

BEFORE
THE CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI

Petition No.... /TT/ 2025

IN THE MATTER OF:

Petition for truing up of transmission tariff for 2019-24 and determination of transmission tariff for 2024-29 tariff block for Assets under “**220 kV Srinagar-Leh Transmission System (SLTS)**” 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 and Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2024.

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: 15.04.2025


(V.C. Sekhar)

Sr. General Manager (Regulatory Cell)



BEFORE
THE CENTRAL ELECTRICITY REGULATORY COMMISSION
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(V.C. Sekhar)

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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 Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2024 and same may please be registered and taken on record by the Hon'ble Commission.

GURGAON

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DATED:- 15.04.2025

POWER GRID CORPORATION OF INDIA LTD.

REPRESENTED BY



(V.C. Sekhar)

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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 POWERHOUSE, INDUSTRIAL AREA,
JODHPUR – 342 003(RAJASTHAN)
REPRESENTED BY ITS MANAGING DIRECTOR
5. HIMACHAL PRADESH STATE ELECTRICITY BOARD
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 CMD
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 DISTR.
ENGINEER
15. NEW DELHI MUNICIPAL COUNCIL
PALIKA KENDRA, SANSAD MARG,
NEW DELHI-110002
REPRESENTED BY CHAIRMAN

PETITIONER

POWER GRID CORPORATION OF INDIA LTD.

REPRESENTED BY

GURGAON

DATED: 15.04.2025

(V.C. Sekhar)

Sr. General Manager (Regulatory Cell)



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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 Singh, 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 15th day of April 2025.

PETITIONER
POWER GRID CORPORATION OF INDIA LTD.

GURGAON

DATED: 15.04.2025



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A. Executive Summary of the Petition:

(i) Brief Background of the Petitioner

- 1.0** 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 the Northern Region in terms of the 2020 Sharing Regulations.

(iii) Background of Transmission Assets:

2.0 POWERGRID has filed the present petition for truing up of transmission tariff for 2019-24 and determination of transmission tariff for 2024-29 tariff block for the below assets which have been implemented under "Srinagar-Leh Transmission System (SLTS) project" in the Northern Region :

| Asset No | Asset Name | DOCO |
|-----------------------|---|-------------|
| Combined Asset | Combined Transmission Assets under "Srinagar-Leh Transmission System (SLTS) project". | 31.10.2019 |

(iv) Summary of Claims:

3.0 A. POWERGRID is seeking truing up of transmission tariff for 2019-24 and determination of transmission tariff for 2024-29 tariff block for aforesaid transmission asset on capital cost comprising of expenditure incurred/Admitted up to 31.03.2019/DOCO and additional capital expenditure during 2019-24 & 2024-29 in accordance with provisions of Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2019 ("Tariff Regulations, 2019") and Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2024 ("Tariff Regulations, 2024").



4.0 The details of apportioned approved cost vis-à-vis claimed capital cost as on 31.03.2019/DOCO and additional capital expenditure during 2019-24 and 2024-29 tariff block are as under:

(₹ in lakh)

| Asset No. | Approved cost as per FR | Expenditure Up to 31.03.2019/DOCO | Expenditure during 2019-24 tariff block | | | | | Capital Cost as on 31.03.2024 |
|----------------|-------------------------|-----------------------------------|---|---------|---------|----------|---------|-------------------------------|
| | | | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | |
| Combined Asset | 14442 | 0 | 0 | 0 | 61.64 | 10041.37 | 1112.73 | 11215.74 |

(₹ in lakh)

| Asset No. | Approved cost as per FR | Expenditure Up to 31.03.2024 | Projected expenditure during 2024-29 tariff block | | | | | Estimated completion Cost as on 31.03.2029 |
|----------------|-------------------------|------------------------------|---|---------|---------|---------|---------|--|
| | | | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | |
| Combined Asset | 14442 | 11215.74 | 1626.55 | 855.37 | 0 | 0 | 0 | 13697.67 |

5.0 Details of tariff claimed are as under:

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

(₹ in lakh)

| Name of the asset | Particular | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 |
|-------------------|--------------------------------|---------|---------|---------|---------|---------|
| Combined Asset | AFC approved | 267.62 | 660.59 | 687.37 | 1937.63 | 3394.81 |
| | Revised AFC based on truing up | 267.61 | 660.61 | 687.06 | 1882.93 | 3158.63 |

Tariff claimed for 2024-29 tariff block:

(₹ in lakh)

| Name of the asset | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 |
|-------------------|---------|---------|---------|---------|---------|
| Combined Asset | 3255.47 | 3426.75 | 3468.81 | 3458.36 | 3480.28 |

6.0 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):

- 7.0 The Petitioner herein, Power Grid Corporation of India Ltd ('POWERGRID') is a Government Company within the meaning of the Companies Act, 2013. POWERGRID is a deemed transmission licensee under Section 14 of the Electricity Act, 2003.
- 8.0 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 and 2024.

9.0 Background:

That the Ministry of Power (MOP), Government of India vide sanction letter no F.No.3/18/2011-Trans. dated 29th Jan'14 (Copy enclosed at **Encl-1**) had conveyed the approval of competent authority for construction of 220 kV transmission line from Alusteng (Srinagar) to Leh, construction of 220/66 kV substations and 66 kV interconnection systems at Leh, Khalsti, Kargil & Drass in erstwhile Jammu & Kashmir (J&K) (hereinafter called "SLTS Project") by Power Grid Corporation of India Limited (POWERGRID) on consultancy basis at an estimated cost of ₹ 1788.41 Crore (at October, 2012 price level) with the completion schedule of 42 months from the date of release of first installment (post-investment approval) of funds for its implementation including the consultancy fee payable to POWERGRID. As per the said sanction letter, the project cost had to be borne by Government of India and the erstwhile Government of Jammu & Kashmir in the ratio of 95:05.

In this regard, Memorandum of Understanding (MoU) was signed between POWERGRID & Jammu and Kashmir Power Development Department (hereinafter called "PDD, J&K") on 22nd November 2016 (copy enclosed at **Encl -2**). As per the said MoU, POWERGRID had to discharge the responsibilities as "Project Management Consultant" (PMC) on behalf of the ultimate owner i.e. PDD, J&K and



upon Commissioning of the SLTS project, the same was to be transferred to the state of J&K.

That the POWERGRID has completed the SLTS project on behalf of the owner PDD, J&K as Project Management Consultant and successfully commissioned the same on 31st Jan' 2019. As per clause A(iii) of the Memorandum of Understanding (MoU) signed between POWERGRID & PDD, J&K on 22nd November 2016, immediately after commissioning of SLTS project by POWERGRID, PDD, J&K shall take over the project and Operation & Maintenance (O&M) and other related activities shall be carried out by PDD, J&K at its own cost. Further, in case of any delay in taking over of assets by PDD, J&K, it shall pay the maintenance charges to POWERGRID.

After commissioning of the SLTS project on 31st January 2019, the matter regarding taking over of assets was taken up with PDD, J&K many times. However, these assets were not taken over by PDD, J&K (Communication enclosed at **Encl-3**). Considering the importance of the system for maintaining uninterrupted power supply to the Srinagar and Ladakh regions, POWERGRID continued O&M services for the system since Feb'2019.

The matter regarding taking over of the assets of SLTS project by PDD, J&K was reviewed during meeting taken by Commissioner/ Secretary (Power), J&K on 29th August, 2019 wherein it was agreed that O&M of SLTS project shall be looked after by POWERGRID for 3 years from commission up to 31st March 2022 and the O&M expenses will be reimbursed to POWERGRID by PDD, J&K as per CERC norms (copy of Minutes of meeting enclosed at **Encl-4**).

Meanwhile, the State of Jammu and Kashmir has been reconstituted into two Union Territories called Jammu and Kashmir, and Ladakh, with effect from 31st October 2019. Subsequent to above reconstitution, SLTS project has become natural ISTS transmission project in line with the Section 2(36) of the Electricity Act, 2003 as SLTS project connects 2 different Union Territories Jammu and Kashmir with Ladakh.

In line with the provisions of the Electricity Act, 2003 and CERC Indian Electricity Grid Code Regulations, 2010, the SLTS project automatically becomes an inter-state System, after reconstitution of Jammu and Kashmir into two Union Territories called Jammu and Kashmir, and Ladakh.



Accordingly, a Committee headed by CEA with representatives from CERC, CTU, POWERGRID, JKPTCL and PDD Ladakh deliberated on the matter of handing over of the 220 kV Srinagar-Leh transmission system to PDD, J&K and steps to be taken for declaring 220 kV Srinagar - Leh Transmission System as Inter-State Transmission System. The Committee in its 4th meeting held on 28.12.2020 inter-alia recommended that UT of J&K and UT of Ladakh to communicate their consent regarding handing over the System as ISTS (Copy of MoM enclosed at **Encl- 5**). UT of J&K and UT of Ladakh vide their letters dated 03.02.2021 and dated 07.01.2021 respectively have mentioned that they have no objection regarding declaration of 220 kV Srinagar – Leh Transmission System as Inter-State Transmission System (ISTS) (Copy of consent letters attached at **Encl-6**).

That keeping in view the importance of the Srinagar-Leh Transmission System, recommendation received from Committee headed by CEA and consents of UTs of J&K and Ladakh, MoP vide letter ref. No. 3/18/2011- Trans Vol (2) dated 23.03.2021 has conveyed the approval for re-designation of Srinagar-Leh Transmission System as ISTS and transfer of the same to POWERGRID as an ISTS with effect from 31st October 2019. (Copy of MoP letter attached at **Encl-7**). MOP vide aforesaid letter has also directed that the O&M charges prior to date of transfer would be shared between UT of J&K and UT of Ladakh in proportion of respective line length in the UTs.

That MOP vide its letter advised POWERGRID to approach CERC for determination of tariff and other terms and conditions for the SLTS system from the date of transfer after hearing all the related parties including UT of J&K and UT of Ladakh.

That subsequent to MoP letter dated 23.03.2021 regarding approval for redesignation of SLTS system as ISTS and transfer of the same to POWERGRID, Chairman, JKPTCL vide letter dated 17.04.2021 (Copy enclosed as **Encl-8**) informed POWERGRID that erstwhile State of J&K has contributed ₹89.42 crore as a state contribution of 5% of estimated cost ₹1788.41 crore and suggested that POWERGRID, in consultation with UTs of J&K and Ladakh, can choose any of the two following options before filling of Tariff Petition with CERC.

- (i) To pay off the share of construction cost to UTs of J&K and Ladakh in proportion to the line length, as a onetime settlement or;



(ii) To reimburse a part of tariff, equivalent to RoE, to both UTs on a regular basis.

In line with the MoP letter dated 23.03.2021 and JKPTCL letter dated 17.04.2021, POWERGRID agreed to pay off the share of construction cost to UTs of J&K and Ladakh in proportion to the line length, as a onetime settlement. In this regard, Board of Directors of POWERGRID vide Memorandum dated 24.05.2021 has accorded approval for Investment approval of "Equity Investment to pay off the State contribution of 5% project cost to UTs of J&K and Ladakh and expenditure towards procurement of T&Ps and Spares for 220 kV Srinagar-Leh Transmission System (SLTS)" at an estimated cost of ₹ 144.42 Crores. (Copy is attached as **Encl. -9**).

In consideration of the JKPTCL letter dated 17th April, 2021 and POWERGRID Board Memorandum dated 24.05.2021, POWERGRID has signed a Tripartite Memorandum of Understanding (MoU) dated 24th August 2022 with Jammu & Kashmir Power Transmission Corporation Limited and Power Development and New & Renewable Energy Department, Union Territory of Ladakh covering the various aspects of transfer and terms and conditions for taking over the assets by POWERGRID. As per the MoU, POWERGRID has agreed to pay off the share of state's cost to UTs of J&K and Ladakh in proportion to the line length falling in jurisdiction of respective UTs, as a one-time settlement. (copy is attached as **Encl.-10**). The said amount of ₹ 89.42 Crores was paid by POWERGRID to Jammu & Kashmir Power Transmission Corporation Limited and Power Development and New & Renewable Energy Department, Union Territory of Ladakh in ~~the~~ FY 2022-23.

10.0 Scope of work

The scope of work covered under "SLTS project" is as follows:

Scope of the Project:

(i) Srinagar(Alusteng) to Leh via Kargil Transmision system:

- Alusteng (Srinagar)-Drass 220kV S/c
- Drass-Kargil 220kV S/c
- Kargil-Khalsti 220kV S/c
- Khalsti-Leh 220kV S/c



- Establishment of 220/66 kV substations at Kargil and Leh with 2x50 MVA (7x16.67 MVA / Ph) ICTs and 1x25 MVAR (4x8.33 MVAR/Ph) bus reactor at each location and 4 nos. of 66kV line bays at each location.
- Establishment of 220/66kV substation at Drass & Khalsti with 1x50 MVA (4x16.67 MVA/Ph) ICTs at each location and 2 nos. of 66kV line bays at each location

(ii) 66kV interconnection system

- LILO of 66kV Chutak-Shargole line at kargil
- 66kV kargil-Kargil(66/11kV LPDD S/s)
- 66kV Khalsti-Khalsti(66/11kV LPDD S/s)
- LILO of 66kV Leh-Kharu line at Leh
- LILO of 66kV Leh-Nimoo line at Leh
- Provision of 66kV bays at Drass 66/11kV(RGGVY), kargil 66/11kV(RGGVY), Khalsti 66/11kV (RGGVY) and Leh 66/11kV(RGGVY).

11.0 That the subject project/petition covers approval of transmission tariff for following Assets:

| Asset No | Asset Name | DOCO |
|----------------|---|------------|
| Combined Asset | Combined Transmission Assets under "Srinagar-Leh Transmission System (SLTS) project". | 31.10.2019 |

The entire scope of the project is covered under instant petition.

12.0 Cost details:

The details of Capital Cost admitted for 2019-24 tariff block vide order dated 15.10.2024 in petition no. 87/TT/2023 for the assets covered in instant petition, and capital cost now claimed for the truing up of 2019-24 are as tabulated below:

(₹ in lakh)

| CERC order in petition no: 87/TT/2023 dated: 15.10.2024 | | | | | | | | |
|---|-------------------------|------------------------|------------------|---------|---------|----------|---------|-------------------------------|
| Asset | Approved cost as per FR | Expenditure Up to DOCO | Add -Cap 2019-24 | | | | | Capital cost as on 31.03.2024 |
| | | | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | |
| Combined Asset | 14442 | 0 | 0 | 0 | 65.84 | 10807.87 | 2895.56 | 13769.28 |
| Capital Cost now claimed in the instant petition | | | | | | | | |



| Asset | Approved cost as per FR | Capital cost as on 31.03.2019 | Add -Cap 2019-24 | | | | | Capital cost as on 31.03.2024 |
|----------------|-------------------------|-------------------------------|------------------|---------|---------|----------|---------|-------------------------------|
| | | | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | |
| Combined Asset | 14442 | 0 | 0 | 0 | 61.64 | 10041.37 | 1112.73 | 11215.74 |

Copy of order dated:15.10.2024 in petition no. 87/TT/2023 enclosed as **Encl-11**.

Capital cost for 2024-29 tariff block:

(₹ in lakh)

| Asset No. | Approved cost as per FR | Expenditure Up to 31.03.2024 | Projected expenditure during 2024-29 tariff block | | | | | Estimated completion Cost as on 31.03.2029 |
|----------------|-------------------------|------------------------------|---|---------|---------|---------|---------|--|
| | | | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | |
| Combined Asset | 14442 | 11215.74 | 1626.55 | 855.37 | 0 | 0 | 0 | 13697.67 |

A copy of auditor certificate is enclosed at **Encl-12**.

13.0 Initial spares:

Hon'ble commission vide order dated:15.10.2024 in petition no. 87/TT/2023 has allowed initial spares of ₹1529.11 lakh and ₹122.73 lakh respectively for Substation and Tr. Line based on the estimated expenditure subject to truing up and directed the petitioner to submit the details of Initial spares claimed based on the Plant & machinery cost up to the cut-off date and how much amount is funded by Central Government

It is submitted that the initial spare for the instant project has been calculated as per limit specified under Regulation 23(d) of the Tariff Regulations, 2019 and on the revised Auditor certificate.

(₹ in lakh)

| Assets | Particulars | Plan & Machinery cost * (A) | Initial Spares Claimed (B) | Ceiling Limit (%) (C) | Initial Spares Worked out | Excess initial spares |
|----------------|-------------------|-----------------------------|----------------------------|-----------------------|---------------------------------|-----------------------|
| | | | | | $D = \frac{[A-B] * C}{(100-C)}$ | B-D |
| Combined Asset | S/S (Green Field) | 48756.93 | 808.81 | 5% | 2523.69 | -1714.88 |
| | TL | 109745.98 | 163.90 | 1% | 1106.89 | -942.99 |



| | | | | |
|----------------------|--------|--|--|--|
| Total Initial Spares | 972.71 | | | |
|----------------------|--------|--|--|--|

****Inclusive of 95% of original project cost received as Central grant portion for computation of allowable spares only***

It is submitted that actual capital cost discharged against initial spares is included in the capital cost shown in Auditor certificate for respective period i.e. spares discharged up to DOCO is included in DOCO cost and spares discharged in subsequent period is added in Add. Cap. Initial spares for the assets covered under current petition are within the specified limit under Regulation 23 of the CERC (Terms and Conditions of Tariff) Regulations 2019. Further, it is submitted that there is no funding towards spares from Central Government and the entire amount towards spares is funded in the Debt: Equity ratio of 70:30.

Therefore, it is prayed to this Hon'ble Commission to allow the initial spares as claimed in the present petition.

14.0 Details of the Additional Capitalization

In the subject petition, the transmission tariff for the tariff block 2019-24 was claimed based on actual expenditure and for the tariff block 2024-29 based on the estimated expenditure. Under power to relax Regulations Hon'ble commission had allowed the additional capitalization of ₹13,769.27 lakhs vide order dated 15.10.2024 in petition no:87/TT/2023. Details of add cap allowed by Hon'ble commission and Add cap claimed in the instant petition is as below.

