed by Petitioner in the instant petition and IoL allowed in respect of the transmission asset in the instant order, are as follows:

(₹ in lakh)

Particulars	2019-20	2020-21	2021-22
Allowed vide order dated 1.2.2021 in Petition No. 7/TT/2021	2.80	0.60	0.00
Claimed by the Petitioner in the instant petition	2.80	0.60	0.00
Allowed after revision in this order	2.80	0.60	0.00

### Return on Equity (RoE)

41. Regulation 30 and Regulation 31 of the 2019 Tariff Regulations provides as follows:

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

(2) Return on equity 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 cutoff date beyond the original scope excluding Additional Capitalization due to Change in Law, shall be computed at the weighted average rate of interest on actual loan portfolio of the generating station or the transmission system or in the absence of actual loan portfolio of the generating station or the transmission system, the weighted average rate of interest of the generating company or the transmission licensee, as the case may be, as a whole shall be considered, subject to ceiling of 14%.

Provided further that:

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





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

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

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

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

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

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

**31. Tax on Return on Equity:**(1) The base rate of return on equity as allowed by the Commission under Regulation 30 of these regulations shall be grossed up with the effective tax rate of the respective financial year. For this purpose, the effective tax rate shall be considered on the basis of actual tax paid in respect of the financial year in line with the provisions of the relevant Finance Acts by the concerned generating company or the transmission licensee, as the case may be. The actual tax paid on income from other businesses including deferred tax liability (i.e. income from business other than business of generation or transmission, as the case may be) shall be excluded for the calculation of effective tax rate.

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

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.”

42. The Petitioner has submitted that they are liable to pay income tax at the MAT rate prescribed vide the taxation laws (Amendment) ordinance 2019 published in the Gazette dated 20.9.2019. The Petitioner has submitted further that the ROE has been calculated @ 18.782% after grossing up the RoE with a MAT rate of 17.472% (Base Rate 15% + Surcharge 12% + Cess 4%) based on the formula given at regulation 31(2) of 2019 Tariff Regulation during 2019-24 period.

43. We have considered the submission of the Petitioner. Accordingly, the MAT rate applicable in 2019-24 has been considered for the purpose of RoE. Further, the Petitioner has decapitalized the transmission asset amounting to ₹1499.18 lakh on 3.8.2021. The Commission, vide order dated 1.2.2021 in Petition No. 7/TT/2020, has approved the debt-equity ratio for the 2019-24 tariff period as 75.14:24.86. Accordingly, a reduction in equity amounting to ₹372.75 lakh has been done, corresponding to 24.86% of the decapitalized amount. Accordingly, the RoE allowed is as follows:

Particulars	(₹ in lakh)		
	2019-20	2020-21	2021-22
Opening Normative Equity	372.75	372.75	372.75
Less: Adjustment in Equity	0.00	0.00	0.00
Adjustment during the year	0.00	0.00	0.00
Net opening equity (Normal)	372.75	372.75	372.75
Add: Increase in Equity due to addition during the year / period	0.00	0.00	0.00
Less: Decrease due to de-capitalisation during the year / period	0.00	0.00	0.00
Add: Increase due to discharge during the year / period	0.00	0.00	0.00
Closing Normative Equity	372.75	372.75	372.75
Average Normative Equity	372.75	372.75	372.75
Rate of return on Equity (in %)	18.78	18.78	18.78
Reduced rate of 1% decided by commission under Regulation 30(2) (if any)	0.00	0.00	0.00
Effective rate of ROE (in %)	15.50	15.50	15.50
MAT Rate (in %)	17.47	17.47	17.47





Particulars	2019-20	2020-21	2021-22
Grossed up rate of ROE (in %)	18.78	18.78	18.78
Return on Equity (Annualised)	70.01	70.01	70.01
<b>Pro-rata Return on Equity</b>	<b>70.01</b>	<b>70.01</b>	<b>23.98</b>

44. The details of RoE allowed, vide order dated 1.2.2021 in Petition No. 7/TT/2020, as claimed by Petitioner in the instant petition and RoE allowed in respect of the transmission asset in the instant order, are as follows:

Particulars	(₹ in lakh)				
	2019-20	2020-21	2021-22	2022-23	2023-24
Allowed vide order dated 1.2.2021 in Petition No. 7/TT/2021	70.01	70.01	70.01	70.01	70.01
Claimed by the Petitioner in the instant petition	70.01	70.01	23.98	-	-
Allowed after revision in this order	70.01	70.01	23.98	-	-

#### **Operation & Maintenance Expenses (O&M Expenses)**

45. The O&M Expenses claimed by the Petitioner for the transmission asset are as follows:

(₹ in lakh)		
2019-20	2020-21	2021-22
32.15	33.28	11.80

46. Regulation 35(3)(a) of the 2019 Tariff regulations specifies the norms for the O&M Expenses for the transmission system, and the same are as follows:

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

Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
<b>Norms for sub-station Bays (Rs Lakh per bay)</b>					
765 kV	45.01	46.60	48.23	49.93	51.68
400 kV	32.15	33.28	34.45	35.66	36.91
220 kV	22.51	23.30	24.12	24.96	25.84
132 kV and below	16.08	16.64	17.23	17.83	18.46
<b>Norms for Transformers (Rs Lakh per MVA)</b>					
765 kV	0.491	0.508	0.526	0.545	0.564
400 kV	0.358	0.371	0.384	0.398	0.411
220 kV	0.245	0.254	0.263	0.272	0.282
132 kV and below	0.245	0.254	0.263	0.272	0.282
<b>Norms for AC and HVDC lines (Rs Lakh per km)</b>					