(₹ in lakh)

| Cost Allowed in petition no: 87TT2023 | | | | | | | |
|--|------------------------------|---------|---------|---------|---------|-------------------|--|
| Cost Head | Actual/Projected Expenditure | | | | | Total Expenditure | Remarks |
| | 2021-22 | 2022-23 | 2023-24 | 2024-25 | 2025-26 | | |
| Equity Investment to pay off the State contribution of 5% project cost | 0 | 8942.00 | 0 | 0 | 0 | 8942.00 | Equity Funding Only |
| Expenditure towards procurement of T&Ps, and Spares | 65.84 | 1865.87 | 2895.56 | 0 | 0 | 4827.27 | Funding in Debt: Equity ratio of 70:30 |



| | | | | | | | |
|---|----------------|----------------|----------------|----------------|----------------|--------------------------|--|
| Total Project Cost | 65.84 | 10807.87 | 2895.56 | 0 | 0 | 13769.27 | |
| Cost claimed in instant petition | | | | | | | |
| Cost Head | 2021-22 | 2022-23 | 2023-24 | 2024-25 | 2025-26 | Total Expenditure | |
| Equity Investment to pay off the State contribution of 5% project cost | 0 | 8942.00 | 0 | 0 | 0 | 8942.00 | Equity Funding Only |
| Expenditure towards procurement of T&Ps, Spares & Infrastructure and other works | 61.64 | 1099.37 | 1112.73 | 1626.55 | 855.37 | 4755.67 | Funding in Debt: Equity ratio of 70:30 |
| Total Project Cost | 61.64 | 10041.37 | 1112.73 | 1626.55 | 855.37 | 13697.67 | |

It is submitted that the add cap approved by the Commission during 2019-24 tariff block were based on projections. In this regard, it may be noted that while projecting the estimated add cap, contracts were not closed, and liabilities were not finalized. However, in the instant true up petition, add cap is claimed on the basis of actual payments made to the Suppliers/Contractor after receipt of invoices and incorporating the amendments till the end of Tariff block 2019-24 and balance as per anticipated payments in 2024-29 period. The additional capital expenditure claimed in the instant true up petition is on account of the following:

(i) **Equity Investment to pay off the State contribution of 5% project cost**

An amount of ₹ 8942 lakhs was paid towards equity investment to pay off the state contribution of 5% project cost to UT's of J&K and Ladakh and the same was already allowed by Hon'ble commission vide order dated 15.10.2024 in petition no:87/TT/2023.



(ii) Procurement of initial spares

Hon'ble commission vide order dated:15.10.2024 in petition no. 87/TT/2023 has allowed initial spares of ₹1529.11 lakhs and ₹122.73lakhs respectively for Substation and Tr. Line based on the estimated expenditure. As already mentioned at para 13 above, in the instant true up petition initial spares are recalculated as per revised auditor certificate and an amount ₹ 808.81 lakhs and ₹ 163.90 lakhs was claimed towards initial spares for Substation and Transmission line.

(iii) Procurement of Tools & Plants

Based on the projected/estimated cost, T&P of ₹3273 lakhs was claimed in petition no:87/TT/2023, out of which an amount of ₹ 3175 lakhs was allowed, and an amount of ₹ 98 lakhs was disallowed by Commission toward procurement of T&P.

In the revised auditor certificate, an amount of ₹2460.31 lakhs toward procurement of T&P is included. In line with Hon'ble Commission order dated 15.10.2024 in petition:87/TT/2023, ₹2408.95 lakhs towards 46nos approved T&P is claimed in add cap and balance amount ₹51.35 lakhs was deducted from add cap towards 12nos disallowed T&P and details are as below.

| Description | T&P Cost (₹ in lakh) | | |
|--|-------------------------|--------|----------|
| | SS | TL | Total |
| Cost of T&P considered in revised auditor certificate (A) | 1,740.40 | 719.91 | 2,460.31 |
| Less: Cost of T&P disallowed by Commission in petition no:87/TT/2023 (B) | 48.11 | 3.24 | 51.35 |
| Cost of T&P considered instant petition (C =A-B) | 1,692.28 | 716.67 | 2,408.95 |

List and break up of cost of Tools & Plant is enclosed at **Encl-13**

(iv) Infrastructure works

It is submitted that infrastructures like stores, central heating arrangement, Transit camp, lift water scheme, auxiliary power supply for substation, remote operation works etc are essential for smooth functioning of SLTS project and amount of ₹1373.99 lakhs is also considered as additional capital expenditure for 2024-29 Tariff block. Revised Cost Estimate incorporating the infrastructure works is under approval.



A liability flow statement having Package/ Contractor wise detail is enclosed at **Encl-14**.

15.0 Direction of Hon'ble Commission vide order dated 15.10.2024 in petition no. 87/TT/2023 and its compliance:

a) Directions of commission:

CERC at para 35 of the order has allowed the claimed D: E ratio. However, CERC has directed POWERGRID to provide the justification for consideration of ₹ 8942 lakhs (i.e., 5% share of J&K) as equity and the approval of the MoP for treating the same equity at the time of truing-up.

Compliance:

As already mentioned at para 09 above, Ministry of Power (MOP), Government of India vide OM dated 29th Jan'14 had conveyed the approval of competent authority for construction of 220 kV transmission line from Alusteng (Srinagar) to Leh, construction of 220/66 kV substations and 66 kV interconnection systems at Leh, Khalsti, Kargil & Drass in erstwhile Jammu & Kashmir (J&K) by Power Grid Corporation of India Limited (POWERGRID) on consultancy basis at an estimated cost of ₹ 1788.41 Crore. As per the said sanction letter, the project cost had to be borne by Government of India and the erstwhile Government of Jammu & Kashmir in the ratio of 95:05. That, the POWERGRID has completed the SLTS project on behalf of the owner PDD, J&K as Project Management Consultant and successfully commissioned the same on 31st Jan' 2019.

The, State of Jammu and Kashmir has been reconstituted into two Union Territories called Jammu and Kashmir, and Ladakh, with effect from 31st October 2019. Subsequent to above reconstitution, MoP vide letter dated 23.03.2021 has approved for redesignation of SLTS system as ISTS and transfer of SLTS to POWERGRID. Chairman, JKPTCL vide letter dated 17.04.2021 informed POWERGRID that erstwhile State of J&K has contributed ₹89.42 crore as a state contribution of 5% of estimated cost ₹1788.41 crore and suggested that POWERGRID, in consultation with UTs of J&K and Ladakh, can choose any of the two following options before filling of Tariff Petition with CERC.

- (i) To pay off the share of construction cost to UTs of J&K and Ladakh in proportion to the line length, as a onetime settlement or;
- (ii) To reimburse a part of tariff, equivalent to RoE, to both UTs on a regular basis.



In line with the MoP letter dated 23.03.2021 and JKPTCL letter dated 17.04.2021, POWERGRID agreed to pay off the share of construction cost to UTs of J&K and Ladakh in proportion to the line length, as a onetime settlement. In this regard, Board of Directors of POWERGRID vide Memorandum dated 24.05.2021 has accorded Investment approval for "Equity Investment to pay off the State contribution of 5% project cost to UTs of J&K and Ladakh" and Debt: Equity of 70:30 towards procurement of T&Ps and Spares for 220 kV Srinagar-Leh Transmission System (SLTS)". Accordingly, in the instant scheme 5% equity contribution of J&K has been replaced with Petitioner's equity. Thus, to protect the equity share of 5% made by the petitioner, Rs 89.42 Crore has been proposed as equity in the subject project and balance add cap has been proposed in the ratio of 70:30.

Further, it is submitted that as per Regulation 18 of Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2019 for new projects Debt-Equity Ratio of 70:30 as on DOCO can be considered. As per MOP letter dated 29.01.2014 the estimated cost of the SLTS project is ₹178841 lakhs and hence, 30% equity amount of ₹53652.30 lakhs can be funded from internal resources by a transmission license. However, in SLTS, petitioner has infused only ₹ 8942 lakhs (5%) as equity to pay off the 5% equity share of state of J&K to UTs of J&K and Ladakh.

In view of the above, it is prayed to this Hon'ble Commission to allow the ₹ 8942 lakhs (i.e. 5% of project cost) as equity to pay off the 5% equity share of state of J&K to UTs of J&K and Ladakh under Regulation-76 (Power to Relax) & Regulation-77(Power to Remove Difficulty) of Central Electricity Regulatory Commission (terms and conditions of Tariff) Regulations,2019.

b) Directions of commission:

Hon'ble commission has approved the O&M expenses for 220 kV S/C Underground Cable under Regulation 76 & 77 of the 2019 Tariff Regulations and directed the petitioner submit the actual O&M Expenses towards the 220 kV S/C Underground Cable at the time of truing-up.

Compliance:

O&M rates for 220 kV S/C Underground Cable is not provided in Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2019. O&M



charges for Gagangir- Shitkari (6.215 kM) portion of 220 kV Alusteng (Srinagar)-Drass S/c Transmission line is calculated considering approved O&M rates of Multi Circuit (Twin Conductor) AC line under Regulation-76 (Power to Relax) & Regulation-77 (Power to Remove Difficulty) of Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2019. Further, it is submitted that as O&M expenses for the entire 220 kV Alusteng (Srinagar)-Drass S/c Transmission line is being maintained in books of account and no separate account for O&M expenses of cable is being maintained.

16.0 Capital cost claimed for tariff purpose for 2019-24 and 2024-29 block:

Combined Asset

₹ In lakhs

| Sl.No | Particulars | Buildin g & Civil Works | Tr. Line | Substati on | OPG W | Comm unicati on | I.T. Equipme nt | Batteri es | Total |
|-------|--|----------------------------------|-------------|----------------|----------|-----------------------|-----------------------|---------------|-------|
| 1 | Capital Cost upto 31.10.2019 (i.e upto date of handing over to POWERGRID by GOI) | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 2 | Expenditure from 01.04.2019 to 31.03.2020 as per auditor certificate | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 3 | Expenditure from 01.04.2020 to 31.03.2021 As per auditor certificate | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 4 | Expenditure from 01.04.2021 to 31.03.2022 As per auditor certificate | 0.00 | 0.00 | 65.84 | 0.00 | 0.00 | 0.00 | 0.00 | 65.84 |
| 5 | Less: Disallowance of T&P | 0.00 | 0.00 | 4.20 | 0.00 | 0.00 | 0.00 | 0.00 | 4.20 |



| | | | | | | | | | |
|----|--|---------------|----------------|----------------|-------------|---------------|--------------|--------------|-----------------|
| 6 | Capital Cost considered for 2021-22 | 0.00 | 0.00 | 61.64 | 0.00 | 0.00 | 0.00 | 0.00 | 61.64 |
| 7 | Expenditure from 01.04.2022 to 31.03.2023 As per auditor certificate | 569.96 | 5535.04 | 3445.35 | 0.00 | 471.85 | 20.24 | 10.63 | 10053.07 |
| 8 | Less: Disallowance of T&P | 0.00 | 0.00 | 11.70 | 0.00 | 0.00 | 0.00 | 0.00 | 11.70 |
| 9 | Capital Cost considered for 2022-23 | 569.96 | 5535.04 | 3433.65 | 0.00 | 471.85 | 20.24 | 10.63 | 10041.37 |
| 10 | Expenditure from 01.04.2023 to 31.03.2024 as per auditor certificate | 0.00 | 578.33 | 569.86 | 0.00 | 0.00 | 0.00 | 0.00 | 1148.19 |
| 11 | Less: Disallowance of T&P | 0.00 | 3.24 | 32.22 | 0.00 | 0.00 | 0.00 | 0.00 | 35.46 |
| 12 | Capital Cost considered for 2023-24 | 0.00 | 575.09 | 537.64 | 0.00 | 0.00 | 0.00 | 0.00 | 1112.73 |
| 13 | Estimated Expenditure from 01.04.2024 to 31.03.2025 as per auditor certificate | 961.79 | 181.40 | 483.36 | 0.00 | 0.00 | 0.00 | 0.00 | 1626.55 |
| 14 | Estimated Expenditure from 01.04.2025 to 31.03.2026 as per auditor certificate | 412.20 | 120.93 | 322.24 | 0.00 | 0.00 | 0.00 | 0.00 | 855.37 |



| | | | | | | | | | |
|----|-----------------------|---------|---------|---------|------|--------|-------|-------|----------|
| 15 | Total Completion Cost | 1943.95 | 6412.46 | 4838.53 | 0.00 | 471.85 | 20.24 | 10.63 | 13697.67 |
|----|-----------------------|---------|---------|---------|------|--------|-------|-------|----------|

Against the total approved cost of ₹ 144,42 lakh, the estimated completed cost is ₹ 13697.67 lakh, hence there is no cost overrun with respect to approved cost.

The debt: equity ratio of 70:30 have been admitted by Hon'ble Commission for project cost other than Equity Investment of ₹ 8942 lakhs to pay off the State contribution of 5% project cost to UTs of J&K and Ladakh and the same have been considered in the instant true up petition.

17.0 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 Regulations, 2019 and as per order dated 28.11.2024 in petition no:443/MP/2024-

Regulation 13 of Tariff Regulations, 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:

"

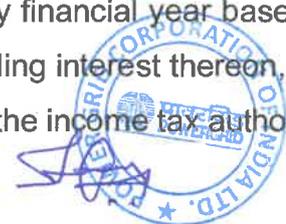
Unquote

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 Regulations, 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 & 2023-24.

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:

| Financial Year | Basis considered | Total Tax & Interest paid (₹) | Assessed MAT Income under Sec 115 JB (₹) | Effective Tax percentage | Grossed up ROE (Base rate/(1-t)) |
|----------------|------------------|-------------------------------|--|--------------------------|----------------------------------|
| 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 | Actual Tax paid | 31,32,12,38,737 | 1,79,26,53,31,597 | 17.472% | 18.782% |

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 FY 2021-22, FY 2022-23 and FY 2023-24 are based on the Income-tax returns filed, for the purpose of grossing up of ROE rate of respective years.



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 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 29.04.2023 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 actual additional capitalization during 2019-24 tariff block, change in MAT rate as well as actual floating rate of interest during 2019-24.

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

(₹ in lakh)

| Name of the asset | Particular | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 |
|-------------------|--------------------------------|---------|---------|---------|---------|---------|
| Combined Asset | AFC approved | 267.62 | 660.59 | 687.37 | 1937.63 | 3394.81 |
| | Revised AFC based on truing up | 267.61 | 660.61 | 687.06 | 1882.93 | 3158.63 |

Tariff filing forms along with the other relevant information and supporting documents are attached hereto as **Encl-15**.

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.

18.0 The tariff worked out for 2024-29 tariff block is summarized below:

(₹ in lakh)

| Name of the asset | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 |
|-------------------|---------|---------|---------|---------|---------|
| Combined Asset | 3255.47 | 3426.75 | 3468.81 | 3458.36 | 3480.28 |

Tariff filing forms along with the other relevant information and supporting documents are attached hereto as **Encl-16**.

19.0 The transmission assets shall complete 12 Yrs during 2029-34 tariff block, and thus the depreciation has been calculated as per clause 33 (5) of the CERC Tariff Regulations, 2024. The details have been computed and are provided in Form- 10 A.

20.0 That, it is submitted that the petitioner is currently liable to pay income tax at MAT rate specified in Income-tax Act,1961. Therefore, ROE has been calculated @ 18.782% after grossing up the ROE with MAT rate of 17.472% (Base Rate 15% + Surcharge 12% + Cess 4%) based on the formula given at Regulation 31 of the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2024 for 2024-29 period. That as per clause 31 (3) of the above regulation, the grossed-up rate of ROE at the end of every financial year shall be trued up 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 IT authorities pertaining to the tariff period 2024-29 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 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. It is further submitted that adjustment due to any additional tax demand including interest duly adjusted for any refund of tax including



interest received from IT authorities shall be recoverable /adjustable during the tariff period 2024-29 on year-to-year basis on receipt of Income Tax assessment order.

21.0 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 17 and para 18 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.

22.0 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 was submitted in the petition vide Diary NO:677/2024. These documents/details are also available on our website at the following link:

<https://apps.powergrid.in/cerc/docs/Western%20Region/2024/09/Khargone%20TPS/S canned petition Khargone TPS.pdf>.

23.0 The transmission charges at para-17 & 18 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 36 (3) (a) of the Tariff Regulations for block 2024-29.

24.0 That as per Regulation 36(3)(d) of CERC Tariff Regulations, 2024, the Security Expenses, Insurance and Capital Spares more than ₹ 10 lakh 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 and recovery of security expenses from 01.04.2024 to 31.03.2029 under the Regulation 36 (3) (d) of Central Electricity Regulatory Commission (Terms and Condition of Tariff) Regulations, 2024.

Insurance:

In this regard, it is submitted that a separate petition shall be filed before Hon'ble Commission for claiming the overall Insurance Expenses and consequential Interest on Working Capital (IOWC) on the same considering actual Insurance Expense incurred by the Petitioner for the F/Y 2023-24 after escalating the same at 5.25% per annum for arriving at the Estimated Insurance Expense for the year 2024-25, 2025-26, 2026-27, 2027-28 and 2028-29.

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. Further, as per Tariff Regulations, 2024, Capital spares consumed and consequential Interest on Working Capital (IOWC) on the same shall be claimed by the Petitioner for 2024-29 period as per actual through a separate petition.

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

25.0 That as per Regulation 99 of CERC Tariff Regulations, 2024, the fees and charges of Central Transmission Utility of India Limited ('CTUIL') shall be allowed separately by the Commission through a separate regulation. Further, it provides that until such regulation is issued by the Commission, the expenses of CTUIL shall be borne by POWERGRID which shall be recovered by POWERGRID as additional O&M expenses through a separate petition.

Accordingly, the expenses of CTUIL borne by POWERGRID shall be claimed through a separate petition.



26.0 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 94(1) and Regulation 94(4) of Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2024. 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 94(3) of Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2024.

27.0 The Transmission Charges and other related Charges indicated at para 17 & 18 above, is exclusive of incentive, late payment surcharge, FERV, any statutory taxes, levies, duties, cess, filing fees, license fee, RLDC fees and charges Security Expenses, Capital Spares, Insurance 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.

28.0 Sharing of Transmission Charges

Tariff for Transmission of Electricity (Annual Fixed Cost) for 2019-24 as per para 17 above for Combined Asset 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.

Tariff for Transmission of Electricity (Annual Fixed Cost) for 2024-29 as per para 18 above for Combined Asset shall be recovered on monthly basis in accordance with Regulation 78 of Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2024 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, 2020, as amended from time to time.

29.0 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.-17 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 and transmission tariff for 2024-29 block for the asset covered under this petition, as per para 17 and 18 above.
- b) Admit the capital cost claimed and additional capitalization incurred during 2019-24 and projected to be incurred during 2024-29.
- c) Admit the initial spares claimed in the petition.
- d) Allow the petitioner to recover the shortfall or refund the excess Annual Fixed Charges, on account of Return on Equity due to change in applicable Minimum Alternate/Corporate Income Tax rate as per the Income Tax Act, 1961 (as amended from time to time) of the respective financial year directly without making any application before the Commission as provided in Tariff Regulations, 2019 and Tariff Regulations, 2024 as per para 17 and 18 above for respective block.
- e) Approve the reimbursement of expenditure by the beneficiaries towards petition filing fee, and expenditure on publishing of notices in newspapers in terms of Regulation 94 (1) Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2024, and other expenditure (if any) in relation to the filing of petition.
- f) Allow the petitioner to bill and recover RLDC fees & charges and Licensee fee, separately from the respondents in terms of Regulation 94 (3) and (4) Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2024.



- g) Allow the petitioner to bill and adjust impact on Interest on Loan due to change in Interest rate on account of floating rate of interest applicable during 2024-29 period, if any, from the respondents.
- h) 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 24 above.
- i) Allow the petitioner to file a separate petition before Hon'ble Commission for claiming the overall insurance expenses and consequential IOWC on that insurance expenses as mentioned at para 24 above.
- j) 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 24 above.
- k) Allow the petitioner to claim expenses of CTUIL borne by POWERGRID through a separate petition as mentioned at para 25 above.
- l) 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
- m) 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: 15.04.2025

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.... /TT/ 2025

Petition for truing up of transmission tariff for 2019-24 and determination of transmission tariff for 2024-29 tariff block for Assets under “**220 kV Srinagar-Leh Transmission System (SLTS)**” 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 and Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2024.