<b>Particulars</b>	<b>2019-20</b>	<b>2020-21</b>	<b>2021-22</b>	<b>2022-23</b>	<b>2023-24</b>
Single Circuit (Bundled Conductor with six or more sub-conductors)	0.881	0.912	0.944	0.977	1.011
Single Circuit (Bundled conductor with four sub-conductors)	0.755	0.781	0.809	0.837	0.867
Single Circuit (Twin & Triple Conductor)	0.503	0.521	0.539	0.558	0.578
Single Circuit (Single Conductor)	0.252	0.26	0.27	0.279	0.289
Double Circuit (Bundled conductor with four or more sub-conductors)	1.322	1.368	1.416	1.466	1.517
Double Circuit (Twin & Triple Conductor)	0.881	0.912	0.944	0.977	1.011
Double Circuit (Single Conductor)	0.377	0.391	0.404	0.419	0.433
Multi Circuit (Bundled Conductor with four or more sub-conductor)	2.319	2.401	2.485	2.572	2.662
Multi Circuit (Twin & Triple Conductor)	1.544	1.598	1.654	1.713	1.773
<b>Norms for HVDC stations</b>					
HVDC Back-to-Back stations (Rs Lakh per 500 MW) (Except Gazuwaka BTB)	834	864	894	925	958
Gazuwaka HVDC Back-to-Back station (Rs Lakh per 500 MW)	1,666	1,725	1,785	1,848	1,913
500 kV Rihand-Dadri HVDC bipole scheme (Rs Lakh) (1500 MW)	2,252	2,331	2,413	2,498	2,586
±500 kV Talcher- Kolar HVDC bipole scheme (Rs Lakh) (2000 MW)	2,468	2,555	2,645	2,738	2,834
±500 kV Bhiwadi-Balia HVDC bipole scheme (Rs Lakh) (2500 MW)	1,696	1,756	1,817	1,881	1,947
±800 kV, Bishwanath-Agra HVDC bipole scheme (Rs Lakh) (3000 MW)	2,563	2,653	2,746	2,842	2,942

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

Provided further that:

- i. the operation and maintenance expenses for new HVDC bi-pole schemes commissioned after 1.4.2019 for a particular year shall be allowed pro-rata on the basis of normative rate of operation and maintenance expenses of similar HVDC bi-pole scheme for the corresponding year of the tariff period;
- ii. the O&M expenses norms for HVDC bi-pole line shall be considered as Double Circuit quad AC line;
- iii. the O&M expenses of ±500 kV Mundra-Mohindergarh HVDC bipole scheme (2000 MW) shall be allowed as worked out by multiplying 0.80 of the normative O&M expenses for ±500 kV Talchar-Kolar HVDC bi-pole scheme (2000 MW);
- iv. the O&M expenses of ±800 kV Champa-Kurukshetra HVDC bi-pole scheme (3000 MW) shall be on the basis of the normative O&M expenses for ±800 kV, Bishwanath-Agra HVDC bi-pole scheme;



- v. the O&M expenses of  $\pm 800$  kV, Alipurduar-Agra HVDC bi-pole scheme (3000 MW) shall be allowed as worked out by multiplying 0.80 of the normative O&M expenses for  $\pm 800$  kV, Bishwanath-Agra HVDC bi-pole scheme; and
- vi. the O&M expenses of Static Synchronous Compensator and Static Var Compensator shall be worked at 1.5% of original project cost as on commercial operation which shall be escalated at the rate of 3.51% to work out the O&M expenses during the tariff period. The O&M expenses of Static Synchronous Compensator and Static Var Compensator, if required, may be reviewed after three years

(b) The total allowable operation and maintenance expenses for the transmission system shall be calculated by multiplying the number of sub-station bays, transformer capacity of the transformer (in MVA) and km of line length with the applicable norms for the operation and maintenance expenses per bay, per MVA and per km respectively.

(c) The Security Expenses and Capital Spares for transmission system shall be allowed separately after prudence check:

Provided that the transmission licensee shall submit the assessment of the security requirement and estimated security expenses, the details of year-wise actual capital spares consumed at the time of truing up with appropriate justification.

**(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."

47. The O&M Expenses allowed for the transmission asset are as follows:

Particulars	(₹ in lakh)				
	2019-20	2020-21	2021-22	2022-23	2023-24
<b>Sub-Station Bays</b>					
400 kV Bay at Ballabgarh	1.00	1.00	1.00	1.00	1.00
400 kV	32.15	33.28	34.45	35.66	36.91
<b>Total O&amp;M Expenses (Annualised)</b>	32.15	33.28	34.45	-	-
<b>Pro-rata O&amp;M Expenses</b>	<b>32.15</b>	<b>33.28</b>	<b>11.80</b>	-	-

48. The details of O&M allowed vide order dated 1.2.2021 in Petition No. 7/TT/2020; as claimed by Petitioner in the instant petition, and O&M Expenses allowed in respect of the transmission asset in the instant order are as follows:

Particulars	(₹ in lakh)				
	2019-20	2020-21	2021-22	2022-23	2023-24
Allowed vide order dated 1.2.2021 in Petition No. 7/TT/2021	32.15	33.28	34.45	35.66	36.91
Claimed by the Petitioner in the instant petition	32.15	33.28	11.80	-	-
Allowed after revision in this order	32.15	33.28	11.80	-	-



### Interest on Working Capital (IWC)

49. Regulation 34(1)(c), Regulation 34(3), Regulation 34(4) and Regulation 3(7) of the 2019 Tariff Regulations provide as follows:

**“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;”*

50. The Petitioner has computed the IWC for the 2019-24 tariff period considering the SBI Base Rate plus 350 basis points as on 1.4.2019. The Petitioner has considered the rate of IWC as 12.05%. The IWC is worked out in accordance with Regulation 34 of the 2019 Tariff Regulations. The rate of IWC considered is 12.05% (SBI 1year MCLR applicable as on 1.4.2019 of 8.55% plus 350 basis points) for 2019-20, 11.25% (SBI 1-year MCLR applicable as on 1.4.2020 of 7.75% plus 350 basis points) for 2020-21 and 10.50% (SBI 1-year MCLR applicable as on 1.4.2021 of 7.00% plus 350 basis points) for 2021-22. The components of the working capital and interest allowed thereon is as follows:



(₹ in lakh)

Particulars	2019-20	2020-21	2021-22
O&M Expenses-one month	2.68	2.77	2.87*
Maintenance spares 15% of O&M Expenses	4.82	4.99	5.17*
Receivables equivalent to 45 days of AFC	16.86	16.75	16.81*
Total Working capital	24.36	24.52	24.84*
Rate of Interest (in %)	12.05	11.25	10.50
Interest on working capital (Annualised)	2.94	2.76	2.61
<b>Pro rata interest on working capital</b>	<b>2.94</b>	<b>2.76</b>	<b>0.89</b>

\*Annualised figure

51. The details of IoWC allowed vide order dated 1.2.2021 in Petition No. 7/TT/2020; as claimed by Petitioner in the instant petition and IoWC allowed in respect of the transmission asset in the instant order, are as follows:

(₹ in lakh)

Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
Allowed vide order dated 01.02.2021 in Petition No. 7/TT/2021	2.94	2.76	2.80	2.85	2.89
Claimed by the Petitioner in the instant petition	2.94	2.96	1.03	-	-
Allowed after revision in this order	2.94	2.76	0.89	-	-

#### Annual Fixed Charges for 2019-24 Tariff Period

52. The revised transmission charges allowed for the transmission asset for the 2019-24 tariff period are as summarized below:

(₹ in lakh)

Particulars	2019-20	2020-21	2021-22 (pro-rata for 125 days)
Depreciation	29.24	29.24	10.01
Interest on Loan	2.80	0.60	0.00
Return on Equity	70.01	70.01	23.98
Interest on Working Capital	2.94	2.76	0.89
O&M Expenses	32.15	33.28	11.80
<b>Total</b>	<b>137.14</b>	<b>135.89</b>	<b>46.68</b>





### **Filing Fee and Publication Expenses**

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

### **License Fee and RLDC Fees and Charges**

54. The Petitioner shall be entitled to reimbursement of license fee in accordance with Regulation 70(4) of the 2019 Tariff Regulations for 2019-24 tariff period. The Petitioner shall also be entitled to recovery of RLDC fees and charges in accordance with Regulations 70(3) of the 2019 Tariff Regulations for the 2019-24 tariff period.

### **Goods and Services Tax**

55. The Petitioner has submitted that if GST is levied at any rate and at any point of time in 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 will be charged and billed separately by the Petitioner. Further additional taxes, if any, are to be paid by the Petitioner on account of demand from Government/Statutory Authorities, the same may be allowed to be recovered from the beneficiaries.

56. We have considered the submissions of the Petitioner. Since GST is not levied on transmission service at present, the Petitioner's prayer is premature.

### **Security Expenses**

57. The Petitioner submitted that it filed Petition No. 260/MP/2020 claiming the overall Security Expenses and consequential Interest on Working Capital (IOWC) on the same wherein



it was proposed to consider the actual Security Expenses incurred by the Petitioner in 2018-19 after escalating the same at 3.51% per annum and the estimated additional Security Expenses for new Sub-stations to be commissioned in the future, for arriving at the Estimated Security Expense for the year 2019-24, period. The Commission vide order dated 3.8.2021 in Petition No. 260/MP/2020 allowed the Petitioner to recover the estimated security expenses from beneficiaries as per provisions of the 2020 Sharing Regulations. The difference, if any, between the estimated security expenses and the actual security expenses calculated as per audited accounts on a year-to-year basis may be allowed to be recovered/refunded from beneficiaries.

58. The Commission has considered the above submissions of the Petitioner. The Petitioner has prayed to allow it to recover the difference between the estimated security expenses approved vide order dated 3.8.2021 in Petition No.260/MP/2020 and the actual security expenses on a year-to-year basis from the beneficiaries. The 2019 Tariff Regulations do not provide for such an arrangement. Therefore, the Petitioner is directed to make a claim for the same at the time of truing up of the tariff of the 2019-24 tariff period.

### **Capital Spares**

59. 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**

60. The revised transmission charges approved for the transmission asset for the 2019-24 period shall be shared by the Respondents in accordance with the Central Electricity Regulatory Commission (Sharing of Inter State Transmission Charges and Losses) Regulations, 2020, as provided in Regulation 57 of the 2019 Tariff Regulations.





61. To summarize, AFC allowed vide order dated 1.2.2021, as claimed by Petitioner in the instant petition and allowed in respect of the transmission asset for the 2019-24 tariff period in this order are as follows:

Particulars	(₹ in lakh)				
	2019-20	2020-21	2021-22	2022-23	2023-24
Allowed vide order dated 01.02.2021 in Petition No. 7/TT/2021	137.14	135.89	136.50	137.76	139.05
Claimed by the Petitioner in the instant petition	137.14	136.09	46.82	-	-
Allowed after revision in this order	137.14	135.89	46.68	-	-

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

63. This order disposes of Petition No. 333/TT/2022 in terms of the above findings and discussions.

sd/-  
(P.K. Singh)  
Member

sd/-  
(Arun Goyal)  
Member

sd/-  
(Jishnu Barua)  
Chairperson



## Annexure

(₹ in lakh)

	Admitted Capital Cost as on 01.04.2019	De-Capitalization				Admitted Capital Cost as on 31-03-2024	Dep Rate Spread	Annual Depreciation					
		2019-20	2020-21	2021-22	202-2-23			2023-24	2019-20	2020-21	2021-22	2022-23	2023-24
Capex Sub-Station	1499.18	-	-	1499.18	-	-	Spread	29.24	29.24	10.01	-	-	-
<b>Total</b>	1499.18	-	-	1499.18	-	-							
							<b>Average Gross Block (₹ in lakh)</b>	1499.18	1499.18	749.59	-	-	-
							<b>Weighted Average Rate of Depreciation (%)</b>	Spread	Spread	Spread	-	-	-



End-2

**Summary of Tariff**

Form No. - 1

Name of the Transmission Licensee:	Power Grid Corporation of India Limited		
Project	Stage-I of 400 KV Thyristor Controlled Series Compensation project ( FACTs Device) on Kanpur-Ballabgarh 400		
Element Description	Stage-I of 400 KV Thyristor Controlled Series Compensation project ( FACTs Device) on Kanpur-Ballabgarh 400 Kv S/C line at Balla		
Region	Northern Region	DOC Date	Jul 1, 2002