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 Power Grid 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.



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 29 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 29 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 **15th day of April 2025** 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.


(DEPONENT)


ATTESTED
MAHENDER S. PUNIA
ADVOCATE & NOTARY
Distt. Gurugram (Haryana) India


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NOTARY
Mahender S. Punia
Gurugram
Regd. No. 3999
GOVT. OF INDIA


POWER GRID CORPORATION OF INDIA LTD.
पावरग्रिड
POWERGRID

Ref: CC/Commercial/2024

Date: 28.08.2024

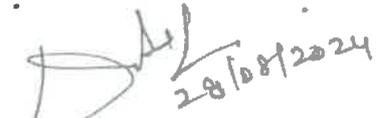
LETTER OF AUTHORIZATION

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 / DILIPROZEKAR

Executive Director (Commercial & Regulatory Cell)
पावर ग्रिड कॉर्पोरेशन ऑफ इंडिया लिमिटेड
Power Grid Corporation of India Ltd.
(भारत सरकार का उद्यम)/(A Govt. of India Enterprise)
Plot No.-2, Sector-29, Gurgaon- 122 001 (Haryana)



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F.No.3/18/2011-Trans
Government of India
Ministry of Power
Shram Shakti Bhawan, Rafi Marg

New Delhi, dated 29.01.2014

To

1. CMD,
PGCIL, Gurgaon.
2. Development Commissioner [Power Development Department (PDD)],
Government of J&K, Jammu.

Subject: Construction of 220 kV Transmission System from Alusteng (Srinagar) to Leh (via Drass, Kargil and Khalsti 220/66 kV substations) and 66 kV interconnection system for Drass, Kargil, Khalsti and Leh substations in Jammu & Kashmir (J&K).

Sir,

I am directed to convey the approval of Competent Authority for construction of "220 kV Transmission System from Alusteng (Srinagar) to Leh (via Drass, Kargil and Khalsti 220/66 kV substations) and 66 kV interconnection system for Drass, Kargil, Khalsti and Leh substations in Jammu & Kashmir (J&K)" by Power Grid Corporation of India Ltd. (PGCIL) at an estimated cost of Rs.1788.41 crore (at October, 2012 price level) with the completion schedule of 42 months from the date of release of first instalment (post-investment approval) of funds for its implementation including the consultancy fee of 12% of the executed cost as per details given in **Annexure-I**.

2. The project cost will be borne by Government of India and the Government of Jammu & Kashmir in the ratio of 95:5.
3. Upon Commissioning of the Transmission System, the same shall be transferred to the State of J&K who would be responsible for carrying out Operation & Maintenance and other related activities at their own cost as per the terms & conditions in the Memorandum of Understanding (MoU) to be signed in this regard.
4. The broad scope of work under the project is as follows:

Transmission Line

- (i) Alusteng (Srinagar) – Drass – Kargil –Khalsti – Leh 220kV S/C line (including underground cable near Sonmarg and Zozilla Pass);
- (ii)* 66kV D/C line from Drass 220/66 kV (New S/S) to Drass 66/11kV (RGGVY S/S);
- (iii)* 66kV 2 X D/C line from Kargil 220/66 kV (New S/S) to Kargil 66/11kV (RGGVY S/S);
- (iv)* 66kV D/C line from Khalsti 220/66 kV (New S/S) to Khalsti 66/11kV (RGGVY S/S);

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- (v)* 66kV 2 X D/C line from Leh 220/66 kV (New S/S) to Leh 66/11kV (RGGVY S/S).

* These will provide connectivity to 66/11 kV substations being constructed under RGGVY.

Sub-Stations

- (i) New 220/66 kV Gas Insulated Substations (GIS) at Drass, Kargil, Khalsti & Leh; and
(ii) Expansion of 66/11kV (RGGVY) Substations of PDD at Drass, Kargil, Khalsti & Leh for linking them to the 220/66 KV Sub Stations.

The detailed scope of work is attached at **Annexure-II**.

5. The year-wise breakup of fund requirement for the base cost is at **Annexure-III**.
6. PGCIL will submit quarterly report to the Ministry of Power indicating financial and physical progress of implementation of activities covered by this sanction.
7. This issues with the concurrence of Integrated Finance Division of Ministry of Power vide their Dy.No.122/JS&FA dated 29th January, 2014.



(S. Venkateshwarlu)
Under Secretary (Trans)
Tele-fax: 011-2332 5242

Copy, along with enclosures, forwarded to the following:

1. Cabinet Secretariat [Attn: Smt. Sanjukta Ray, Director (Cabinet), Rashtrpati Bhavan, New Delhi] with reference to minutes of the meeting of Cabinet Committee on Economic Affairs held on 2.1.2014 issued vide Cabinet Secretariat Memo No. CCEA/01/2014(i) dated 8.1.2014.
2. Controller of Accounts, Ministry of Power, Sewa Bhavan, RK Puram, New Delhi.
3. Pay & Accounts Officer, Ministry of Power, New Delhi.
4. Principal Director of Audit, Economic & Service Ministry, AGCR Building, New Delhi.
5. Chairperson, Central Electricity Authority, Sewa Bhavan, RK Puram, New Delhi.
6. Secretary, Planning Commission, Yojana Bhavan, New Delhi.
7. Secretary, Department of Expenditure, North Block, New Delhi.
8. Secretary, Department of Economic Affairs, North Block, New Delhi.

Copy for information to: PPS to Secretary(Power)/ AS(DC)/ JS (Trans)/ JS&FA/ Director (Trans).



ANNEXURE-I

**ABSTRACT COST ESTIMATE
(BASE COST)**

**220kv Transmission System from Alusteng (Srinagar) to Leh (Via Drass, Kargil & Khalsti
220/66kv Substation) & 66kv Interconnection System For Drass, Kargil, Khalsti And Leh
Substations**

(Cost updated to OCTOBER 2012 price level)

| Sr. No. | DESCRIPTION | Amount (In Rs. crores) |
|---------|--|------------------------|
| A | Preliminary Survey & Soil Investigation | 1.45 |
| B | Land Acquisition for Substation and R & R Compensation & tower foundations | 3.00 |
| C | Cost of Compensation for Transmission Lines | |
| | i) Compensation towards Crop, Tree & PTCC | 16.94 |
| | ii) Compensation towards Forest | 17.39 |
| D | <u>Civil Works</u> | |
| | i) Infrastructure for substations | 13.80 |
| | ii) Non Residential Buildings | 12.08 |
| | iii) Colony for Trans. Lines & Substations | 38.76 |
| E | <u>Equipment Cost</u> | |
| | a) Trans. Lines | 958.21 |
| | b) Sub-Stations | 280.82 |
| | c) Cable | 109.00 |
| | d) Voice and Data connectivity | 13.23 |
| | e) Local Taxes & Duties plus Customs Duty incl. Handling charges | 69.17 |
| F | Sub Total A to E | 1533.85 |
| G | Contingencies @ 3% (of A to E) | 46.02 |
| H | Training Charges to J&K, PDD staff | 1.50 |
| I | Overheads Payable to PDD for RGGVY S/s | 1.42 |
| J | Initial Expenditure incurred by POWERGRID towards survey, soil investigation and tower testing activities* | 1.70 |
| | TOTAL | 1584.49 |

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| | | |
|----------|--|----------------|
| K | POWERGRID Consultancy Fee @ 12%(excluding Local Taxes & Duties, overheads payable to PDD for RGGVY & Training Charges) i.e (1584.51-69.17-1.42-1.5=1512.42) X 0.12 | 181.49 |
| L | Service Tax @ 12.36% on Consultancy Fee i.e 181.49 X 0.1236 | 22.43 |
| M | GRAND TOTAL | 1788.41 |

1.0 TAXES & DUTIES

- a) T&D considered as per budget for FY 2012-2013
- b) Considered Local Entry tax @5% for tower parts, conductor, insulator & transformer and @ 13.5 % on all other items .
- c) Considered VAT @ 5% for tower parts, conductor, insulator & transformer and @ 13.5 % on all other items .
- d) Considered CUSTOMS DUTY @ 22.853 % + Handling charges @ 2% thereon for imported equipment

2.0 IDC has not been considered as the project is proposed to be funded by GOI Grant

*** Note: POWERGRID has incurred an expenditure of about Rs. 169.91 lakhs towards survey, soil investigation and tower testing activities for implementation of Srinagar – Kargil – Leh 220 kV transmission line. It is still to be reimbursed to POWERGRID.**

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DETAILED SCOPE OF WORKS

| <u>Description</u> | <u>kV</u> | <u>Ckt.</u> | <u>Line Length (km)</u> | |
|---|--------------------|-----------------------|-------------------------|--------------|
| A : TRANSMISSION LINE | | | | |
| Alusteng(Srinagar) – Drass | 220 | S/C | 120.00 | |
| Drass – Kargil | 220 | S/C | 60.00 | |
| Kargil – Khalsti | 220 | S/C | 90.00 | |
| Khalsti – Leh | 220 | S/C | 74.00 | |
| Underground cable near Sonmarg&Zozilla Pass | 220 | S/C | 8.30 (route length) | |
| Drass 220/66 kV – Drass 66/11kV(RGGVY) | 66 | D/C | 25.00 | |
| Kargil 220/66 kV – Kargil 66/11kV(RGGVY) | 66 | 2xD/C | 10.00 (each) | |
| Khalsti 220/66 kV – Khalsti 66/11kV(RGGVY) | 66 | D/C | 0.50 | |
| Leh 220/66 kV – Leh 66/11kV(RGGVY) | 66 | 2xD/C | 15.00 (each) | |
| B : SUB-STATION | Transformer | No | MVA | Total |
| New Substation | | | | |
| Drass (GIS) | 220/66 | 1 | 50 | 50 |
| Kargil (GIS) | 220/66 | 2 | 50 | 100 |
| Khalsti (GIS) | 220/66 | 1 | 50 | 50 |
| Leh (GIS) | 220/66 | 2 | 50 | 100 |
| Extension of Substation | | | | |
| Drass 66/11kV(RGGVY) | | 2 no. 66 kV line bays | | |
| Kargil 66/11kV(RGGVY) | | 4 no. 66 kV line bays | | |
| Khalsti 66/11kV(RGGVY) | | 2 no. 66 kV line bays | | |
| Leh 66/11kV(RGGVY) | | 4 no. 66 kV line bays | | |

Reactive Compensation**Sub-station**

New Kargil 220/66 kV GIS
New Leh 220/66 kV GIS

Bus Reactor

25 MVAR
25 MVAR

Note :

- As informed by PDD,J&K, a 220kV line bay is available at Alusteng 220kV S/S of PDD for termination of 220 kV Alusteng-Kargil line. Hence, the same has not been included in the scheme.
- The extension of substation at Drass, Kargil, Khalsti & Leh 66/11kV (RGGVY) substations shall be carried out as a deposit work.

Annexure-III

The year-wise break-up of fund requirement for base cost

(Fig. in Rs. Crore)

| Share | 2013-14 | 2014-15 | 2015-16 | 2016-17 | 2017-18 | Total |
|------------------------|---------|---------|---------|---------|---------|---------|
| GOI share (95%) | 65.40 | 339.80 | 446.75 | 509.70 | 337.35 | 1699.00 |
| Govt of J&K share (5%) | 3.44 | 17.88 | 23.51 | 26.83 | 17.75 | 89.41 |
| Total | 68.84 | 357.68 | 470.26 | 536.53 | 355.10 | 1788.41 |

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MEMORANDUM OF UNDERSTANDING

BETWEEN

**POWER DEVELOPMENT DEPARTMENT, GOVT. OF J&K
AND**

POWER GRID CORPORATION OF INDIA LIMITED

This Memorandum of Understanding entered into on this 22nd day of Nov. Two Thousand Sixteen.

BETWEEN

GOVERNOR OF JAMMU & KASHMIR THROUGH POWER DEVELOPMENT DEPARTMENT, GOVERNMENT OF JAMMU & KASHMIR having its Head Office at Civil Secretariat, Jammu/ Kashmir (hereinafter referred to as "GoJ&K", "PDD" or "Owner", depending upon the context which expressions shall unless repugnant to the context or meaning thereof include its successors and permitted assignees) as party of the First part.

AND

POWER GRID CORPORATION OF INDIA LIMITED, a Govt. of India Undertaking incorporated under the Companies Act, 1956 having its registered office at B-9, Qutub Institutional Area, Katwaria Sarai, New Delhi - 110 016 and Corporate Office at 'SAUDAMINI', Plot No. 2, Sector-29, Gurgaon, Haryana-122 001 and Northern Region-II Head Quarter at "GRID BHAWAN", near Bahu Plaza, Rail Head

45(1)





Complex, Jammu, Jammu & Kashmir-180 012 (hereinafter called "POWERGRID or "PGCIL" or "Project Management Consultant" or "PMC" or "Consultant" depending upon the context, which expression shall unless repugnant to the context or meaning thereof include its successors and permitted assignees) as party of the Second part.

A. AND WHEREAS Ministry of Power (MOP) vide letter no F.No.3/18/2011-Trans dated 29th Jan' 14 (Copy enclosed at **Appendix-I**) has conveyed investment approval for 220 kV Transmission System from Alusteng (Srinagar) to Leh (Via Drass, Kargil and Khalsti 220/66 kV Substations) and 66 kV interconnection system for Drass, Kargil, Khalsti and Leh substations in Jammu & Kashmir (J&K) (hereinafter called "Project") as follows:-

- (i) Construction of Project at an estimated cost of the ₹ 1788.41 Crore (at October, 2012 price level) with the completion schedule of 42 months from the date of release of first installment (post-investment approval) of funds for its implementation including the consultancy fee payable to POWERGRID @ 12% of the executed cost less local taxes & duties including custom duty, handling charges corresponding to custom duty, overhead payable to PDD for RGGVY & Training Charges to J&K PDD staff;
- (ii) The project cost will be borne by Government of India and the Government of Jammu & Kashmir in the ratio of 95:05;
- (iii) Upon Commissioning of the Transmission System, the same shall be transferred to the state of J&K who would be responsible for carrying out Operation & Maintenance and other related activities at their own cost as per the terms & conditions in the Memorandum of Understanding (MoU) to be signed in this regard;

B. AND WHEREAS Power Grid Corporation of India (PGCIL or POWERGRID) has to discharge the responsibilities as "Project Management Consultant" (PMC) on behalf of the ultimate owner i.e PDD;

C. AND WHEREAS POWERGRID has to implement the aforesaid Project as per the scope of works mentioned in Annexure-II to the sanction order at **Appendix-I** with funds being directly released to POWERGRID by GoI and Govt. of J&K to meet the actual cost of the Project along with associated consultancy fee @ 12% of the actual executed cost of the Project (less local taxes & duties including custom duty, handling charges corresponding to custom duty, overhead payable to PDD for RGGVY & Training Charges to J&K PDD staff) and applicable taxes & duties on the consultancy fee.

NOW, therefore, in consideration of the premises and mutual Agreements, covenants and conditions set-forth herein which shall form an integral part of this MoU, it is hereby agreed by both the parties as follows:

1.0 PMC's SCOPE OF WORK / SERVICES

1.1 POWERGRID shall implement this Project on behalf of the Owner i.e. PDD as PMC.

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(2)



- 1.2 The scope of work to be implemented by PMC on behalf of Owner i.e. PDD is detailed at Appendix-II to this MOU.
- 1.3 The scope of services to be performed by PMC on behalf of Owner i.e. PDD is as follows :

Detailed Survey, Soil Investigation, Design (including Development of Tower Designs & their Testing), Engineering, Procurement inter-alia including issuance of NIT (on Open competitive Global/Domestic bidding basis including e-procurement), Tender evaluation, Finalization of Contract, entering into Contract Agreement, Payment to contractors, Manufacturing Quality Assurance, Project Management, Field Checks & Field Quality Assurance, Supervision of Erection, Testing & Commissioning of 220 kV lines (with ACSR Deer conductor), 220 kV Power cable, 220/66 kV substations, 66 kV transmission lines and 66 kV substation Extensions.

2.0 RESPONSIBILITY OF PDD:

- 2.1 PDD, being the Owner, shall discharge all related statutory/ regulatory/ administrative approvals, clearances, permits, consents, security arrangements, Law & Orders support as detailed hereinafter. However, POWERGRID shall prepare all documentation wherever required, to facilitate submission of proposals to relevant authorities and also follow up the same in close association with PDD. This shall include, but not limited to following:-

- I. Environment & Forest clearance.
- II. Land Acquisition
- III. R&R
- IV. Compensation for Crop/ Tree/ Forest etc.
- V. Right of Way (ROW)
- VI. Security through Law & Order support.
- VII. Providing power & water for construction of S/S,
- VIII. Other facilities as may be reasonably required for smooth execution of Project.
- IX. PTCC clearance.
- X. Aviation / Defense Clearance.
- XI. Railway/ River/ Canal/ Road/ Highway/ Social Forestry Clearance.
- XII. Statutory Electrical Inspector Clearance.

- 2.2 PDD & Govt. of J&K shall constitute an appropriate High Power Committee (HPC) with concerned authorities from PDD, Administration, Forest Deptt etc. so that various permission/ approvals/ consent etc. are processed expeditiously for which HPC shall meet every month.
- 2.3 All due fees, charges, cost, compensation related to above shall be paid by POWERGRID from the funds released by Govt. of J&K, as part of Project cost.

47 (3)




- 2.4 PDD, after due consultation with PMC, shall be eligible to depute its personnel of suitable qualification and experience to be suitably associated with the PMC team for aforementioned activities. 20% of the total man power deployment in the Project during execution shall be taken on deputation from PDD in a phased manner on mutual agreed terms & conditions.
- 2.5 For waiver of all forms of State level taxes/ duties/ levies/ octroi/ Entry Tax etc. to this Project, PDD shall take up the matter with Govt. of J&K to facilitate the same.
- 2.6 Besides deputation, the PMC shall also recruit personnel on temporary basis (on contract) exclusively from J&K State in phased manner to take care of Right to Employment for people of J&K state.

3.0 ESTIMATED COST OF THE PROJECT

- 3.1 The Initial Estimated Project Cost as per Gol investment approval is ₹1584.49 Crore inclusive of taxes & duties but excluding Consultancy Fee payable to POWERGRID and corresponding applicable Taxes & Duties on Consultancy Fee.
- 3.2 However, depending upon the outcome of bidding process for the procurement of goods and services required for implementation of Project, price variation, change in quantities, site conditions etc., the cost of the Project may undergo changes. Therefore, in case it is required, POWERGRID shall submit the Revised Cost Estimate (RCE) to Ministry of Power (MOP) to facilitate investment approval of RCE, as per Govt. of India guidelines.

4.0 CONSULTANCY FEE:

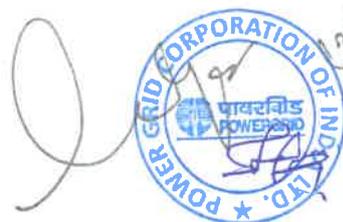
Consultancy fee payable for the services to be provided by POWERGRID for implementation of scope of work as mentioned at clause no. 1.0 will be as per investment approval letter issued by MOP vide letter no F.No.3/18/2011-Trans dated 29th Jan'14 i.e 12% of actual executed project cost less local taxes & duties including custom duty, handling charges corresponding to custom duty, overhead payable to PDD for RGGVY & Training Charges to J&K PDD staff (as worked out at Annexure-I to Appendix-I of this MOU). Based on presently estimated cost of the project, consultancy fee works out to ₹ 181.49 Crores.