(Amount in Rs. Lakh)

Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
Year Days	366.00	365.00	365.00		
Tariff Days	366.00	365.00	125.00		
Depreciation-Form No. 10A	29.24	29.24	10.01		
Interest on Loan-Form No. 9E	2.80	0.60	0.00		
Return on Equity-Form No. 8	70.01	70.01	23.98		
Int. on Working capital-Form No.11	2.94	2.76	0.89		
Op. and maintenance-Form No.2	32.15	33.28	11.80		
Total AFC	137.14	135.89	46.68		

(Petitioner)



**Details of Transmission Lines and Substations, Communication System covered in the project scope and O&M for instant asset**

Form No. - 2

Name of the Transmission Licensee		Power Grid Corporation of India Limited	
Project	Stage-I of 400 KV Thyristor Controlled Series Compensation project ( FACTS Device) on Kanpur-Ballabgarh 400 Kv S/C line at Balla		
Element Description	Stage-I of 400 KV Thyristor Controlled Series Compensation project ( FACTS Device) on Kanpur-Ballabgarh 400 Kv S/C line at Balla		
Region	Northern Region	DOC Date	Jul 1, 2002

**1. Transmission Lines**

(Amount in Rs. Lakh)

**Summary:**



2. Sub Station

Name of Sub-station	Type of Substation	Voltage Level KV	No. of Transformers/ Reactor/ SVC etc. (with capacity)	No. of Bays				MVA/MVAR Capacity			Date of Comm. operation	Covered in the present petition	
				765 KV	400 KV	220 KV	132 KV	765 KV	400 KV	220 KV			132 KV
Ballabhgarh: BAYS AT BALLABHGARH	Conventional	400 KV		1.000								Jul 1, 2002	Y

Summary:

O&M Expenses For Substations Covered in the instant petition	2019-20	2020-21	2021-22	2022-23	2023-24
<b>400KV SUB-STATION</b>					
Normative Rate of O&M as per Regulation	32.15	33.28	34.45		
No. of Units	1.00	1.00	1.00		
O&M Claimed	32.15	33.28	11.80		



### 3. Communication System

#### Summary:



Summary of O&M Expenses claim

(Amount in Rs. Lakh)

Particular	2019-20	2020-21	2021-22	2022-23	2023-24
<b>A) Normative O&amp;M</b>					
Transmission Line	0.00	0.00	0.00		0.00
Substation	32.15	33.28	11.80		
Communication System	0.00	0.00	0.00		0.00
<b>Total Normative O&amp;M</b>	<b>32.15</b>	<b>33.28</b>	<b>11.80</b>		
<b>B) O&amp;M Claimed under Regulation 35 (3)(C) (* The same is not being claimed and will be claimed through separate Petition )</b>					
*Security Expenses	0.00	0.00	0.00		0.00
*Actual Capital Spare consumed	0.00	0.00	0.00		0.00
*Insurance Premium Paid	0.00	0.00	0.00		0.00
<b>Total O&amp;M</b>	<b>32.15</b>	<b>33.28</b>	<b>11.80</b>		



(Petitioner)



**Normative parameters considered for tariff computations**

Form No. - 3

Name of the Transmission Licensee	Power Grid Corporation of India Limited		
Project	Stage-I of 400 KV Thyristor Controlled Series Compensation project ( FACTs Device) on Kanpur-Ballabgarh 400		
Element Description	Stage-I of 400 KV Thyristor Controlled Series Compensation project ( FACTs Device) on Kanpur-Ballabgarh 400 Kv S/C line at Balla		
Region	Northern Region	DOCOC Date	Jul 1, 2002

(Amount in Rs. Lakh)

Particulars	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
<b>Base Rate of Return of Equity (in %)</b>						
Tax Rate (in %)	21.55	17.472	17.472	17.472	17.472	17.472
<b>Effective tax rate (in %)</b>						
Grossed up Rate of ROE (in %)	19.758	18.782	18.782	18.782	18.782	18.782
Target availability - AC System (in %)	98.00	98.00	98.00	98.00	98.00	98.00
Target availability - HVDC System (in %)	96.00	96.00	96.00	96.00	96.00	96.00
<b>Norms for sub-station Bays (Rs Lakh per bay)</b>						
765 kV	96.20	45.01	46.60	48.23	49.93	51.68
400 kV	68.71	32.15	33.28	34.45	35.66	36.91
220 kV	48.10	22.51	23.30	24.12	24.96	25.84
132 kV and below	34.36	16.08	16.64	17.23	17.83	18.46
<b>Norms for Transformers (Rs Lakh per MVA)</b>						
765 kV	0.00	0.491	0.508	0.526	0.545	0.564
400 kV	0.00	0.358	0.371	0.384	0.398	0.411
220 kV	0.00	0.245	0.254	0.263	0.272	0.282
132 kV and below	0.00	0.245	0.254	0.263	0.272	0.282
<b>Norms for AC and HVDC lines (Rs Lakh per km)</b>						
Single Circuit (Bundled Conductor with six or more sub-conductors)	0.806	0.881	0.912	0.944	0.977	1.011
Single Circuit (Bundled conductor with four sub-conductors)	0.691	0.755	0.781	0.809	0.837	0.867
Single Circuit (Twin & Triple Conductor)	0.461	0.503	0.521	0.538	0.558	0.578



Single Circuit (Single Conductor)	0.23	0.252	0.26	0.27	0.279	0.289
Double Circuit (Bundled conductor with four or more sub-conductors)	1.21	1.322	1.368	1.416	1.466	1.517
Double Circuit (Twin & Triple Conductor)	0.806	0.881	0.912	0.944	0.977	1.011
Double Circuit (Single Conductor)	0.346	0.377	0.391	0.404	0.419	0.433
Multi Circuit (Bundled Conductor with four or more sub-conductor)	2.123	2.319	2.401	2.485	2.572	2.662
Multi Circuit (Twin & Triple Conductor)	1.413	1.544	1.598	1.654	1.713	1.773
<b>Norms for HVDC stations</b>						
HVDC Back-to-Back stations (Rs Lakh per 500 MW) (Except Gazuwaka BTB)	0.00	834.00	864.00	894.00	925.00	958.00
Gazuwaka HVDC Back-to-Back station (Rs. Lakh per 500 MW)	0.00	1,666.00	1,725.00	1,785.00	1,848.00	1,913.00
500 kV Rihand-Dadri HVDC bipole scheme (Rs Lakh) (1500 MW)	0.00	2,252.00	2,331.00	2,413.00	2,498.00	2,586.00
±500 kV Talcher- Kolar HVDC bipole scheme (Rs Lakh) (2000 MW)	0.00	2,468.00	2,555.00	2,645.00	2,738.00	2,834.00
±500 kV Bhiwadi-Balia HVDC bipole scheme (Rs Lakh) (2500 MW)	0.00	1,696.00	1,756.00	1,817.00	1,881.00	1,947.00
±800 kV, Bishwanath-Agra HVDC bipole scheme (Rs Lakh) (3000 MW)	0.00	2,563.00	2,653.00	2,746.00	2,842.00	2,942.00

(Petitioner)



**Calculation of ROE**

Form No. - 8

Name of the Transmission Licensee	Power Grid Corporation of India Limited		
Project	Stage-I of 400 KV Thyristor Controlled Series Compensation project ( FACTs Device) on Kanpur-Ballabgarh 400		
Element Description	Stage-I of 400 KV Thyristor Controlled Series Compensation project ( FACTs Device) on Kanpur-Ballabgarh 400 Kv S/C line at Balla		
Region	Northern Region	DOC0 Date	Jul 1, 2002

(Amount in Rs. Lakh)

Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
No. of Days in the year	366.00	365.00	365.00		
No. of days for which tariff claimed	366.00	365.00	125.00		
Opening Normative Equity	372.75	372.75	372.75		
Less: Adjustment in Equity*	0.00	0.00	0.00		
Adjustment during the year	0.00	0.00	0.00		
Net opening equity (Normal)	372.75	372.75	372.75		
Add: Increase in Equity due to addition during the year / period	0.00	0.00	0.00		
Less: Decrease due to de-capitalisation during the year / period	0.00	0.00	0.00		
Add: Increase due to discharge during the year / period	0.00	0.00	0.00		
Closing Normative Equity	372.75	372.75	372.75		
Average Normative Equity	372.75	372.75	372.75		
Rate of return on Equity (%)	18.782	18.782	18.782		
Reduced rate of 1% decided by commission under Regulation 30(2) (if any)	0.00	0.00	0.00		
Effective rate of ROE	15.50	15.50	15.50		
MAT/Corporate Rate	17.472	17.472	17.472		
Grossed up rate of ROE	18.782	18.782	18.782		
Return on Equity	70.01	70.01	70.01		
Pro rata return on Equity	70.01	70.01	23.98		



(Petitioner)

**Calculation of WAR of interest on actual loan**

Form No. - 9C

Name of the Transmission Licensee		Power Grid Corporation of India Limited	
Project	Stage-I of 400 KV Thyristor Controlled Series Compensation project ( FACTs Device) on Kanpur-Ballabgarh 400		
Element Description	Stage-I of 400 KV Thyristor Controlled Series Compensation project ( FACTs Device) on Kanpur-Ballabgarh 400 Kv S/C line at Balla		
Region	Northern Region	DOCOC Date	Jul 1, 2002

(Amount in Rs. Lakh)

Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
<b>BOND IX -DOCOC</b>					
Gross Loan- Opening	134.00	134.00	134.00	134.00	134.00
Cumulative repayments of Loans upto previous year	134.00	134.00	134.00	134.00	134.00
Net loan-Opening	0.00	0.00	0.00	0.00	0.00
Add: Drawl(s) during the year	0.00	0.00	0.00	0.00	0.00
Less: Repayment(s) of loan during the year	0.00	0.00	0.00	0.00	0.00
Net Loan-Closing	0.00	0.00	0.00	0.00	0.00
Average Net Loan	0.00	0.00	0.00	0.00	0.00
Rate of Interest on Loan on Annual Basis	12.25	12.25	12.25	12.25	12.25
Interest on loan	0.00	0.00	0.00	0.00	0.00

<b>BOND X -DOCOC</b>					
Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
Gross Loan- Opening	980.00	980.00	980.00	980.00	980.00
Cumulative repayments of Loans upto previous year	980.00	980.00	980.00	980.00	980.00
Net loan-Opening	0.00	0.00	0.00	0.00	0.00
Add: Drawl(s) during the year	0.00	0.00	0.00	0.00	0.00
Less: Repayment(s) of loan during the year	0.00	0.00	0.00	0.00	0.00
Net Loan-Closing	0.00	0.00	0.00	0.00	0.00



Average Net Loan	0.00	0.00	0.00	0.00	0.00
Rate of Interest on Loan on Annual Basis	10.90	10.90	10.90	10.90	10.90
Interest on loan	0.00	0.00	0.00	0.00	0.00

### Summary

Gross Loan- Opening	1,114.00	1,114.00	1,114.00	1,114.00	1,114.00
Cumulative repayments of Loans upto previous year	1,114.00	1,114.00	1,114.00	1,114.00	1,114.00
Net loan-Opening	0.00	0.00	0.00	0.00	0.00
Add: Drawl(s) during the year	0.00	0.00	0.00	0.00	0.00
Less: Repayment(s) of loan during the year	0.00	0.00	0.00	0.00	0.00
Net Loan-Closing	0.00	0.00	0.00	0.00	0.00
Average Net Loan	0.00	0.00	0.00	0.00	0.00
Rate of Interest on Loan on Annual Basis	10.9001	10.9001	10.9001	10.9001	10.9001
Interest on loan	0.00	0.00	0.00	0.00	0.00