5.0 TAXES AND DUTIES ON CONSULTANCY FEE

The Consultancy Fee currently estimated at ₹ 181.49 Crores does not include any taxes & duties. At present, the Service Tax on consultancy fee is @ 15% for the services to be provided from places outside the state of J&K (Service Tax @ 12.36% was considered at the time of investment approval). However, at the state level (i.e J&K) Work Contract Tax (WCT) @12.6% is presently applicable. The Service Tax/ WCT as may be applicable shall be paid to POWERGRID, over & above the Consultancy fee payable to POWERGRID.

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All extant statutory taxes, duties and levies & as amended from time to time by any Act/ Notification of Government (Central/ State) or any other local bodies/ authorities shall be applicable to Project cost as well as Consultancy fee.

6.0 RELEASE OF FUNDS TO POWERGRID, IMPLEMENTING AGENCY.

- 6.1 Based on the estimated progress of work, fund projections for drawl of advance shall be submitted by POWERGRID along-with projected consultancy fee and applicable Taxes & Duties on fee for release of the same to POWERGRID by MOP, Government of India (towards 95% funding) and by Govt. of J&K (towards 05% funding). This payment shall be released within 30 days of submission of Invoices on the basis of projections, which preferably shall be on annual basis. In case of advance having been utilized / likely to be utilized within the year, another invoice shall be raised.
- 6.2 On account of variation between Initial Estimated Project Cost of ₹1584.49 Crore and the Estimated Final Project Completion Cost, including Consultancy fee & applicable service tax etc. on the consultancy fee, the additional amount of funds shall be arranged to be released to POWERGRID by "GoI" & "GoJ&K" in the proportion of 95 : 05, for timely and smooth execution of works.
- 6.3 Final Cost of the Project shall be the actual expenditure incurred on the Project along with POWERGRID consultancy fee @ 12% (on the actual expenditure of Project) & applicable taxes/ duties on the fee.
- 6.4 Invoices for 15% of the consultancy fee corresponding to the services to be provided by POWERGRID's Corporate Centre office, Gurgaon and 1st instalment of Project cost shall be raised from POWERGRID, Corporate Centre, Gurgaon. All other invoices shall be raised from POWERGRID, Northern Region-II, Jammu office.
- 6.5 By 30th May of each year, POWERGRID shall submit details of actual expenditure of previous financial year to MOP with copy to PDD.
- 6.6 POWERGRID shall not be required to use its own funds for implementation of this Project.

7.0 WORKING PROCEDURE

- 7.1 To enable POWERGRID to discharge its obligation in a smooth and efficient manner, PDD shall issue or arrange to issue necessary authorization in favour of POWERGRID to act on behalf of Owner.
- 7.2 The Owner shall provide all necessary documents, inter-alia, including concessional sales tax declaration forms, road permits for Inter-State/ Intra-State movement of goods for the Project or any other applicable form (duly filled in and signed) required for implementation under this MoU. In case, concessional sales tax form is not provided by the owner, then the Owner shall pay full taxes as may be applicable from time to time under laws. All the invoices shall be raised in the name of PDD, by the contractors appointed by PMC i.e. POWERGRID, so that

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PDD can arrange to issue necessary concessional forms. However, presently, the concessional forms viz. D-Forms are not issued by GoJ&K. As per the current practice in the state of J&K, the contractors have to register with the appropriate authorities in J&K for availing benefits of concessional Sales Tax / WCT / VAT.

The recovery of TDS under Service Tax/ CST/ VAT/ WCT/ Income Tax Act and any other Acts as per Govt. regulation related to this work shall be done by POWERGRID on behalf of Owner from the Contractor's Bill. TDS so deducted by POWERGRID on behalf of Owner shall be deposited with the relevant tax authorities by using PAN, TIN, TAN & ST number of PDD. Copies of challan will be forwarded to PDD for filing returns and necessary TDS certificates will be issued by POWERGRID after getting necessary acknowledgement number and identification number in this regard from PDD. Wherever the returns are to be filed electronically, PDD will file tax returns and issue necessary TDS certificates directly to the assessee under intimation to POWERGRID within statutory period.

- 7.3 PDD shall take up with GoJ&K to grant waiver to this project from all forms of State level Taxes/ Duties/ Levies/ Octroi/ Entry Tax etc. in conformity to the conditions stipulated by Expenditure Finance Committee at the time of appraising this project and recommending it for Investment Approval.
- 7.4 Quality Systems and Procedures of POWERGRID shall be adopted for implementation of the project.
- 7.5 Basic engineering, design and procurement related services shall be provided by POWERGRID from its Corporate Centre at Gurgaon whereas all other services shall be provided from its Regional Head Quarter, Jammu
- 7.6 To ensure proper coordination between POWERGRID and PDD for carrying out the work under the scope of this MoU, both PDD and POWERGRID shall nominate their respective Nodal Officer/ Project Manager who shall be the focal point for all matters relating to this MoU. In addition, they will also exchange the list of team members working in various functional areas for this Project, for proper coordination.
- 7.7 PDD officials (Approx. 20 persons) shall avail the training to be provided by contractors under various contracts.

8.0 AWARD OF CONTRACT (METHODOLOGY)

- 8.1 For the purpose of execution of works under this MoU, the entire work of Transmission line and substations shall be divided into multiple contract packages to be executed by various contractors. The contract shall be awarded on open tender basis on behalf of GoJ&K and through fully transparent process. The guidelines issued in this regard by Central Vigilance Commission (CVC) shall be followed by POWERGRID.

9.0 CONSTRUCTION/ IMPLEMENTATION

- 9.1 The completion period as per the scope of work will be 42 months from the date

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of release of first installment of funds. Any delay in implementation of Project due to non-availability of funds and services to be provided by PDD directly or through GoJ&K shall not be attributable to POWERGRID and the period of implementation shall be deemed to have been extended corresponding to such delays.

- 9.2 POWERGRID shall suitably incorporate the provisions towards levy of Liquidated Damages in their agreements with contractors for delay in completion of the work. All amounts towards Liquidated Damages, if any, as may be recovered by POWERGRID under this provision, shall be suitably adjusted in the project cost, with due intimation to PDD.

10.0 JOINT COORDINATION COMMITTEE

- 10.1 POWERGRID shall specify quarterly milestones or targets which shall be reviewed jointly by POWERGRID and PDD on bi-monthly basis (or earlier as may be needed) through Joint Coordination Committee (JCC) meeting. Both POWERGRID and PDD shall nominate their representatives in JCC. The JCC shall be headed by Development Commissioner (Power), PDD & shall be responsible for timely implementation of the project. Further, progress shall also be reviewed at the level of MOP/ CEA on quarterly basis.

- 10.2 The deliberations and decisions of JCC shall be taken into account during contract operation and at the time of closing of contract for smooth execution of the project and in conformity to the specifications.

11. INSPECTION & TAKING OVER OF THE TRANSMISSION SYSTEM

- 11.1 Immediately upon physical readiness of any transmission lines/ Substations, PMC shall forward requisite statutory documents/ details to TTIC (Testing, Training, and Inspection & Commissioning), the inspection wing of PDD, for conducting necessary formalities as per the J&K Electricity Act/ Rules. The inspection clearance will be issued by TTIC within two months of submission of all statutory documents / details by PMC.

- 11.2 POWERGRID shall intimate PDD upon successful commissioning and test charging of Project (in part or full, as the case may be) and PDD shall immediately takeover the Project (in part or full, as the case may be) and commence operation & maintenance of the same. PDD shall furnish the taking over certificate within thirty (30) days from the date of such intimation by POWERGRID.

- 11.3 Issues which do not come in the way of beneficial use of the assets of the project, shall not constitute the reason for not taking it over.

- 11.4 In case, for any reason there is a delay in taking over of assets (or part thereof) by PDD, it shall pay maintenance charges to PMC. Such charges shall be an amount equal to commercial earnings of the Project determined as per JKSERC Open Access Regulations for the delayed period.

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11.5 Operation & Maintenance and other related activities shall be carried out by PDD at their own cost, as mandated through investment approval.

12.0 SETTLEMENT OF DISPUTE AND ARBITRATION

12.1 This MOU shall be governed by & construed in accordance with the laws in force in the State of Jammu & Kashmir. Any dispute or difference arising out of this MoU shall be amicably settled between the parties.

12.2 This MOU shall be subject to the jurisdiction of the High Court of J&K, Srinagar/Jammu.

12.3 If any dispute arises out of this MOU between the parties and is not resolved amicably within 60 days then it shall be settled as per procedures prescribed in the Jammu & Kashmir Arbitration and Conciliation Act 1997 and Rules framed thereunder with venue of arbitration being Srinagar/ Jammu.

13.0 FORCE MAJEURE

The parties shall ensure due compliance with the terms of this MOU. However, no party shall be liable for any claim for any loss or damage whatsoever arising out of failure to carry out the terms of the MOU to the extent that such a failure is due to force majeure events such as fire, rebellion, mutiny, civil commotion, riot, strike, lock-out, forces of nature, calamity, accident, act of God, foreign rebellion and any other reason beyond the control of concerned party. But any party claiming the benefit of this clause shall satisfy the other party of the existence of such an event and give written notice of 15 days to the other party to this effect. The services covered under this MOU shall be started as soon as practicable by the parties concerned after such eventuality has come to an end or ceased to exist.

14.0 IMPLEMENTATION OF THE MOU

All discretions to be exercised and directions, approvals, consents and notices to be given and actions to be taken under these presents, unless otherwise expressly provided herein, shall be exercised and given by the signatories to this MOU or by the Authorized representative(s) that each party may nominate in this behalf and notify in writing to the other party by Registered Post. Any other nomination of Authorized representative(s) and/ or changes in designation shall be informed likewise in writing to / by PDD and POWERGRID within one month of signing of the MOU. Notwithstanding any such nomination, the Executive Director (NR-II), POWERGRID or his Authorized representatives at its Office at Grid Bhawan, Near Bahu Plaza, Rail Head Complex, Jammu shall be authorized to act for and on behalf of POWERGRID. Any changes in designations/ registered office address shall be intimated in writing to all concerned parties.

15.0 NOTICE

All notices required or referred to under this MOU, shall be in writing and signed by the respective authorized signatories of the parties mentioned herein above, unless other-wise notified. Each such notice shall be deemed to

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have been duly given if delivered or served by registered mail, speed post of Department of Posts or by Courier service with an acknowledgement due to the other parties.

16.0 DURATION AND VALIDITY

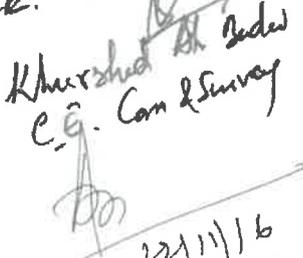
This MOU shall be valid till the project is completed and the possession of the Project is given to PDD, unless substituted/ revised by another MOU. In case the implementation of the Project gets extended, then all the provisions of this MOU shall continue to operate till this MOU is formally renewed / extended / replaced or terminated. The MOU may be terminated on mutual consent of the Parties.

IN WITNESS WHEREOF the Parties have executed these presents through their authorized representatives at Jammu, J&K.

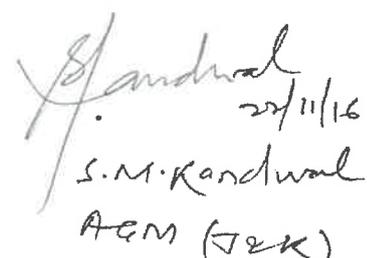
WITNESS

1. 
(Ravi Chahal)
Ch. SDO, Jammu.
22/11/16

For and on behalf of
Governor of Jammu & Kashmir,
Power Development Department

2. 
Khurshid Ah Bader
C.E. Con & Survey
22/11/16
(ANIL JAIN)
ED (NR-II)

For and on behalf of
Power Grid Corporation of India Limited


S.M. Randwal
AEM (J&K)

(9)



F.No.3/18/2011-Trans
Government of India
Ministry of Power
Shram Shakti Bhawan, Rafi Marg

New Delhi, dated 29.01.2014

To

1. CMD,
PGCIL, Gurgaon.
2. Development Commissioner [Power Development Department (PDD)],
Government of J&K, Jammu.

Subject: Construction of 220 kV Transmission System from Alusteng (Srinagar) to Leh (via Drass, Kargil and Khalsti 220/66 kV substations) and 66 kV interconnection system for Drass, Kargil, Khalsti and Leh substations in Jammu & Kashmir (J&K).

Sir,

I am directed to convey the approval of Competent Authority for construction of "220 kV Transmission System from Alusteng (Srinagar) to Leh (via Drass, Kargil and Khalsti 220/66 kV substations) and 66 kV interconnection system for Drass, Kargil, Khalsti and Leh substations in Jammu & Kashmir (J&K)" by Power Grid Corporation of India Ltd. (PGCIL) at an estimated cost of Rs.1788.41 crore (at October, 2012 price level) with the completion schedule of 42 months from the date of release of first instalment (post-investment approval) of funds for its implementation including the consultancy fee of 12% of the executed cost as per details given in Annexure-I.

2. The project cost will be borne by Government of India and the Government of Jammu & Kashmir in the ratio of 95:5.
3. Upon Commissioning of the Transmission System, the same shall be transferred to the State of J&K who would be responsible for carrying out Operation & Maintenance and other related activities at their own cost as per the terms & conditions in the Memorandum of Understanding (MoU) to be signed in this regard.
4. The broad scope of work under the project is as follows:

Transmission Line

- (i) Alusteng (Srinagar) – Drass – Kargil –Khalsti – Leh 220kV S/C line (including underground cable near Sonmarg and Zozilla Pass);
- (ii)* 66kV D/C line from Drass 220/66 kV (New S/S) to Drass 66/11kV (RGGVY S/S);
- (iii)* 66kV 2 X D/C line from Kargil 220/66 kV (New S/S) to Kargil 66/11kV (RGGVY S/S);
- (iv)* 66kV D/C line from Khalsti 220/66 kV (New S/S) to Khalsti 66/11kV (RGGVY S/S);

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- (v)* 66kV 2 X D/C line from Leh 220/66 kV (New S/S) to Leh 66/11kV (RGGVY S/S).

* These will provide connectivity to 66/11 kV substations being constructed under RGGVY.

Sub-Stations

- (i) New 220/66 kV Gas Insulated Substations (GIS) at Drass, Kargil, Khalsti & Leh; and
- (ii) Expansion of 66/11kV (RGGVY) Substations of PDD at Drass, Kargil, Khalsti & Leh for linking them to the 220/66 KV Sub Stations.

The detailed scope of work is attached at **Annexure-II**.

5. The year-wise breakup of fund requirement for the base cost is at **Annexure-III**.
6. PGCIL will submit quarterly report to the Ministry of Power indicating financial and physical progress of implementation of activities covered by this sanction.
7. This issues with the concurrence of Integrated Finance Division of Ministry of Power vide their Dy.No.122/JS&FA dated 29th January, 2014.

SL

(S. Venkateshwarlu)
Under Secretary (Trans)
Tele-fax: 011-2332 5242

Copy, along with enclosures, forwarded to the following:

1. Cabinet Secretariat [Attn: Smt. Sanjukta Ray, Director (Cabinet), Rashtrpati Bhavan, New Delhi] with reference to minutes of the meeting of Cabinet Committee on Economic Affairs held on 2.1.2014 issued vide Cabinet Secretariat Memo No. CCEA/01/2014(i) dated 8.1.2014.
2. Controller of Accounts, Ministry of Power, Sewa Bhavan, RK Puram, New Delhi.
3. Pay & Accounts Officer, Ministry of Power, New Delhi.
4. Principal Director of Audit, Economic & Service Ministry, AGCR Building, New Delhi.
5. Chairperson, Central Electricity Authority, Sewa Bhavan, RK Puram, New Delhi.
6. Secretary, Planning Commission, Yojana Bhavan, New Delhi.
7. Secretary, Department of Expenditure, North Block, New Delhi.
8. Secretary, Department of Economic Affairs, North Block, New Delhi.

Copy for information to: PPS to Secretary(Power)/ AS(DC)/ JS (Trans)/ JS&FA/ Director (Trans).

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ANNEXURE-I

**ABSTRACT COST ESTIMATE
(BASE COST)**

**220kv Transmission System from Alusteng (Srinagar) to Leh (Via Drass, Kargil & Khalsti
220/66kv Substation) & 66kv Interconnection System For Drass, Kargil, Khalsti And Leh
Substations**

(Cost updated to OCTOBER 2012 price level)

| Sr. No. | DESCRIPTION | Amount (In Rs. crores) |
|---------|--|------------------------|
| A | Preliminary Survey & Soil Investigation | 1.45 |
| B | Land Acquisition for Substation and R & R Compensation & tower foundations | 3.00 |
| C | Cost of Compensation for Transmission Lines | |
| | i) Compensation towards Crop, Tree & PTCC | 16.94 |
| | ii) Compensation towards Forest | 17.39 |
| D | Civil Works | |
| | i) Infrastructure for substations | 13.80 |
| | ii) Non Residential Buildings | 12.08 |
| | iii) Colony for Trans. Lines & Substations | 38.76 |
| E | Equipment Cost | |
| | a) Trans. Lines | 958.21 |
| | b) Sub-Stations | 280.82 |
| | c) Cable | 109.00 |
| | d) Voice and Data connectivity | 13.23 |
| | e) Local Taxes & Duties plus Customs Duty incl. Handling charges | 69.17 |
| F | Sub Total A to E | 1533.85 |
| G | Contingencies @ 3% (of A to E) | 46.02 |
| H | Training Charges to J&K, PDD staff | 1.50 |
| I | Overheads Payable to PDD for RGGVY S/s | 1.42 |
| J | Initial Expenditure incurred by POWERGRID towards survey, soil investigation and tower testing activities* | 1.70 |
| | TOTAL | 1584.49 |

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| | | |
|---|--|----------------|
| K | POWERGRID Consultancy Fee @ 12%(excluding Local Taxes & Duties, overheads payable to PDD for RGGVY & Training Charges) i.e (1584.51-69.17-1.42-1.5=1512.42) X 0.12 | 181.49 |
| L | Service Tax @ 12.36% on Consultancy Fee i.e 181.49 X 0.1236 | 22.43 |
| M | GRAND TOTAL | 1788.41 |

1.0 TAXES & DUTIES

a) T&D considered as per budget for FY 2012-2013

b) Considered Local Entry tax @5% for tower parts, conductor, insulator & transformer and @ 13.5 % on all other items .

c) Considered VAT @ 5% for tower parts, conductor, insulator & transformer and @ 13.5 % on all other items .

d) Considered CUSTOMS DUTY @ 22.853 % + Handling charges @ 2% thereon for imported equipment

2.0 IDC has not been considered as the project is proposed to be funded by GOI Grant

* Note: POWERGRID has incurred an expenditure of about Rs. 169.91 lakhs towards survey, soil investigation and tower testing activities for implementation of Srinagar – Kargil – Leh 220 kV transmission line. It is still to be reimbursed to POWERGRID.