(Petitioner)



**Calculation of interest on Normative loan**

Form No. - 9E

Name of the Transmission Licensee	Power Grid Corporation of India Limited		
Project	Stage-I of 400 KV Thyristor Controlled Series Compensation project ( FACTs Device) on Kanpur-Ballabgarh 400		
Element Description	Stage-I of 400 KV Thyristor Controlled Series Compensation project ( FACTs Device) on Kanpur-Ballabgarh 400 Kv S/C line at Balla		
Region	Northern Region	DOC Date	Jul 1, 2002

(Amount in Rs. Lakh)

Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
No. of Days in the Year	366.00	365.00	365.00		
No. of days for which Tariff claimed	366.00	365.00	125.00		
Gross normative loan-Opening	1,126.43	1,126.43	1,126.43		
Cumulative repayments of Normative loan upto previous year	1,086.09	1,115.33	1,126.43		
Net normative loan-Opening	40.34	11.10	0.00		
Addition in normative loan towards the ACE	0.00	0.00	0.00		
Adjustment of normative gross loan pertaining to the decapitalised asset	0.00	0.00	0.00		
Normative repayments of normative loan during the year	29.24	11.10	0.00		
Adjustment of cumulative repayment pertaining to the decapitalised asset	0.00	0.00	0.00		
Net normative loan - closing	11.10	0.00	0.00		
Average normative loan	25.72	5.55	0.00		
Weighted Average Rate of interest on actual loan	10.9001	10.9001	10.9001		
Interest on normative loan	2.80	0.60	0.00		
Pro rata interest on normative loan	2.80	0.60	0.00		

(Petitioner)





### Calculation of Depreciation Rate on Original Project Cost

Form No. - 10

Name of the Transmission Licensee	Power Grid Corporation of India Limited		
Project	Stage-I of 400 KV Thyristor Controlled Series Compensation project ( FACTs Device) on Kanpur-Ballabgarh 400		
Element Description	Stage-I of 400 KV Thyristor Controlled Series Compensation project ( FACTs Device) on Kanpur-Ballabgarh 400 Kv S/C line at Balla		
Region	Northern Region	DOC0 Date	Jul 1, 2002

(Amount in Rs. Lakh)

Name of Assets	Gross block at the beginning of the year	Add Cap during the year	Gross block at the end of the year	Average Gross Block	Depreciation Rate as per CERC's Depreciation Rate Schedule	Depreciation Amount for each year upto 31.03.2024
<b>2019-20</b>						
Land(Freehold)	0.00	0.00	0.00	0.00	0.00	0.00
Civil & Building	0.00	0.00	0.00	0.00	3.34	0.00
Transmission Line	0.00	0.00	0.00	0.00	5.28	0.00
Sub Station	1,499.18	0.00	1,499.18	1,499.18	5.28	29.24
Comm. Sys. excluding Fiber Optic	0.00	0.00	0.00	0.00	6.33	0.00
Leasehold Land	0.00	0.00	0.00	0.00	3.34	0.00
IT/Software/UNMS/URTDMS/ SCADA,etc	0.00	0.00	0.00	0.00	15.00	0.00
Batteries	0.00	0.00	0.00	0.00	5.28	0.00
Fiber Optic/OPGW	0.00	0.00	0.00	0.00	6.33	0.00
<b>TOTAL</b>	<b>1,499.18</b>	<b>0.00</b>	<b>1,499.18</b>	<b>1,499.18</b>	<b>0.00</b>	<b>29.24</b>
<b>Weighted Average Rate of Depreciation(%)</b>					<b>1.9504</b>	

**2020-21**

Land(Freehold)	0.00	0.00	0.00	0.00	0.00	0.00
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Civil & Building	0.00	0.00	0.00	0.00	3.34	0.00
Transmission Line	0.00	0.00	0.00	0.00	5.28	0.00
Sub Station	1,499.18	0.00	1,499.18	1,499.18	5.28	29.24
Comm. Sys. excluding Fiber Optic	0.00	0.00	0.00	0.00	6.33	0.00
Leasehold Land	0.00	0.00	0.00	0.00	3.34	0.00
IT/Software/UNMS/URTDSM/SCADA,etc	0.00	0.00	0.00	0.00	15.00	0.00
Batteries	0.00	0.00	0.00	0.00	5.28	0.00
Fiber Optic/OPGW	0.00	0.00	0.00	0.00	6.33	0.00
<b>TOTAL</b>	<b>1,499.18</b>	<b>0.00</b>	<b>1,499.18</b>	<b>1,499.18</b>	<b>0.00</b>	<b>29.24</b>
<b>Weighted Average Rate of Depreciation(%)</b>					<b>1.9504</b>	

<b>2021-22</b>						
Land(Freehold)	0.00	0.00	0.00	0.00	0.00	0.00
Civil & Building	0.00	0.00	0.00	0.00	3.34	0.00
Transmission Line	0.00	0.00	0.00	0.00	5.28	0.00
Sub Station	1,499.18	0.00	1,499.18	1,499.18	5.28	10.01
Comm. Sys. excluding Fiber Optic	0.00	0.00	0.00	0.00	6.33	0.00
Leasehold Land	0.00	0.00	0.00	0.00	3.34	0.00
IT/Software/UNMS/URTDSM/SCADA,etc	0.00	0.00	0.00	0.00	15.00	0.00
Batteries	0.00	0.00	0.00	0.00	5.28	0.00
Fiber Optic/OPGW	0.00	0.00	0.00	0.00	6.33	0.00
<b>TOTAL</b>	<b>1,499.18</b>	<b>0.00</b>	<b>1,499.18</b>	<b>1,499.18</b>	<b>0.00</b>	<b>10.01</b>
<b>Weighted Average Rate of Depreciation(%)</b>					<b>0.667698</b>	



**Statement of Depreciation**

Form No. - 10A

Name of the Transmission Licensee	Power Grid Corporation of India Limited		
Project	Stage-I of 400 KV Thyristor Controlled Series Compensation project ( FACTs Device) on Kanpur-Ballabgarh 400		
Element Description	Stage-I of 400 KV Thyristor Controlled Series Compensation project ( FACTs Device) on Kanpur-Ballabgarh 400 Kv S/C line at Balla		
Region	Northern Region	DOC Date	Jul 1, 2002

(Amount in Rs. Lakh)

Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
No of Days in the year	366.00	365.00	365.00		
No of days for which tariff claimed	366.00	365.00	125.00		
<b>Life at the beginning of the year</b>					
1.1 Weighted Average useful life of the Asset/ Project	25.00	25.00	25.00		
1.2 Lapsed Weighted Average useful life of the Asset/Project(in completed no. of year)	16.00	17.00	18.00		
1.3 Balance Weighted Average useful life of the Asset/Project(in completed no. of year)	9.00	8.00	7.00		
<b>Capital Base</b>					
1.4 Opening capital cost	1,499.18	1,499.18	1,499.18		
1.5 Additional Capital Expenditure dr. the year	0.00	0.00	0.00		
1.6 De-Capitalisation During the year	0.00	0.00	0.00		
1.7 Closing capital cost	1,499.18	1,499.18	1,499.18		
1.8 Average capital cost	1,499.18	1,499.18	1,499.18		
1.9 Freehold land included in 1.8	0.00	0.00	0.00		
1.10 Asset having NIL salvage value included in 1.8	0.00	0.00	0.00		
1.11 Asset having 10% salvage value included in 1.8	1,499.18	1,499.18	1,499.18		
1.12 Depreciable Value(1.10+90% of 1.11)	1,349.26	1,349.26	1,349.26		
<b>Depreciation for the period and Cum. Depreciation</b>					
1.13 Weighted Average Rate of depreciation	1.9504	1.9504	0.667698		



1.14 Depreciation(for the period)	29.24	29.24	10.01
1.15 Depreciation(Annualised)	29.24	29.24	10.01
Unrecovered Depreciation for DECAP	0.00	0.00	0.00
1.16 Cumulative depreciation at the beginning of the period	1,086.09	1,115.33	1,144.57
1.17 Less:Adj of Cum. Dep pertaining to decapitalised Asset	0.00	0.00	0.00
1.18 Cumulative depreciation at the end of the period	1,115.33	1,144.57	1,154.58

(Petitioner)



**Calculation of interest on working Capital**

Form No. - 11

Name of the Transmission Licensee	Power Grid Corporation of India Limited		
Project	Stage-I of 400 KV Thyristor Controlled Series Compensation project ( FACTs Device) on Kanpur-Ballabgarh 400		
Element Description	Stage-I of 400 KV Thyristor Controlled Series Compensation project ( FACTs Device) on Kanpur-Ballabgarh 400 Kv S/C line at Balla		
Region	Northern Region	DOC Date	Jul 1, 2002

(Amount in Rs. Lakh)

Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
No of Days in the year	366.00	365.00	365.00		
No of days for which tariff claimed	366.00	365.00	125.00		
O&M Expenses-one month	2.68	2.77	2.87		
Maintenance spares 15% of O&M Expenses	4.82	4.99	5.17		
Receivables equivalent to 45 days of AFC	16.86	16.75	16.80		
Total Working capital	24.36	24.51	24.84		
Bank Rate as on 01.04.2019 or as on 01st April of the COD year, whichever is later.	12.05	11.25	10.50		
Interest on working capital	2.94	2.76	2.61		
Pro rata interest on working capital	2.94	2.76	0.89		

(Petitioner)



**Summary of issue involved in the petition**

**PART-III  
FORM- 15**

1. Name of the Petitioner	Powergrid Corporation of India Ltd
2. Petition Category	Transmission
3. Tariff Period	2019-24
4. Name of the Project	Stage-1 of 400 kV Thyristor controlled series compensation project (Fact Device) on Kanpur-Ballabgarh 400 kV S/C line at Ballabgarh in Northern Region
5. Investment Approval date	
6. SCOD of the Project	
7. Actual COD of the project	01.07.2002
8. Whether entire scope is covered in the present petition.	Yes
9. No. of Assets covered in instant petition	1
10. No. of Assets having time over run	
11. Estimated Project Cost as per IA	
12. Is there any REC? if so, provide the date	
13. Revised Estimated Project Cost (if any)	
14. Completion cost for all the assets covered in the instant petition.	Rs. 1499.18 Lakhs
15. No. of Assets covered in instant petition and having cost overrun.	NIL
16	<b>Prayer in brief</b>
17	<b>Key details and any Specific issue involved:</b> 1) There is No add-cap in 2019-24 and 2024-29
18	<b>Respondents</b>

**Name of Respondents**

1	AJMER VIDYUT VITRAN NIGAM LTD
2	JAIPUR VIDYUT VITRAN NIGAM LTD
3	JODHPUR VIDYUT VITRAN NIGAM LTD
4	HIMACHAL PRADESH STATE ELECTRICITY BOARD
5	PUNJAB STATE POWER CORPORATION LIMITED
6	HARYANA POWER PURCHASE CENTRE
7	POWER DEVELOPMENT DEPTT
8	UTTAR PRADESH POWER CORPORATION LTD.
9	BSES YAMUNA POWER Ltd
10	BSES RAJDHANI POWER Ltd
11	TATA POWER DELHI DISTRIBUTION LTD
12	CHANDIGARH ADMINISTRATION
13	UTTARAKHAND POWER CORPORATION LTD
14	NORTH CENTRAL RAILWAY
15	NEW DELHI MUNICIPAL COUNCIL

(Petitioner)



**PART-III**

<b>Summary of Capital Cost &amp; Annual Fixed Cost (AFC) Claimed for ALL the assets covered in the present petition.</b>	
Name of the Petitioner	Powergrid Corporation of India Ltd
Tariff Period	2019-24
Name of the Transmission Project	Stage-1 of 400 kV Thyristor controlled series compensation project (Fact Device) on Kanpur-Ballabgarh 400 kV S/C line at Ballabgarh in Northern Region
COD of the Project (if entire scope of project is completed)	01.07.2002