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DETAILED SCOPE OF WORKS

| Description | kV | Ckt. | Line Length (km) | |
|--|--------------------|-----------------------|------------------------|--------------|
| A : TRANSMISSION LINE | | | | |
| Alusteng(Srinagar) – Drass | 220 | S/C | 120.00 | |
| Drass – Kargil | 220 | S/C | 60.00 | |
| Kargil – Khalsti | 220 | S/C | 90.00 | |
| Khalsti – Leh | 220 | S/C | 74.00 | |
| Underground cable near Sonmarg&Zozilla Pass | 220 | S/C | 8.30 (route length) | |
| Drass 220/66 kV – Drass 66/11kV(RGGVY) | 66 | D/C | 25.00 | |
| Kargil 220/66 kV – Kargil 66/11kV(RGGVY) | 66 | 2xD/C | 10.00 (each) | |
| Khalsti 220/66 kV – Khalsti 66/11kV(RGGVY) | 66 | D/C | 0.50 | |
| Leh 220/66 kV – Leh 66/11kV(RGGVY) | 66 | 2xD/C | 15.00 (each) | |
| B : SUB-STATION | | | | |
| | Transformer | No | MVA | Total |
| New Substation | | | | |
| Drass (GIS) | 220/66 | 1 | 50 | 50 |
| Kargil (GIS) | 220/66 | 2 | 50 | 100 |
| Khalsti (GIS) | 220/66 | 1 | 50 | 50 |
| Leh (GIS) | 220/66 | 2 | 50 | 100 |
| Extension of Substation | | | | |
| Drass 66/11kV(RGGVY) | | 2 no. 66 kV line bays | | |
| Kargil 66/11kV(RGGVY) | | 4 no. 66 kV line bays | | |
| Khalsti 66/11kV(RGGVY) | | 2 no. 66 kV line bays | | |
| Leh 66/11kV(RGGVY) | | 4 no. 66 kV line bays | | |

Reactive Compensation**Sub-station**

New Kargil 220/66 kV GIS
New Leh 220/66 kV GIS

Bus Reactor

25 MVAR
25 MVAR

Note :

- As informed by PDD,J&K, a 220kV line bay is available at Alusteng 220kV S/S of PDD for termination of 220 kV Alusteng-Kargil line. Hence, the same has not been included in the scheme.
- The extension of substation at Drass, Kargil, Khalsti & Leh 66/11kV (RGGVY) substations shall be carried out as a deposit work.

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The year-wise break-up of fund requirement for base cost

(Fig. in Rs. Crore)

| Share | 2013-14 | 2014-15 | 2015-16 | 2016-17 | 2017-18 | Total |
|---------------------------|---------|---------|---------|---------|---------|---------|
| GOI share (95%) | 65.40 | 339.80 | 446.75 | 509.70 | 337.35 | 1699.00 |
| Govt of J&K share (5%) | 3.44 | 17.88 | 23.51 | 26.83 | 17.75 | 89.41 |
| Total | 68.84 | 357.68 | 470.26 | 536.53 | 355.10 | 1788.41 |

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Appendix-II

SCOPE OF SERVICES TO BE PERFORMED BY POWERGRID(PMC)

(A) Scope of Work :

(I) Transmission lines :

- 220kV Alusteng(Srinagar) – Drass S/C line (120 km)
- 220kV Drass – Kargil S/C line (60 km)
- 220kV Kargil – Khalsti S/C line (90 km)
- 220kV Khalsti – Leh S/C line (74 km)
- 220kV S/C Underground Cable near Sonmarg & Zozilla Pass (8.3km)
- 66kV Drass 220/66 kV – Drass 66/11kV(RGGVY) D/C line (25km)
- 66kV Kargil 220/66 kV – Kargil 66/11kV(RGGVY) 2xD/C line (10 km each)
- 66kV Khalsti 220/66 kV – Khalsti 66/11kV(RGGVY) D/C line (0.5km)
- 66kV Leh 220/66 kV – Leh 66/11kV(RGGVY) 2xD/C line (15km each)

Note: Line length as indicated above are tentative. Final length shall depend on the actual location of the Sub-stations and detailed survey to be conducted during execution stage.

(II) New 220/66 kV Substations at:

- 220/66kV, 1x50 MVA Drass (GIS)
- 220/66kV, 2x50 MVA Kargil (GIS)
- 220/66kV, 1x50 MVA Khalsti (GIS)
- 220/66kV, 2x50 MVA Leh (GIS)

Note: Alusteng 220 kV line bay is already available for termination of 220 kV Alustung-Kargil line as per information provided by PDD during meeting held on 07.01.2011 and is hence not indicated in the scope of the project.

(III) Extension of 66/11 kV Substations for interconnection with the grid at:

- Drass 66/11kV(RGGVY) - 2 no. 66kV line bays
- Kargil 66/11kV(RGGVY) - 4 no. 66kV line bays
- Khalsti 66/11kV(RGGVY) - 2 no. 66kV line bays
- Leh 66/11kV(RGGVY) - 4 no. 66kV line bays

(IV) Reactive Compensation

1x25 MVAR Bus Reactor at New Kargil 220/66 kV GIS
1x25 MVAR Bus Reactor at New Leh 220/66 kV GIS

(B) Any modification / addition / revision in the scope of work as mentioned at (A) above, agreed between the parties shall form an integral part of this MoU and shall be required to be approved by Competent Authority(s).





पावरग्रिड

Encl-3

पावर ग्रिड कारपोरेशन ऑफ इंडिया लिमिटेड

(भारत सरकार का उपक्रम)

POWER GRID CORPORATION OF INDIA LTD

(A Government of India Enterprise)

OB-26, "GRID BHAWAN" (Near Bahu Plaza), Rail Head Complex, NR-II, Jammu-180012.

TEL.: 0191- 2475639 .FAX : 0191-2477395, Grams:'NATGRID'

CIN: L40101DL1989601038121

संघर्ष सं.: N2JM/PESM/LTS/2019

दिनांक: 28.01.2019

To

The Development Commissioner(Power)
Power Development Department, Govt of J&K,
Grid Substation Complex, Janipur,
Jammu (J&K)

SUB.: Construction of 220KV Srinagar to Leh Transmission system- Regarding deployment of Manpower and taking over by JKPDD.

Sir,

With great pleasure, it is being informed that complete 220kV Srinagar(Alusteng)-Leh Transmission System has been successfully test charged on 11.01.2019 with support of PDD & Govt. of J&K and this system is going to be dedicated to the Nation by Hon' able Prime Minister of India on 3rd Feb'19. After the dedication the system has to be put under 24x7 operation and cannot be de-energized.

Please refer to our letter Ref No. N2JM/JKPROJ/2019/SLTS/529 dtd 21.01.2019 wherein you have already been requested to take over the system as per MOU. So far PDD has not deputed their manpower to take over the system for its smooth O&M. However, as a special case considering harsh weather, POWERGRID is making arrangement for smooth and uninterrupted operation of SLTS for 3 months i.e upto 30th of April'19. The expenditure in this regard shall be booked in the project cost. Meanwhile, it is requested to depute PDD staff, so that they can be made aware/familiarize with the operation and the system can be taken over by PDD smoothly before 30th April'19.

Thanking You

Yours Faithfully

(Amar Jit)

Chief General Manager
(Commercial & Consultancy), Jammu

CC : Commissioner Secretary,(POWER), Govt. of J&K, Civil Secretariat ,Jammu.



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



आफिस ब्लॉक नं० : ओ बी-28, ग्रिड भवन, रेल हेड कम्प्लेक्स, जम्मू-180012
दूरभाष : 0191-2470414, 2471194, 2471195 फैक्स नं० : 0191-2470293 तार : 'नेटग्रिड'
Office Block No. : OB-28, " GRID BHAWAN", Rail Head Complex Jammu-180012
Tel. : 0191-2470414, 2471194, 2471195 E-mail : powergridnr2@bahu.net Fax No. : 0191-2470293 Grams : 'NATGRID'

संदर्भ संख्या / Ref. No.

उत्तरी क्षेत्र-2 /Northern Region-II

Ref. No. N2JM/Engg/SS-18/2019/

Date: 17.04.2019

To,
Chief Engineer (EM & RE Wing),
J&K PDD,
Leh

Sub: Construction of 220kV S/C Alusteng-Leh Transmission line along-with 220/66kV GIS Substation at Drass, Kargil, Khalsti and Leh- Regarding Handing Over/Taking Over of S/S, TL spares.

Ref No:-

1. N2JM/PESM/LTS/2019 dated 28.01.2019
2. N2JM/ENGG/SS-18/2019 dated 22.02.2019
3. N2JM/PESM/LTS/2019 dated 20.03.2019

Dear Sir,

This is in reference to above mentioned letters, wherein POWERGRID has intimated PDD that as a special gesture POWERGRID is maintaining the assets upto 30.04.2019 with booking the expenditure in project cost. However, O&M package awarded for subject work is going to expire on 30.04.2019, it shall not be possible for POWERGRID to continue with O&M of project further. It is requested that O&M staff of JK PDD may be deputed on urgency basis, so that handing over of these S/S & TL can be carried out.

In addition to above, it was also intimated that under subject contracts, various spare towers, conductor, Disc insulators, OPGW, cable and substation spares have been supplied by executing agency to upkeep the subject TL/Substations. For storage of spares at different location, officials of JK PDD may also be deputed for handing/taking over of spares.

Matter may please be treated on priority.

Thanking you

Yours Sincerely


(Tarun Bajaj)

Sr. GM (ENGG/FQA)

CC:

1. ED, NR-II- For kind information
2. DCP (POWER), JK PDD Grid Sub Station Complex, Janipur, Jammu
3. Chief Engineer, (S&O), Bemina, Srinagar.
4. DGM (PESM), NR-II, DGM (Kongon)
5. Chief Manager Kargil

पंजीकृत कार्यालय : बी-9, कृतव इंस्टीट्यूशनल एरिया, कटवारिया साराय नई दिल्ली-110018 दूरभाष : 28560121 तार : 'नेटग्रिड'
Registered Office : B-9, Qutab Institutional Area, Katwaria Sarai, New Delhi-110018 Tel. : 28560121, Grams : 'NATGRID'

स्वहित एवं राष्ट्रहित में ऊर्जा बचाइए
SAVE ENERGY FOR BENEFIT OF SELF AND NATION



पावर ग्रिड कारपोरेशन ऑफ इंडिया लिमिटेड

(भारत सरकार का उद्यम)

POWER GRID CORPORATION OF INDIA LIMITED

(A Government of India Enterprises)



आफिस ब्लाक न० : ओ बी-26, ग्रिड भवन, रेल हैड कम्प्लेक्स, जम्मू-180012
दूरभाष : 0191-2470414, 2471194, 2471195 फैक्स न० : 0191-2470293 तार: 'नेटग्रिड'
Office Block No. : OB-26, " GRID BHAWAN", Rail Head Complex Jammu-180012
Tel. : 0191-2470414, 2471194, 2471195 E-mail : powergridnr2@bahu.net Fax No. : 0191-2470293 Grams : 'NATGRID'

संदर्भ संख्या / Ref. No.

उत्तरी क्षेत्र-2 /Northern Region-II

Ref. No. N2JM/Engg/SS-18/2019/

Date: 22.02.2019

To,
Chief Engineer (EM & RE Wing),
J&K PDD,
Leh

Sub: Construction of 220kV S/C Alusteng-Leh Transmission line along-with 220/66kV GIS Substation at Drass, Kargil, Khalsti and Leh- Regarding handing over of spares.

Dear Sir,

This is in reference to construction of 220kV S/C Alusteng-Leh Transmission line along with 220/66kV GIS Substation at Leh, Khalsti, Kargil and Drass and interconnection with 66kV system, executed by POWERGRID on behalf of J&K PDD.

With support of PDD, J&K, subject 220kV transmission line has been successfully synchronized with NHPC's HEP's viz. Nimmo & Chutak and dedicated to Nation by our honorable Prime Minister on 03.02.2019.

It is pertinent to mention here that under subject contracts, various spare tower, conductor, Disc insulators, OPGW, cable and substation spares have been supplied by executing agency to upkeep the subject TL/Substations. Tentative storage location for the same has been mentioned as per attached list at Annexure-I & II.

It is requested that for storage of spare at Alusteng substation, storage location may please be earmarked, so that spare items can be stored. Further, officials of JK PDD may also be deputed for handing/taking over of spares at different substations as per attached list of spares.

Yours Sincerely

Thanking you

(S. M. Kandwal)
Chief GM (Projects)

CC:

1. ED, NR-II- For kind information
2. DCP (POWER), JK PDD Grid Sub Station Complex, Janipur, Jammu
3. Chief Engineer, (S&O), Bemina, Srinagar.
4. DGM (PESM), NR-II, DGM (Kangan)
5. Chief Manager, Kargil, Manager (Leh)

पंजीकृत कार्यालय : बी-9, कुतब इंस्टीट्यूशनल एरिया, कटवारिया सराय नई दिल्ली-110016 दूरभाष : 26560121 तार : 'नेटग्रिड'
Registered Office : B-9, Qutab Institutional Area, Katwaria Sarai, New Delhi-110016 Tel. : 26560121 Grams : 'NATGRID'

स्वहित एवं राष्ट्रहित में ऊर्जा बचाइए
SAVE ENERGY FOR BENEFIT-OF SELF AND NATION





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



आफिस ब्लाक न० : ओ बी-26, "ग्रिड भवन", रेल हेड कॉम्प्लेक्स, जम्मू-180012
दूरभाष : 0191-2470414, 2471194, 2471495 फैक्स न० : 0191-2470293
Office Block No. : OB-26, "GRID BHAWAN", Rail Head Complex Jammu-180012
Tel. : 0191-2470414, 2472294, 2471495 Fax No. : 0191-2470293

संदर्भ संख्या / Ref. No.

N2JM/PESM/2019/JKPDD

उत्तरी क्षेत्र-2 /Northern Region-II

Dated: 03.09.2019

To,

Development Commissioner Power,
Power Development Dept.
JKPDD, Srinagar

Subject: Record Note of Discussion for the meeting held on 29.08.2019 at Kashmir for Centrally sponsored Schemes.

R/Sir,

Enclosed please find attached herewith Record Note of Discussion for the meeting held on 29.08.2019 at Kashmir for various Power Sector and Centrally sponsored schemes.

This is for your information and record please.

Yours faithfully

(Tajinder Pal Singh)
Dy. General Manager

Copy to:

1. Secretary Power (J&K)- for kind information please.
2. Executive Director-NR-II -for kind information please.
3. Executive Director-BDD, CC Gurgaon- for kind information please.
4. Chief General Manager, (DMS), CC.
5. Chief General Manager, (Projects), Jammu.

पंजीकृत कार्यालय : बी-9, कुतुब इंस्टीट्यूशनल एरिया, कटवारिया सराय नई दिल्ली-110016 दूरभाष : 26560121
Registered Office : B-9, Qutab Institutional Area, Katwaria Sarai, New Delhi-110016 Tel. : 26560121

स्वहित एवं राष्ट्रहित में ऊर्जा बचाइए
SAVE ENERGY FOR BENEFIT OF SELF AND NATION

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Annexure-A

Vide meeting Notice No. PDD-VII/Plan/15/2017 Dt. 26.08.2019, Commissioner/Secretary to Government, Power Development Department reviewed the progress of various Power Sector and Centrally sponsored schemes at Kashmir on 29.08.2019 and following was discussed and mutually agreed.

1. POWERGRID raised the issue of handing over and O&M of Srinagar Leh Transmission system (SLTS) which is being done by POWERGRID since commissioning of the system which is February'2019. Commissioner/Secretary (Power) Govt. of J&K informed that JKPDD, POWERGRID has to maintain the SLTS for 03 years from commissioning up to March'2022 and expenditure on this account will be reimbursed to POWERGRID by JKPDD as per CERC norms. POWERGRID informed that formal request regarding O&M expenses of SLTS will be provide shortly in consultation with our Corporate Center.
2. It was agreed that JKPDD will take insurance for all 04 Nos. 220/66kV GIS Substations at Drass, Kargil, Khalsti and Leh along with Associated Transmission Lines.
3. The matter regarding Inspection of Rural Electrification works being executed by POWERGRID and handing over of villages by EM&RE Department was discussed and it was informed by Commissioner/Secretary (Power), JKPDD that same has been issued and shall be forwarded to POWERGRID.
4. The issue of pending 100% JKPDD Contribution (State Share) for Rural Electrification works of 08 districts of J&K under DDUGJY/PMMP schemes was discussed and it was assured that modalities of the same has been completed and shall be released in due course.

[Handwritten signature]



Encl-5



भारत सरकार

Government of India

विद्युत मंत्रालय

Ministry of Power

केन्द्रीय विद्युत प्राधिकरण

Central Electricity Authority

विद्युत प्रणाली योजना एवं मूल्यांकन-I प्रभाग

Power System Planning & Appraisal-I Division

सेवा में / To,

1. Secretary to Govt, Jammu & Kashmir Power Development, Civil Secretariat, Srinagar
2. Jt. Chief (Engg), CERC, 3rd & 4th Floor, Chanderlok Building, 36, Janpath, New Delhi 110001
3. Executive Director, POWERGRID, Saudamini, Plot no. 2, Sector -29, Gurgaon-122001
4. Development Commissioner (Power), Jammu & Kashmir Power Development Department, Jehangir Complex, Exhibition Grounds, Srinagar
5. Chief Engineer (Distribution), Power Development Department, Ladakh.

Subject/ विषय: Minutes of the 4th meeting of the committee on the matter of handing over of the 220 kV Srinagar- Leh transmission system to JKPDD and steps to be taken for declaring the line as ISTS system.

Madam/Sir,

Please find enclosed herewith minutes of the 4th meeting of the committee on the matter of handing over of the 220 kV Srinagar-Leh transmission system to JKPDD and steps to be taken for declaring the line as ISTS system held on 28.12.2020 through Video Conferencing.