Rupees in lakh

A) Summary of Capital Cost as on COD and Additional Capital Expenditure claimed for all the assets Covered in the instant petition.													
S. No.	Asset No.	COD	Cut-off Date	i) Appropriated Approved Cost				ii) Summary of Actual / Projected Capital Cost					
				As per Investment approval	As per RCE	As on COD/31.03.2014	2019-20	2020-21	2021-22	2022-23	2023-24	Capital Cost as on 31.03.2024	Capital Cost on cutoff date
1	Asset-1	01.07.2002	31.03.2005	3	4	5	6	7	8	9	10	11=(5+6+7+8+9+10)	12
<b>Total Capital Cost Claimed</b>				0		1499.18	-	-	-1499.18	-	-	0	0

B) Summary of Annual Fixed Cost (AFC) claimed for all the assets covered in the instant petition.													
S. No.	Asset No.	Asset Name and its location											
1	Asset-1	Stage-1 of 400 kV Thyristor controlled series compensation project (Fact Device) on Kanpur-Ballabgarh 400 kV S/C line at Ballabgarh											
		<b>Total AFC for all the Assets</b>											
		137.14	137.14	135.89	46.68	0	0	0	0	0	0	0	0

Note: 1) The purpose of this form is to summarise the Capital cost & AFC claimed for all the assets covered in the instant petition.

(Petitioner)



End-3

**INDEX**  
**Checklist of Forms and other information/ documents for tariff filing for**  
**Transmission System& Communication System**

PART-III

Form No.	Title of Tariff Filing Forms (Transmission& Communication System)	Tick
FORM- 1	Summary of Tariff	✓
FORM- 1A	Summary of Asset level cost	NA
FORM-2	Details of Transmission Lines and Substations and Communication System covered in the project scope and O&M for instant asset	✓
FORM-3	Normative parameters considered for tariff computations	✓
FORM- 4	Abstract of existing transmission assets/elements under project, Determination of Effective COD and Weighted Average Life for single AFC for the project as whole.	NA
FORM- 4A	Statement of Capital cost	NA
FORM- 4B	Statement of Capital Works in Progress	NA
FORM- 4C	Abstract of Capital Cost Estimates and Schedule of Commissioning for the New Project/ Element	NA
FORM-5	Element wise Break-up of Project/ Asset/ Element Cost for Transmission System or Communication System	NA
FORM-5A	Break-up of Construction/Supply/Service packages	NA
FORM-5B	Details of all the assets covered in the project	NA
FORM- 6	Actual Cash Expenditure and Financial Package up to COD	NA
FORM- 7	Statement of Additional Capitalisation after COD	NA
FORM- 7A	Financing of Additional Capitalisation	NA
FORM- 7B	Statement of Additional Capitalisation during five year before the end of the useful life of the project.	NA
FORM- 8	Calculation of Return on Equity	✓
FORM-8A	Details of Foreign Equity	NA
FORM-9	Details of Allocation of corporate loans to various transmission elements	NA
FORM-9A	Details of Project Specific Loans	NA
FORM-9B	Details of Foreign loans	NA
FORM-9C	Calculation of Weighted Average Rate of Interest on Actual Loans	NA
FORM-9D	Loans in Foreign Currency	NA
FORM-9E	Calculation of Interest on Normative Loan	✓
FORM- 10	Calculation of Depreciation Rate on original project cost	✓
FORM- 10A	Statement of Depreciation	✓
FORM- 10B	Statement of De-capitalisation	NA
FORM- 11	Calculation of Interest on Working Capital	NA
FORM- 12	Details of time over run	NA
FORM- 12A	Incidental Expenditure during Construction	NA
FORM- 12B	Calculation of IDC & Financing Charges	NA
FORM- 13	Details of Initial spares	NA
FORM- 14	Non-Tariff Income	NA
FORM- 15	Summary of issue involved in the petition	✓
FORM A	Summary of Capital Cost & Annual Fixed Cost (AFC) Claimed for ALL	✓





Other Information/ Documents		
S. No.	Information/Document	Tick
1	Certificate of incorporation, Certificate for Commencement of Business, Memorandum of Association, & Articles of Association (For New Project(s) setup by a company making tariff application for the first time to CERC)	NA
2	Region wise and Corporate audited Balance Sheet and Profit & Loss Accounts with all the Schedules & Annexure for the new Transmission System & Communication System for the relevant years.	NA
3	Copies of relevant loan Agreements	NA
4	Copies of the approval of Competent Authority for the Capital Cost and Financial package.	Yes
5	Copies of the Equity participation agreements and necessary approval for the foreign equity.	NA
6	Copies of the BPTA/TSA/PPA with the beneficiaries, if any	NA
7	Detailed note giving reasons of cost and time over run, if applicable. List of supporting documents to be submitted: a. Detailed Project Report b. CPM Analysis c. PERT Chart and Bar Chart d. Justification for cost and time Overrun	Yes
8	Transmission Licensee shall submit copy of Cost Audit Report along with cost accounting records, cost details, statements, schedules etc. for the transmission system as submitted to the Govt. of India for first two years i.e. 2019-20 and 2020-21 at the time of mid-term true-up in 2021-22 and for balance period of tariff period 2019-24 at the time of final true-up in 2024-25. In case of initial tariff filing the latest available Cost Audit Report should be furnished.	NA
9.	BBMB is maintaining the records as per the relevant applicable Acts. Formats specified herein may not be suitable to the available information with BBMB. BBMB may modify formats suitably as per available information to them for submission of required information for tariff purpose.	NA
10.	Any other relevant information, (Please specify)	NA
<b>Note 1:</b> Electronic copy of the petition (in words format) and detailed calculation as per these formats (in excel format) and any other information submitted has to be uploaded in the e-filing website and shall also be furnished in pen drive/flash drive.		