Yours faithfully,

Signature Not Verified
Digitally signed by MANJARI
CHATURVEDI
Date: 2021.01.04 16:02:56 IST

(Manjari Chaturvedi)
Director

Copy to:

1. COO (CTU), POWERGRID, Saudamini, Plot no. 2, Sector -29, Gurgaon-122001
2. Jt. Chief (Engg), CERC, 3rd & 4th Floor, Chanderlok Building, 36, Janpath, New Delhi-110001

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Minutes of the meeting on the matter of handing over of the 220 kV Srinagar-Leh transmission system to JKPDD and steps to be taken for declaring the line as ISTS system held on 28.12.2020 through video Conferencing

1. List of participants is enclosed as Annexure-I.
2. Chief Engineer (PSPA-I) welcomed the participants to the meeting and stated that 220 kV Srinagar-Leh Transmission System (STLS) was constructed by POWERGRID with 95% funding of Government of India and 5% funding from erstwhile Government of J&K . After the bifurcation of the state into two union territory i.e. Jammu & Kashmir and Ladakh the line has become natural ISTS. However, due to 5% stake of erstwhile Government of J&K in the line, the UT's has to first hand over the line to MoP and then approach CERC for tariff determination. In this regard three meetings were held, wherein in the last meeting representative from CERC was invited to explain the process for tariff determination for the line. It was also told that officials of J&K and Lahakh may approach CERC for getting any further clarification regarding the tariff for the line after it is declared as ISTS and intimate the decision of the UT's to CEA at the earliest. However, no response from the UT's have been received so far. He requested Director (PSPA-I) to take up the agenda of the meeting.
3. Director (PSPA-I) stated that a meeting was held on 23.12.2020 under the chairmanship of Joint Secretary (Trans), which was attended by Secretary(Energy), J&K and Secretary(Power), Ladakh and both of them stated that they are willing to hand over the Srinagar – Leh transmission system as ISTS, and they requested to work out the modalities needed for the same. In the meeting, it was decided that a meeting of the committee formed to deal with the issue may be convened to work out these modalities. She further stated three meetings have already been convened and various concerns related to handling over the line have been discussed. In the 3rd meeting held on 16.09.2020, Jt Chief Engineer, CERC was also present and she was requested to work out tariff calculation if line is considered under PoC, which was later shared with CEA.
4. Jt. Chief (Engg), CERC stated that based on the data provided by CEA and Powergrid, out of the total line length of 341 km, 50 km has been considered in J&K and rest in Ladakh. Total cost of the project was Rs 2098 crores out of which 95% is grant from MoP and rest 5% cost i.e approx. Rs 105 crore has been incurred by J&K and Ladakh. For the tariff calculation purpose, this state share of Rs 105 crores has been divided between J&K and Ladakh in the ratio of line length falling in the respective UTs. Also, the STLS projec cost included the downstream system at 66 kV. However, for the tariff calculation purpose, the cost incurred for 66 kV downstream system has been subtracted from the capital expenditure. Considering these assumptions, annual tariff for the line would tentatively come out to be Rs 1.55 crore for J&K and Rs 21 crores for Ladakh approximately. Moreover, as most of the system comes under Ladakh, O&M charges of Ladakh would also be high. The LTA charges which J&K and Ladakh would have to pay if line is taken under PoC comes out to be nearly Rs 3.5 lakh/MW/Month for usage of this line.
5. CE, JKPTCL clarified portion of the line considered in the calculations is 80 km. However, the same is 80 km.



6. CE Ladakh stated that in the first meeting of committee, it has emerged that as after the bifurcation of J&K state, the line has become natural ISTS line, therefore, UTs of Ladakh and J&K cannot retain the ownership, therefore, rather having discussion on the tariff, we should first focus on handing over the line to ISTS licensee and then approach CERC for tariff determination. He suggested that as Powergrid has constructed the line and has been taking care of O&M of this line, it would be better to hand over the line to Powergrid at the earliest as this line is the only connectivity and lifeline for Ladakh.
7. CE, JKPTCL opined that as both the secretaries of J&K and Ladakh have given their consent to hand over the line, therefore, steps required to be taken for handing over the line may be elaborated. He assured that UT of J&K would send the letter of intimation for handing over the line within about ten days' time.
8. CEO CTU suggested that as both the UTs has agree to hand over the line as ISTS line, capital expenditure incurred by UTs may be returned by ISTS licensee and line would be taken to Standing Committee Meeting to declare it as ISTS line. Whoever is the ISTS licensee may approach CERC for the determination of tariff for the capital expenditure. Also, since the line is under O&M since February 2019, O&M charges incurred for this line may be communicated to CERC to fix the O&M charges. The O&M charges for this line are bit higher and very much different from O&M charges for transmission lines in plain terrain.
9. CE, CEA opined that as the line was constructed with 95% grant from MoP, only consent of PDD, JK and PDD, Ladakh to hand over the line to MoP and NRPC would be sufficient and MoP may in turn hand over the line to CTU for maintenance. He suggested that both JK and Ladakh to write a letter from their respective govt. to MoP and NRPC intimating their consent regarding handling over the line as ISTS and requesting MoP and NRPC to take necessary measures for the same. Further, J&K and Ladakh may approach CERC for tariff determination for the line.
10. Powergrid raised the issue of pending bills with JK and Ladakh for O&M expenditure by incurred by Powergrid since February 2019. CE, JKPTCL stated that the bill from February 2019 to the time of bifurcation of the state would be paid by them. Post bifurcation of state into UTs of J&K and UT of Ladakh the maintenance charges would be divided between JK and Ladakh based on the length of the line falling in the territory of each UT's.
11. After further deliberations, followings were agreed:
 - (i) J&K and Ladakh to communicate their consent to MoP and NRPC regarding handing over the line as ISTS through letter from their respective Governments within ten days.
 - (ii) Ladakh, J&K to settle asset identification regarding which portion falls in J&K and Ladakh and intimate the same to POWERGRID for raising their O&M bill accordingly.
 - (iii) J&K and Ladakh to approach CERC for tariff determination for SLTS.
 - (iv) CERC may be requested to consider little bit higher O&M charges for the line based on the O&M cost incurred by PGCIL as the line is located in a rough terrain.



Meeting ended with the thanks to chair.



Annexure I

List of participants:

| S.No. | Name (Mr./Ms.) | Designation |
|-------------------|-------------------------|-------------------------------|
| CEA | | |
| 1 | Goutam Roy | Chief Engineer, PSPA-1 |
| 2 | Manjari Chaturvedi | Director, PSPA-1 |
| 3 | Kanhaiya Singh Kushwaha | Asst. Director |
| CERC | | |
| 4 | Shilpa Agarwal | Jt. Chief (Engg.) |
| CTU | | |
| 5 | Subir Sen | COO, CTU |
| Powergrid | | |
| 6 | T.C. Sarmah | Executive Director |
| JKPTCL | | |
| 7 | Hasmat Qazi | Chief Engineer (Transmission) |
| PDD Ladakh | | |
| 8 | Ghulam Ahmed Meer | Chief Engineer (Distribution) |



419342/2021/OFFICE OF BIHARI LAL



THE ADMINISTRATION OF THE UNION TERRITORY OF LADAKH
Power Development and New & Renewable Energy Department
(E-mail: secy.pddnre@gmail.com)
Phone: 01982-259302)

The Secretary,
Ministry of Power,
Government of India,
New Delhi.

No: Adm.Secy/PDD/UTL/2020-21/420-26 Dated: 07.01.2021

Subject: Handing over of 220 kv SLTS and steps to be taken for declaring it as ISTS.

Sir,

Kindly refer Chief Engineer letter no. CE-D/ladakh/71-74 dated 30-12-2020 regarding the subject cited above.

In this context, it is intimated that the UT of Ladakh have no objection to transfer the line as ISTS in view of Re-organization of erstwhile J&K State.

In view of the above, PDD, UT Ladakh has given its willingness to transfer the line as ISTS and it is requested to please convey general terms and conditions related to the transfer of line.

Hence, submitted for further appropriate action please.

Yours faithfully,


(Ravinder Kumar), IAS
Administrative Secretary,
PDD & NRE Department,
UT Ladakh.

Copy to the:-

1. Principal Secretary, J&K, PDD, for information.
2. Joint Secretary (Trans), MoP, •GoI for information & necessary action.
3. Chief Engineer (R&D), CEA, MoP, for information.
4. Member Secretary, NRPC for information and necessary action.
5. Chief Engineer, Power Distribution Wing, for information.
6. Office record file.

Scanned with CamScanner



Government of Jammu & Kashmir
Office of the Managing Director,
Jammu & Kashmir Power Transmission Corporation Ltd., Jammu

Shri Goutam Roy,
Chief Engineer,
Power System Planning & Appraisal Division-1
Central Electricity Authority,
New Delhi (011-26732305)
(goutamroy.715@gmail.com/goutamroy.cea@nic.in)

No: MD/JKPTCL/TO/01/835-37

Dated: 03-02-2021

Subject: Declaring of 220 KV Srinagar-Leh Transmission System as ISTS.

Ref'nce: UT of Ladakh letter No. Adm.Secy/PDD/UTL/2020-21/420-26 dated 07-01-2021

Sir,

On the above subject and with reference to series of discussions on the subject and communication from UT of Ladakh referred to above, it is intimated that Jammu and Kashmir Power Transmission Corporation Ltd. (JKPTCL) have no objection in principle to declare the above SLTS as ISTS in view of the re-organization of erstwhile J&K State. However, before the formal order in respect of this is issued, it is requested that the detailed terms and conditions may be communicated. It is also intimated that issuance of formal order shall be subject to agreement on detailed terms and conditions.

Yours faithfully,


-03/02/2021
(Er. Nasib Singh)
Managing Director,
JKPTCL

Copy to the:-

1. Joint Secretary(Transmission), MoP, Govt. of India, New Delhi
(011-23714367; Email: narayan.up@gov.in)
2. Principal Secretary, Power Development Department, J&K.

No. 3/18/2011-Trans Vol (2)
भारत सरकार / Government of India
विद्युत मंत्रालय / Ministry of Power
(पारेषण प्रभाग / Transmission Division)

श्रम शक्ति भवन, रफी मार्ग, नई दिल्ली- 110001
Shram Shakti Bhawan, Rafi Marg, New Delhi-110001

दिनांक: 23rd March, 2021

To,
The CMD,
Power Grid Corporation of India Ltd (POWERGRID)
Gurugram, Harayana

Sub:- Maintenance of 220 kV Srinagar-Leh S/c Transmission System -regarding

Sir,

I am directed to say that the 220 kV Srinagar-Leh Transmission System (SLTS) was constructed by POWERGRID with 95% funding from Central Govt and 5% funding from State Government, and commissioned in 2019. As per agreement between POWERGRID and erstwhile Jammu and Kashmir Power Development Department (JKPDD), the said Srinagar Leh Transmission System (SLTS) was to be taken over by JKPDD after commissioning. However, JKPDD is yet to take over the system. Considering the importance of the System, POWERGRID is still maintaining the System, but it is not getting any maintenance charges.

2. The Technical Committee headed by CEA in the meeting held on 28.12.2020 (MoM at Annex I) inter-alia recommended that UT of J&K and UT Ladakh to communicate their consent regarding handing over the System as ISTS. UT of J&K and UT of Ladakh vide their letters 3.2.2021 (Annex II) and dated 7.1.2021 (Annex III) respectively have mentioned that they have no objection regarding declaration of 220 kV Srinagar – Leh Transmission System as Inter State Transmission System (ISTS).

3. In this regard, it may be noted that as per Section 2(36) of the Electricity Act 2003, definition of inter-state transmission system includes "any system for the conveyance of electricity by means of main transmission line from the territory of one State to another State" and accordingly, 220 kV Srinagar- Leh Transmission System has automatically become an inter-state System, after bifurcation of erstwhile State of Jammu and Kashmir into UT of J&K and UT of Ladakh.

Arstone
23/3/21

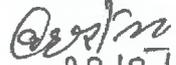


4. Keeping in view the importance of the Srinagar-Leh Transmission System and recommendation received from Technical Committee headed by CEA, and also the fact that both these UTs have given their consents for declaring the System as ISTS, it is decided to transfer the 220kV Sringar-Leh Transmission System to POWERGRID as ISTS. The O&M charges prior to date of transfer would be shared between two UTs in proportion of respective line length in the UTs. POWERGRID is advised to approach CERC for determination of tariff, so that CERC can decide tariff and other terms and conditions for the Srinagar-Leh Transmission System from the date of transfer, after hearing all the related parties including UT of J&K and UT of Ladakh, after considering POWERGRID's operation and maintenance charges, as well as UT of J&K and UT of Ladakh's contribution in the construction of the line. Date of formation of the two UTs of J&K and Ladakh i.e. 31st October,2019 will be construed as date of transfer of above asset as ISTS to POWERGRID.

5. This issues with the approval of Hon'ble Minister of State (Independent Charge) for Power and NRE and Minister of State for Skill Development and Entrepreneurship.

Encl: As above.

Yours faithfully,


23/3/2021
(Bihari Lal)

Under Secretary to the Govt. of India
E-mail: transdesk-mop@nic.in
Tele-fax: 23325242

To

1. Chairperson (CEA), R K Puram, New Delhi.
2. Secretary (CERC), New Delhi
3. Commissioner/ Secretary Power Dev. Department, UT of J&K.
4. Commissioner/ Secretary (Power, New & Renewable Energy) to Government of UT of Ladakh.





Encl-8

JAMMU & KASHMIR POWER TRANSMISSION CORPORATION LTD.
Power House Janipur Jammu 180007

Dr. N S Saxena,
Chairman
JKPTCL, Jammu,
UT of J&K.

No: Chmn/JKPTCL/KMR/01-06/ef

Dated: 17/04/2021

Subject: 220 kV Srinagar – Leh Transmission Line - Tariff Petition to CERC.

Dear *Shri K. Shrekanth ji,*

This has reference to letter no. 3/18/2011-Trans Vol (2) dated 23rd March, 2021 from Ministry of Power, Govt. of India. Vide this letter, MoP has taken cognizance of the fact that the 220 KV S/C Srinagar – Lehline has become an ISTS w.e.f. 31st October, 2019, after bifurcation of erstwhile state of J&K in two UTs viz J&K and Ladakh. Accordingly, MoPhas now entrusted the maintenance of this line to your esteemed organization i.e. Power Grid Corporation of India Ltd.

Further, regarding tariff determination including operation and maintenance charges, it has advised PGCIL, as follows:

Quote

---to approach CERC for determination of tariff, so that CERC can decide tariff and other terms and conditions for Srinagar - Leh Transmission System from the date of transfer, after hearing all the related parties including UT of J&K and UT of Ladakh, after considering POWERGRID's operation and maintenance charges, as well as UT of J&K and UT of Ladakh's contribution in construction of the line.

Unquote

I understand that PGCIL must be preparing to file a Tariff Petition in CERC. In this regard, it may be mentioned that the erstwhile state of J&K has contributed Rs 89.42 Cr, as a state contribution of 5% to the current estimated cost of Rs 1788.41 Cr.; the final cost is still being worked out by PGCIL. In view of this, two options are available as illustrated below:

1. To pay off the share of construction cost to UTs of J&K and Ladakh in proportion to line length, as a one time settlement.
2. To reimburse a part of tariff, equivalent to ROE, to both UTs on a regular basis.

[Handwritten Signature]





JAMMU & KASHMIR POWER TRANSMISSION CORPORATION LTD.
Power House Janipur Jammu 180007

The PGCIL, may like to choose any of the two options based on it's administrative convenience, in consultation with us and as well as UT of Ladakh. The Tariff Petition with CERC can be filed as per the agreement.

With kind regards.


Dr. N S Saxena, 17/04/21
Chairman JKPTCL

To:

Shri K Sreekant,
Chairman and Managing Director,
Power Grid Corporation of India Ltd,
Soudamini, Plot no 2,
Near IFFCO Chowk,
Sector 29, Gurugram 122001,
Haryana.

Copy to:

1. Chairperson (CEA), R.K. Puram, New Delhi.
2. Secretary (CERC), New Delhi.
3. Principal Secretary to Govt. JKPDD.
4. Commissioner/Secretary (Power, New & Renewable Energy) to Govt. of the UT of Ladakh.
5. Under Secretary to Ministry of Power, GOI.



C/CP/ PA2122-02-0E-IA005

Date: May 24, 2021

MEMORANDUM

Sub: Investment Approval for "Equity Investment to pay off the State contribution of 5% project cost to UTs of J&K and Ladakh and expenditure towards procurement of T&Ps and Spares for 220 kV Srinagar-Leh Transmission System (SLTS)".

Investment approval for "Equity Investment to pay off the State contribution of 5% project cost to UTs of J&K and Ladakh and expenditure towards procurement of T&Ps and Spares for 220 kV Srinagar-Leh Transmission System (SLTS)" has been accorded by the Competent Authority on May 21, 2021, as per the details given below

1. परियोजना का कार्य क्षेत्र/ Scope of Project

Scope of work is as below:

- (i) Equity investment to pay off the State contribution of 5% project cost to UTs of J&K and Ladakh.
- (ii) Procurement of T&Ps and Spares for 220 kV Srinagar-Leh Transmission System (SLTS)

(Note : Srinagar-Leh Transmission System (SLTS) project was assigned to POWERGRID on consultancy basis by Ministry of Power vide letter dated 29.01.2014 with funding provision in the ratio of 95:05 (95% Gol share and 5% erstwhile J&K state share) and the project was commissioned on 31.01.2019. The scope of the project involved construction of 220 kV S/c transmission line from Alusteng (Srinagar) to Leh (approx.335 km.), construction of 4 nos. 220/66 kV substations and 66 kV interconnection systems at Leh, Khalsti, Kargil & Drass MoP, subsequent to reorganisation of the erstwhile State of Jammu & Kashmir(J&K) into UTs of J&K and Ladakh, vide letter ref. No. 3/18/2011- Trans Vol (2) dated 23.03.2021 re-designated 220 kV Srinagar-Leh Transmission System as ISTS and transferred to POWERGRID with effect from 31.10.2019, i.e. effective date of formation of the two UTs of J&K and Ladakh).

2. परियोजना की लागत एवं वित्तपोषण/ Project Cost & Funding

Estimated cost of the project is **₹144.42 crore**. The abstract cost estimate is attached at **Annex-I**.

Project is proposed to be implemented through

- i. Full Equity towards paying off the State contribution of 5% project cost to UTs of J&K and Ladakh.



केन्द्रीय कार्यालय: "साँदामिनी", प्लॉट नंबर 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 -110 016. दूरभाष: 011-26560112, 26560121, 26564812, 26564892, CIN: L40101DL1989GOI038121

Registered Office: B-9, Qutab Institutional Area, Katwaria Sarai, New Delhi-110 016. Tel: 011-26560112, 26560121, 26564812, 26564892, CIN : L40101DL1989GOI038121

Website: www.powergridindia.com

- ii. Debt : Equity of 70:30 from domestic borrowings/ bonds/ external commercial borrowings (ECBs), etc. and POWERGRID's internal resources for expenditure of ₹55.00 crore towards procurement of T&P and spares.

3. कार्यान्वयन कार्यक्रम/ Commissioning Schedule

The project is scheduled to be implemented with completion schedule of 18 months progressively from the date of Investment approval.



**(Priti Nahar)
DGM (CP)**



वितरण/ Distribution:

1. CMD, Power System Operation Corporation Limited, B-9 (1st Floor), Qutab Institutional Area, Katwaria Sarai, New Delhi -11001
2. Commissioner, Power Development Deptt., Govt. of Jammu & Kashmir, Mini Secretariat, Jammu
3. Managing Director, Himachal Pradesh Power Transmission Corporation Ltd., Barowalias House, Khalini, Shimla - 171 002
4. CMD, Punjab State Transmission Corporation Ltd., PSEB Head Office, The Mall, Patiala - 147 001
5. CMD, Haryana Vidyut Prasaran Nigam Ltd., Shakti Bhawan, Sector-6, Panchkula (Haryana)- 134 109
6. CMD, Rajasthan Rajya Vidyut Prasaran Nigam Ltd., Vidyut Bhawan, Janpath, Jaipur- 302 005.
7. CMD, UPPCL, Shakti Bhawan, 14, Ashok Marg, Lucknow- 226 001
8. Managing Director, PTCUL, Vidyut Bhawan, Majra, Dehradun – 248 002
9. Managing Director, Delhi Transco Limited (DTL), Shakti Sadan, Kotla Road, New Delhi- 110 002
10. Chief Engineer, Electricity Deptt., Chandigarh Administration, Mini Secretariat (U.T.), Sector-9, Chandigarh

प्रति – विनम्र सूचनार्थ/ Copy for kind information, please:

1. PS to Secretary (Power), MoP, Shram Shakti Bhawan, New Delhi- 110 001
2. PS to Addl. Secretary & Financial Advisor, MoP, Shram Shakti Bhawan, New Delhi- 110 001
3. Chairperson, CEA, Sewa Bhawan, R.K. Puram, New Delhi- 110 066
4. Secretary, CERC, 3rd & 4th Floor, Chanderlok building, 36, Janpath, New Delhi- 110 001
5. CEO, NITI Aayog, Yojana Bhawan, New Delhi- 110 001
6. Advisor, PAMD, NITI Aayog, Yojana Bhawan, New Delhi
7. Member Secretary, NRPC, 18/A, Shaheed Jeet Singh Sansanwal Marg, Katwaria Sarai, New Delhi- 110 016
8. Member (Power Systems), CEA, Sewa Bhawan, R.K.Puram, New Delhi- 110 066
9. Secretary, CEA, Sewa Bhawan, R.K.Puram, New Delhi- 110 066 – 03 copies
10. Joint Secretary, Ministry of Statistics & Programme Implementation, Sardar Patel Bhawan, New Delhi-110001
11. Joint Secretary (Transmission), MoP, Shram Shakti Bhawan, New Delhi- 110 001
12. Joint Secretary (Plan Finance Div.-II), Ministry of Finance, North Block, New Delhi- 110 001
13. Director (Transmission), MoP, Shram Shakti Bhawan, New Delhi- 110 001
14. Director, Ministry of Finance (Plan finance Div.), North Block, New Delhi- 110 001
15. Deputy Secretary, Cabinet Secretariat, Rashtrapati Bhawan, New Delhi- 110 001
16. Under Secretary, Finance & Budget Section, MoP, Shram Shakti Bhawan, New Delhi- 110 001
17. CMD, Power System Operation Corporation Limited, B-9 (1st Floor), Qutab Institutional Area, Katwaria Sarai, New Delhi -11001




(Priti Nahar)
DGM (CP)

Important Note:

- (i) NIT to be issued for the procurement of T&Ps and spares.
- (ii) Timely supply of major equipment.

Distribution:

COO : CSR & ESMD/ IB, BDD & EM/ CTUIL

ED : CMG / TBCB/ Engg.- SS, TL, Civil, CE, FQA/ Engg-HVDC/ Telecom / CS/ MM / DMS/ TD/ NTAMC & Safety Cell/ Finance/ ERP & IT Cell/ HRD, RB & Corp. Comm/ HR/ NRTS-II

Chief GM : AM & LD&C / Commercial & RC/ QA&I/ PUTL/ Admin-IR

Company Secretary

Sr.GM : CCC

DGM: Law

For kind information of:

Director (Operations)/ Director (Personnel)/ Director (Finance)/Director (Projects)/CVO



(Priti Nahar)
DGM (CP)



ABSTRACT COST ESTIMATE

Equity investment to pay off the State contribution of 5% project cost to UTs of J&K and Ladakh and expenditure towards procurement of T&Ps and Spares for 220 kV Srinagar-Leh Transmission System (SLTS)

| Sl. No. | DESCRIPTION | AMOUNT (₹ in crore) |
|----------|---|------------------------|
| A | Procurement of T&Ps and Spares for 220 kV Srinagar-Leh Transmission System (SLTS) | |
| | Sub Total A | 55.00 |
| B | Interest During Construction (IDC) | 0.00 |
| | TOTAL (A+B) | 55.00 |
| C | Equity investment to pay off the State contribution of 5% project cost to UTs of J&K and Ladakh | |
| | Sub Total C | 89.42 |
| | GRAND TOTAL (A+B+C) | 144.42 |

---X---



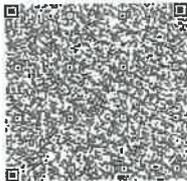


सत्यमेव जयते

INDIA NON JUDICIAL
Government of Jammu and Kashmir

e-Stamp

| | |
|----------------------------------|---|
| Certificate No. | : IN-JK48113039629586U |
| Certificate Issued Date | : 22-Feb-2022 04:01 PM |
| Account Reference | : NEWIMPACC (SV)/ jk12511104/ JAMMU/ JK-JM |
| Unique Doc. Reference | : SUBIN-JKJK1251110492472872876796U |
| Purchased by | : POWER GRID CORPORATION OF INDIA LTD DELHI |
| Description of Document | : Article 5 Agreement or Memorandum of an Agreement |
| Property Description | : Not Applicable |
| Consideration Price (Rs.) | : 0 (Zero) |
| First Party | : POWER GRID CORPORATION OF INDIA LTD DELHI |
| Second Party | : JKPTCL UT J AND K AND POWER PDNRED UT LADAKH |
| Stamp Duty Paid By | : POWER GRID CORPORATION OF INDIA LTD DELHI |
| Stamp Duty Amount(Rs.) | : 100 (One Hundred only) |



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MOB. NO. : 9419193218

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**TRIPARTITE MEMORANDUM OF UNDERSTANDING
BETWEEN
JAMMU & KASHMIR POWER TRANSMISSION CORPORATION LIMITED, GOVT. OF
UNION TERRITORY OF J&K
AND
POWER DEVELOPMENT AND NEW & RENEWABLE ENERGY DEPARTMENT, UNION
TERRITORY OF LADAKH
AND
POWER GRID CORPORATION OF INDIA LIMITED**

Statutory Alert:

1. The authenticity of this Stamp certificate should be verified at 'www.shcllestamp.com' or using e-Stamp Mobile App of State Emblem of India.
2. Any discrepancy in the details on this Certificate and as available on the website / Mobile App renders it invalid.
3. The onus of checking the legitimacy is on the users of the certificate.
4. In case of any discrepancy please inform the Competent Authority.



This Tripartite Memorandum of Understanding is executed on this 24th day of August 2022

BETWEEN

JAMMU & KASHMIR POWER TRANSMISSION CORPORATION LIMITED, having its Head Office at Gladni Narwal, Jammu, Union Territory of Jammu & Kashmir, 180006 (hereinafter referred to as "JKPTCL", or "Transferor", or "executor", depending upon the context which expressions shall unless repugnant to the context or meaning thereof include its legal heirs, successors, administrators and permitted assignees) as parties of the First part.

AND

POWER DEVELOPMENT AND NEW & RENEWABLE ENERGY DEPARTMENT, UNION TERRITORY OF LADAKH having its Head Office at Civil Secretariat, Leh, Ladakh 194101 (hereinafter referred to as "UT OF LADAKH", "PDNRED", or "Transferor", or "executor" depending upon the context which expressions shall unless repugnant to the context or meaning thereof include its successors and permitted assignees) as parties of the First part.

AND

POWER GRID CORPORATION OF INDIA LIMITED (POWERGRID), a Govt. of India Undertaking incorporated under the Companies Act, 1956 having its registered office at B-9, Qutub Institutional Area, Katwaria Sarai, New Delhi - 110016 and Corporate Office at 'SAUDAMINI', Plot No. 2, Sector-29, Gurgaon, Haryana-122001 and Northern Region-II Head Quarter at "GRID BHAWAN", near Bahu Plaza, Rail Head Complex, Jammu, Jammu & Kashmir-180012 (hereinafter called "POWERGRID", or "Transferee" depending upon the context, which expression shall unless repugnant to the context or meaning thereof include its successors and permitted assignees) as party of the Second part.

- A. AND WHEREAS Ministry of Power (MOP), Govt of India vide sanction letter no F.No.3/18/2011-Trans. dated 29th January 2014 had conveyed the approval for construction of 220 kV Transmission System from Alusteng (Srinagar) to Leh (Via Drass, Kargil and Khalsti 220/ 66 kV Substations)) and 66 kV interconnection system for Drass, Kargil, Khalsti and Leh substations in Jammu & Kashmir (J&K) (hereinafter called "SLTS Project") by Power Grid Corporation of India Limited (POWERGRID) on consultancy basis. (Copy of the order is attached as Appendix-I).

AND WHEREAS as per the above sanction letter the project cost was to be borne by Government of India and the Government of Jammu & Kashmir in the ratio of 95:05.

26/08/22



- B. POWERGRID had to discharge the responsibilities as "Project Management Consultant" (PMC) on behalf of the owner, i.e. PDD, J&K. Upon Commissioning of the SLTS project, the same was to be transferred to PDD, J&K for carrying out Operation & Maintenance and other related activities at their own cost as per the terms & conditions in the Memorandum of Understanding (MoU) signed on dated 22nd November 2016 (Copy attached as **Appendix-II**).
- C. AND WHEREAS POWERGRID has completed the SLTS project as PMC and successfully commissioned the same on 31st Jan' 2019. Further, considering the importance of the system for maintaining uninterrupted power supply to the Ladakh region, POWERGRID has been carrying out O&M services for the system since February, 2019.
- D. AND WHEREAS the Ministry of Power, Government of India subsequent to reorganisation of the erstwhile State of Jammu & Kashmir(J&K) into UTs of J&K and Ladakh, vide letter ref. No. 3/18/2011- Trans Vol (2) dated 23.03.2021 (Copy of the letter is attached as **Appendix - III**) conveyed that the SLTS project has become ISTS project and the two UTs of J&K and Ladakh have given their consent to the same. Further, MoP has transferred the SLTS project to POWERGRID with effect from 31st Oct' 2019, i.e. effective date of formation of the two UTs of J&K and Ladakh.
- E. AND WHEREAS MOP vide above mentioned letter has directed that the O&M charges prior to date of transfer would be shared between UT of J&K and UT of Ladakh in proportion of respective line length in the UTs. Further, MoP also directed that, after transfer of the SLTS project to POWERGRID, it shall approach CERC for determination of transmission tariff of SLTS Project from the date of transfer.
- F. AND WHEREAS, JKPTCL vide letter dated 17.04.2021 proposed following two options regarding Equity contribution by erstwhile state of J&K for the project
- To pay off the share of construction cost to UTs of J&K and Ladakh in proportion to the line length, as a one time settlement or;
 - To reimburse a part of tariff, equivalent to RoE, to both UTs on a regular basis.
- G. AND WHEREAS, POWERGRID vide letter dated 01.06.2021 (copy attached at **Appendix - IV**) agreed to pay off the equity contribution of the erstwhile state of J&K to UTs of J&K and Ladakh in proportion to line length, as a one time settlement.(attached at **Annexure-A**)

NOW, therefore, in consideration of the premises and mutual Agreements, covenants and conditions set-forth herein which shall form an integral part of this MoU, it is hereby agreed by both the parties as follows:

#2021



1. **One Time Settlement for transfer of the rights of the SLTS project to POWERGRID**

- 1.1. The instant MOU has been entered into between "Parties of First Part" and "Party of Second Part" so as to give effect to Ministry of Power, Government of India Communication dated 23.03.2021 as mentioned hereinbefore. "Parties of the First Part" and "POWERGRID" agrees to take into cognizance of the aforementioned communication and act upon. In view of the payment of agreed consideration (₹ 89.42 crore towards 5% contribution of erstwhile State of J&K to project cost) by POWERGRID to "Parties of First Part", towards SLTS Project as detailed in '**Appendix-V**' stands transferred to POWERGRID. All proprietary and possessory rights with all consequential benefits, permits, clearances, rights, actionable claims, title and interests accruing / arising out of it shall be vested onto POWERGRID from 31.10.2019. Further, it is agreed that all rights, benefits, interest and title accruing or arising out of the SLTS Project shall not be claimed by "Parties of First Part". Parties of the First Part shall ensure that assets of SLTS project are free from all sorts of encumbrances, burden, sale, mortgage, gift, lien, decree, charges, court injunction orders, stay orders, liability, transfer, attachments, litigation, legal flaws, dispute, notices, surety, security, notifications, acquisition, etc. and there is no defect in the title of assets of the SLTS Project.
- 1.2. In consideration of the communication of Chairman, JKPTCL vide letter dated 17th April, 2021 (**Appendix - VI**) that erstwhile State of J&K has contributed Rs 89.42 crore as a State contribution of the SLTS project, POWERGRID has agreed to pay off the share of State's cost to UTs of J&K and Ladakh in proportion to the line length falling in jurisdiction of respective UTs, as a one-time settlement, within 45 days of signing of this MOU.
- 1.3. That the UTs of J&K and Ladakh shall not seek restitution from the POWERGRID for any amount paid by erstwhile State of Jammu & Kashmir(J&K) in respect of any claims under the terms of this agreement. The UTs of J&K and Ladakh expressly waives all its rights in Applicable Law, equity or otherwise in respect of such restitution.
- 1.4. That on payment on the aforesaid amount POWERGRID will be under no obligation to pay any further cost to the UTs of J&K and Ladakh or reimbursement of a part of tariff equivalent to ROE or any other such charges.
- 1.5. That except as expressly provided in this Agreement, the UTs of J&K and Ladakh shall have no further rights on Assets of the transmission system to receive any other compensation or benefits after signing of this Agreement.
- 1.6. The "Parties of First Part" hereby consents to the transaction hereunder and, subject to achieving Closing, irrevocably waives any consent, notice or other

23/03/21



disclosure requirements, and any pre-emptive rights, rights of first refusal or rights of first offer, tag-along rights, liquidation preference, consents for sale and transfer of SLTS project, or other similar rights under the Existing Agreements and undertakes to take all steps necessary to ensure that any of the aforesaid rights over any of the asset of the SLTS project are waived.

1.7. POWERGRID shall file an application with CERC in accordance with Tariff Regulations for determination of tariff for the SLTS Project. Further it is agreed that POWERGRID has absolute right to recover transmission tariff of the SLTS project as approved by Hon'ble Central Electricity Regulatory Commission as per the Sharing Regulations and Parties of First Part has no claim on such tariff accruals. Further, Parties of First Part shall have no rights or other security interests created over future properties, assets or tariff of the SLTS project.

2. SETTLEMENT OF DISPUTE AND ARBITRATION

2.1. The Parties agree to cooperate with each other in connection with the investigation, trial, defence, negotiation or settlement of any other party due(s) including providing reasonable access to documents and records in their control or possession relating to, providing reasonable access to employees of the company, and attending such conferences, proceedings, hearings, trials and appeals, in each case, as may be reasonably required by the other in connection with it.

2.2. In the event of any disputes or differences relating to the interpretation and application of the provisions of this MoU between the contracting parties, such disputes or differences shall be taken up by either party for resolution through Administrative Mechanism for Resolution of Commercial Disputes (AMRCD) as mentioned in DPE OM No. 4(1)/2013-DPE(GMI/FTS'1835 dated 22 05-2018" and subsequent amendments.

3. FORCE MAJEURE

Neither party shall be held responsible for non-fulfillment of their respective obligation under this MoU due to the exigency of one or more of the force majeure events such as but not limited to Act of God, War, Flood, Earthquake, Strike(s), Lockout(s), epidemics, Riots, Civil Commotions, etc. provided on occurrence and cessation of such events, the party affected by this shall give a notice in writing to the other party within one month of such occurrence and cessation. If the majeure conditions continue beyond six months, the parties shall then mutually decide about the future course of action.

4. APPLICABLE LAW

16/05/2021



This Agreement shall be interpreted, construed, and enforced pursuant to, and in accordance with, the laws of India. The courts situated within UT of J&K and Ladakh shall have the exclusive jurisdiction to hear matter in case of dispute.

5. TRANSFER OF ASSETS/ RECORDS

The UTs of J&K and Ladakh shall transfer all land documents/ land deed/ lease documents/records/permits/clearances/approvals granted/ exemptions provided etc. currently in the name of J&K, in their possession relating to the project to POWERGRID, including but not limited to all agreements, litigation files, intellectual property and filings with governmental agencies; PROVIDED, HOWEVER, when any such documents relate to the UTs of J&K and Ladakh and POWERGRID, only copies of such documents need be furnished.

6. LIABILITIES

Following the execution of this agreement and final payment by POWERGRID to UTs of J&K and Ladakh, POWERGRID will have no liability towards any third party. It is understood that UTs of J&K and Ladakh have no liability for any debts and as such there are no outstanding guaranties, performance or payment bonds, letters of credit or other contingent contractual obligations that have been undertaken by the UTs of J&K and Ladakh directly or indirectly in relation to the project towards any other party. UTs of J&K and Ladakh undertake to indemnify POWERGRID from any loss or liability in the event any claim or liability arises in relation to the said project by any other party after full and final payment is done to UT's of J&K and Ladakh.

7. AUTHORISATION

The person signing this Agreement on behalf of the parties represent and covenant that they have the authority to so sign and execute this document on behalf of the Parties for whom they are signing.

8. IMPLEMENTATION OF THE MOU

All communications required or referred to under this MOU, shall be in writing and signed by the respective authorized signatories of the parties mentioned herein above, unless other-wise notified. Each such communication shall be deemed to have been duly given if delivered or served by electronic mail, speed post of Department of Posts or by Courier service with an acknowledgement due to the other parties.

All discretions to be exercised and directions, approvals, consents and communications to be given and actions to be taken under these presents, unless otherwise expressly provided herein, shall be exercised and given by

4
2020



the signatories to this MOU or by the Authorized representative(s) that each party may nominate in this behalf and notify in writing to the other party by Registered Post. Any other nomination of Authorized representative(s) and/ or changes in designation shall be informed likewise in writing to / by both the Parties within one month of signing of the MOU. Notwithstanding any such nomination, the Executive Director (NR- II), POWERGRID or his Authorized representatives at its Office at Grid Bhawan, Near Bahu Plaza, Rail Head Complex, Jammu shall be authorized to act for and on behalf of POWERGRID. Any changes in designations/ registered office address shall be intimated in writing to all concerned parties.

IN WITNESS WHEREOF the parties have executed these presents through their Authorized Representatives at _____ on the date first mentioned herein above.

| | | |
|--|--|---|
| For and on behalf of: | For and on behalf of : | For and on behalf of : |
| Power Grid Corporation India Limited | UT of J&K | U.T. of Ladakh |
|  |  |  |
| Name: <u>KAILASH RATHORE</u> | Name: <u>BASHIR AHMAD DAR</u> | Name: <u>RAVINDER KUMAR</u> |
| | | Secretary, Power Development & Non Renewable Energy Department |

| | | |
|---|--|--|
| Title <u>EXECUTIVE DIRECTOR</u> NRTS-II, JAMMU | Title <u>MANAGING DIRECTOR</u> JKPTCL | Title <u>SECRETARY, PDD</u> UT-LADAKH |
|---|--|--|

| | | |
|-------------|-------------------------|-------------|
| Date: _____ | Date: <u>24.08.2022</u> | Date: _____ |
|-------------|-------------------------|-------------|

| | | |
|---|---|--|
| Witness: | | |
|  |  |  |
| Name: <u>VIBHAY KUMAR</u> CHIEF GENERAL MANAGER (Am) NRTS-II - JAMMU | Name: <u>HASHMAT QAZI</u> CHIEF ENGINEER JKPTCL KASHMIR | Name: <u>G. A. Mir</u> ce. Distribution U.P. Ladakh. |
| Date: _____ | Date: <u>24.08.2022</u> | Date: <u>24/08/2022</u> |

POWERGRID Letter vide reference no. N2-DM/DESM/2022-23/S4S/ MOU Dated 18-08-2022 shall form an integral part of this MOU.



**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 87/TT/2023

Coram:

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

Date of Order: 15.10.2024

In the matter of:

Approval under Regulation 86 of the Central Electricity Regulatory Commission (Conduct of Business) Regulations, 1999 and the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2019 for the determination and approval of transmission tariff for transmission assets under "220 kV Srinagar-Leh Transmission System (SLTS)" from 31.10.2019 to 31.3.2024.

And in the matter of:

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

...Petitioner

Vs.

1. Jammu & Kashmir Power Transmission Corporation Limited,
Gladni Narwal, Jammu,
UT of J&K-180006.

2. Power Development and New & Renewable Energy Department,
Union Territory of Ladakh, Head office at Civil Secretariat,
Leh, Ladakh-194101.

3. Jammu Kashmir Power Corporation Limited,
220/66/33 kV Gladni Ss SLDC Building,
Narwal, Jammu.

4. Ajmer Vidyut Vitran Nigam Limited,
Corporate Office, Vidyut Bhawan, Panchsheel Nagar,
Makarwali Road, Ajmer-305004.

5. Jaipur Vidyut Vitran Nigam Limited,
132 kV, Gss Rvpnl Sub-Station Building, Caligiri Road,
Malviya Nagar, Jaipur-302017.

ATTESTED TRUE COPY

Pg-89 to Pg-133

Authorised Signatory
Power Grid Corporation of India Ltd.
Plot No.-2, Sector-29, Gurgaon- 122 001 (Haryana)



89



6. Jodhpur Vidyut Vitran Nigam Limited,
New Power House, Industrial Area,
Jodhpur-342003.
7. Himachal Pradesh State Electricity Board Limited,
Vidyut Bhawan, Kumar House Complex Building ii,
Shimla-171004.
8. Punjab State Power Corporation Limited,
The Mall, PSEB Head Office,
Patiala-147001.
9. Haryana Power Purchase Centre,
Shakti Bhawan, Sector-6,
Panchkula-134109, Haryana.
10. Uttar Pradesh Power Corporation Limited,
Shakti Bhawan, 14, Ashok Marg,
Lucknow-226001.
11. BSES Yamuna Power Limited,
B-Block, Shakti Kiran, Building (Near Karkadooma Court),
Karkadooma 2nd Floor, New Delhi-110092.
12. BSES Rajdhani Power Limited,
BSES Bhawan, Nehru Place,
New Delhi.
13. Tata Power Delhi Distribution Limited,
33 kV Sub-station, Building, Hudson Lane,
Kingsway Camp, Delhi-110009.
14. Chandigarh Administration,
Sector-9, Chandigarh.
15. Uttarakhand Power Corporation Limited,
Urja Bhawan, Kanwali Road, Dehradun.
16. North Central Railway,
Allahabad, Uttar Pradesh.
17. New Delhi Municipal Council,
Palika Kendra, Sansad Marg,
New Delhi-110002.

...Respondents

Parties Present : Shri Amit Kumar Chachan, PGCIL
Shri V.C.Sekhar, PGCIL
Shri Amit Kumar, PGCIL



ORDER

Power Grid Corporation of India Limited ("PGCIL") has filed the instant Petition under the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2019 (hereinafter referred to as "the 2019 Tariff Regulations") for the determination and approval of the transmission tariff for the transmission assets under "220 kV Srinagar-Leh Transmission System (SLTS)" from 31.10.2019 to 31.03.2024.

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

- 1) Admit the capital cost as claimed in the Petition and approve the Additional Capitalisation incurred/projected to be incurred.*
- 2) Approve the Transmission Tariff for the tariff block 2019-24 block for the assets covered under this petition, as per para –12.3 above.*
- 3) Allow the O&M claimed for 220 kV S/C Underground Cable for Gagangir- Shitkari (6.215 kM) portion of 220 kV Alusteng (Srinagar)-Drass S/c Transmission line under Regulation-76 (Power to Relax) & Regulation-77 (Power to Remove Difficulty) of Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2019.*
- 4) Allow the petitioner to recover the shortfall or refund the excess Annual Fixed Charges, on account of Return on Equity due to a change in applicable Minimum Alternate/Corporate Income Tax rate as per the Income Tax Act, 1961 (as amended from time to time) of the respective financial year directly without making any application before the Commission as provided in Tariff Regulation 2019 as per para 8 above for respective block.*
- 5) Approve the reimbursement of expenditure by the beneficiaries towards petition filing fee, and expenditure on the 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 the petition.*
- 6) Allow the petitioner to bill and recover Licensee fees and RLDC fees and charges, separately from the respondents in terms of Regulation 70 (3) and (4) Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2019.*
- 7) Allow the petitioner to bill and adjust the impact on Interest on Loan due to a change in the Interest rate on account of the floating rate of interest applicable during the 2019-24 period, if any, from the beneficiaries.*
- 8) Allow the petitioner for claiming the overall security expenses related to the instant Assets and consequential IOWC on that security expenses as mentioned at para 12.8 above.*
- 9) Allow the petitioner to claim the capital spares at the end of tariff block as per actual.*
- 10) Allow the Petitioner to bill and recover GST on Transmission Charges separately from the respondents, if GST on transmission is levied at any rate in future. Further, any taxes including GST and duties including cess etc. imposed by any statutory/Govt./municipal authorities shall be allowed to be recovered from the beneficiaries.*
- 11) Allow tariff in accordance with Regulation 10(3) of Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2019 for the purpose of inclusion in the PoC charges.*



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

Background

3. The Petitioner has mainly submitted as under:

- a. The Ministry of Power (MOP), Government of India vide sanction letter No F.No.3/18/2011-Trans. Dated 29.1.2014 had conveyed the approval of the Competent Authority for the construction of a 220 kV transmission line from Alusteng (Srinagar) to Leh of 220/66 kV sub-stations and 66 kV interconnection systems at Leh, Khalsti, Kargil & Drass in the State of erstwhile Jammu & Kashmir (J&K) ("SLTS Project") by Power Grid Corporation of India Limited (PGCIL) on a consultancy basis at an estimated cost of ₹ 178841 lakhs (at October 2012 price level) with the completion schedule of 42 months from the date of release of the first installment (post-investment approval) of funds for its implementation including the consultancy fee payable to PGCIL. As per the said sanction letter, the project cost had to be borne by the Government of India and the erstwhile Government of Jammu & Kashmir in a ratio of 95:5.
- b. In this regard, a Memorandum of Understanding (MoU) was signed between PGCIL and the Jammu & Kashmir Power Development Department (hereinafter called "PDD, J&K") on 22.11.2016. As per the said MoU, PGCIL had to discharge the responsibilities as "Project Management Consultant" (PMC) on behalf of the ultimate owner, i.e., PDD, J&K, and upon commissioning of the SLTS Project, the same was to be transferred to the State of Jammu & Kashmir.
- c. PGCIL has completed the SLTS Project on behalf of the owner PDD, J&K, as PMC and successfully commissioned the same on 31.1.2019. As per Clause A(iii) of the MoU, immediately after the commissioning of the SLTS Project by



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PGCIL, PDD, J&K shall take over the Project, and the Operation & Maintenance (O&M) and other related activities shall be carried out by the PDD, J&K at its own cost. Further, in case of any delay in taking over the transmission assets by PDD, J&K, it shall pay the maintenance charges to PGCIL.

- d. After the commissioning of the SLTS Project on 31.1.2019, the matter regarding taking over the transmission assets was taken up with PDD, J&K many times. However, these transmission assets were not taken over by the PDD, J&K. Considering the importance of the system for maintaining the uninterrupted power supply to the Srinagar and Ladakh regions, PGCIL continued the O&M services for the system since February 2019. The matter regarding taking over the transmission assets of the SLTS Project by PDD, J&K was reviewed during the meeting chaired by the Commissioner/ Secretary (Power), J&K on 29.8.2019, wherein it was agreed that the O&M of the SLTS Project shall be provided by PGCIL up to 31.3.2022 and the O&M Expenses will be reimbursed to PGCIL by PDD, J&K as per the Commission's norms.
- e. The State of Jammu & Kashmir has been reconstituted into two Union Territories, namely, Jammu & Kashmir and Ladakh, with effect from 31.10.2019. Due to the above reconstitution, the SLTS Project has become a natural ISTS transmission project in line with Section 2(36) of the Electricity Act, 2003 (the Act), as the SLTS Project connects two different Union Territories, Jammu & Kashmir, and Ladakh.
- f. Regulation 2(36) of the Act defines the "Inter-State Transmission System" as under:

(36) "Inter State transmission system" includes –

- i. any system for the conveyance of electricity by means of main transmission line from the territory of one State to another State;



- ii. *the conveyance of electricity across the territory of an intervening State as well as conveyance within the State which is incidental to such inter-State transmission of electricity;*
 - iii. *the transmission of electricity within the territory of a State on a system built, owned, operated, maintained or controlled by a Central Transmission Utility."*
- g. The definition of the "Inter State Transmission System" provided in the Central Electricity Regulatory Commission (Indian Electricity Grid Code) Regulations, 2010 (hereinafter called "2010 Grid Code Regulations") provides as under:
2. (1) (qq) "Inter State Transmission System (ISTS)" means
- i. *Any system for the conveyance of electricity by means of a main transmission line from the territory of one State to another State*
 - ii. *The conveyance of electricity across the territory of an intervening State as well as conveyance within the State which is incidental to such inter-state transmission of energy*
 - iii. *The transmission of electricity within the territory of State on a system built, owned, operated, maintained or controlled by CTU;"*
- h. According to the Petitioner, in line with the provisions of the Act and 2010 Grid Code Regulations, the SLTS Project automatically becomes an Inter-state System after the reconstitution of Jammu & Kashmir into two Union Territories (UT), namely, UT of Jammu & Kashmir, and UT of Ladakh.
- i. Accordingly, a Committee headed by the CEA with the representatives from CERC, CTUIL, PGCIL, JKPTCL, and PDD, Ladakh, deliberated on the matter of handing over the 220 kV Srinagar-Leh Transmission System to PDD, J&K and enumerated the steps to be taken for declaring the 220 kV Srinagar - Leh Transmission System as Inter-State Transmission System. The Committee in its 4th meeting held on 28.12.2020, recommended that the UT of J&K and UT of Ladakh communicate their consent regarding handing over of the System as an ISTS. The UT of J&K and UT of Ladakh, vide their letters dated 3.2.2021 and 7.1.2021, respectively, informed that they have no objection regarding the declaration of the 220 kV Srinagar – Leh Transmission System as an Inter-State Transmission System (ISTS).



- j. Keeping in view the importance of the Srinagar-Leh Transmission System, recommendation received from the Technical Committee headed by the CEA and the consent of UT of J&K and UT of Ladakh, the Ministry of Power (MoP) vide its letter dated 23.3.2021 had conveyed the approval for transfer of the Srinagar-Leh Transmission System to PGCIL as an ISTS with effect from 31.10.2019 and directed that the O&M Expenses prior to the date of transfer would be shared between the UT of J&K and UT of Ladakh in proportion to their respective line length. MoP, vide its letter dated 23.3.2021, had advised PGCIL to approach the CERC for the determination of tariff and other terms and conditions for the SLTS system from the date of the transfer after hearing all the related parties, including UT of J&K and UT of Ladakh.
- k. The Chairman, Jammu & Kashmir Power Transmission Corporation Limited (JKPTCL) vide letter dated 17.4.2021, informed PGCIL that the erstwhile State of J&K has contributed ₹8942 lakhs as the State's contribution of 5% of the estimated cost of ₹178,841 lakhs and suggested that PGCIL, in consultation with the UT of J&K and UT of Ladakh, can choose any of the following two options before the filling of the tariff Petition before CERC, (i) to pay off the share of the construction cost to UT of J&K and UT of Ladakh in proportion to their line length, as a one-time settlement or, (ii) to reimburse a part of tariff, equivalent to RoE, to both the UTs on a regular basis.
- l. Subsequently, PGCIL agreed to pay off the share of the construction cost to the UT of J&K and UT of Ladakh in proportion to their line length as a one-time settlement. In this regard, Board of Directors of PGCIL vide Memorandum dated 24.5.2021 has accorded Investment Approval ("IA") of "Equity Investment to pay off the State's contribution of 5% of the project cost to the UT of J&K and UT of



Ladakh and the expenditure towards the procurement of Tools and Plants (T&Ps) and the Spares for the 220 kV Srinagar-Leh Transmission System (SLTS)” at an estimated cost of ₹14,442 lakh.

- m. PGCIL signed a Tripartite Memorandum of Understanding (MoU) on 24.8.2022 with JKPTCL and Power Development and New & Renewable Energy Department, UT of Ladakh, covering various aspects of transfer and terms and conditions for taking over the transmission assets by PGCIL. As per the MoU, PGCIL has agreed to pay off the share of the State’s contribution cost to UT of J&K and UT of Ladakh in proportion to the line length falling in their respective jurisdiction as a one-time settlement. The said amount of ₹8942 lakh was paid by PGCIL to the JKPTCL and the Power Development and New & Renewable Energy Department, Union Territory of Ladakh in FY 2022-23.
- n. The 220 kV SLTS was constructed by PGCIL with 95% funding from the Central Government and 5% funding from the State Government, having an initial cost estimate of ₹178,841 lakh. MoP vide sanction order dated 6.6.2019 had conveyed the approval of the Revised Cost Estimate (“RCE”) of the project at ₹ 209,896 lakh as per the actual cost incurred on the project.
- o. Out of the IA of ₹14,442 lakh, an amount of ₹ 8942 lakh is towards Equity Investment to pay off the State’s contribution of 5% project cost to the UT of J&K and UT of Ladakh, and ₹5500 lakh is towards procurement of the T&Ps and the Spares for 220 kV SLTS.
- p. The scope of work covered under “SLTS project” is as follows:
- i. Srinagar (Alusteng) to Leh via Kargil Transmission system:
 - Alusteng (Srinagar)-Drass 220 kV S/c
 - Drass-Kargil 220 kV S/c



- Kargil-Khalsti 220 kV S/c
- Khalsti-Leh 220 kV S/c
- Establishment of 220/66 kV sub-stations at Kargil and Leh with 2x50 MVA (7x16.67 MVA / Ph) ICTs and 1x25 MVAR (4x8.33 MVAR/Ph) bus reactor at each location and 4 Nos. of 66 kV line bays at each location
- Establishment of 220/66 kV sub-station at Drass and Khalsti with 1x50 MVA (4x16.67 MVA/Ph) ICTs at each location and 2 Nos. of 66 kV line bays at each location

ii. 66 kV inter-connection system:

- Drass 220/ 66 kV- Drass 66/11 kV (RGGVY) 66 kV D/c line
- Kargil 220/ 66 kV- Kargil 66/11 kV (RGGVY) 66 kV 2xD/c line
- Khalsti 220/ 66 kV- Khalsti 66/11 kV (RGGVY) 66 kV D/c line
- Leh 220/ 66 kV- Leh 66/11kV (RGGVY) 66 kV 2xD/c line
- Provision of 66 kV bays at Drass 66/11kV (RGGVY), Kargil 66/11kV (RGGVY), Khalsti 66/11kV (RGGVY) and Leh 66/11kV (RGGVY)

q. The scope of the project is completed and covered in the instant Petition.

4. The Respondents, mainly the beneficiaries of the Northern Region, are distribution licensees, generation utilities, and Power Departments that are procuring transmission services from the Petitioner. The Petitioner has served the copy of the Petition on the Respondents and the notice regarding filing of this Petition has also been published in the newspapers in accordance with Section 64 of the Act. No comments or suggestions have been received from the general public in response to the aforesaid notice.



5. The order in the present Petition was reserved on 29.4.2024. However, the order could not be issued prior to Shri Arun Goyal, Member, demitting the office. Accordingly, the matter was listed for the hearing on 28.8.2024. During the course of the hearing, the Petitioner's representative submitted that the pleadings had been completed in the matter, and arguments were heard and requested the Commission to issue an order on the basis of the information available on record. Considering the submissions of the Petitioner's representative, the order was reserved on the matter.

6. Having heard the representatives of the Petitioner and having perused the material on record, we proceed to dispose of the Petition.

7. This order is issued considering the submissions made by the Petitioner in the Petition and Petitioner's affidavit dated 16.2.2024.

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

8. The Petitioner has claimed the following transmission charges in respect of the transmission asset for the 2019-24 tariff period:

| Particulars | (₹ in lakh) | | | | |
|-----------------------------|---------------------------------------|---------------|---------------|----------------|----------------|
| | 2019-20 (pro-rata for 153 days) | 2020-21 | 2021-22 | 2022-23 | 2023-24 |
| Depreciation | 0.00 | 0.00 | 1.74 | 287.75 | 650.05 |
| Interest on Loan | 0.00 | 0.00 | 1.32 | 33.74 | 107.03 |
| Return on Equity | 0.00 | 0.00 | 1.86 | 897.10 | 1873.75 |
| Interest on Working Capital | 11.17 | 27.69 | 28.75 | 48.05 | 70.26 |
| O&M Expenses | 256.44 | 634.78 | 657.45 | 680.20 | 704.33 |
| Total AFC | 267.61 | 662.47 | 691.12 | 1946.84 | 3405.42 |

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



(₹ in lakh)

| Particulars | 2019-20 (pro-rata for 153 days) | 2020-21 | 2021-22 | 2022-23 | 2023-24 |
|---|---------------------------------------|---------------|---------------|---------------|---------------|
| O&M Expenses | 51.12 | 52.90 | 54.79 | 56.68 | 58.69 |
| Maintenance Spares | 92.02 | 95.22 | 98.62 | 102.03 | 105.65 |
| Receivables | 78.71 | 81.67 | 85.21 | 240.02 | 418.70 |
| Total Working Capital | 221.85 | 229.79 | 238.62 | 398.73 | 583.04 |
| Rate of Interest (in %) | 12.05 | 12.05 | 12.05 | 12.05 | 12.05 |
| Interest on Working Capital | 26.73 | 27.69 | 28.75 | 48.05 | 70.26 |
| Pro rata Interest on Working Capital | 11.17 | 27.69 | 28.75 | 48.05 | 70.26 |

Date of Commercial Operation (COD)

10. The Petitioner has submitted that the SLTS Project was commissioned on 31.1.2019, and the Project was transferred to PGCIL after the State of Jammu and Kashmir was reconstituted into two UTs, namely, UT of Jammu and Kashmir and UT of Ladakh with effect from 31.10.2019. Subsequently, the SLTS project became a natural ISTS transmission project in line with Section 2(36) of the Act since the SLTS Project connects two different Union Territories, i.e., Jammu and Kashmir and Ladakh.

11. We have considered the submissions of the Petitioner. MoP vide letter dated 23.3.2021 approved the 220 kV Srinagar-Leh Transmission System as an ISTS. The relevant extracts of the letter dated 23.3.2021 are as under:

"To
The CMD,
Power Grid Corporation of India Ltd (POWERGRID)
Gurugram, Haryana

Sub: Maintenance of 220 kV Srinagar-Leh S/C Transmission System-Regading
Sir,

I am directed to say that 220 kV Srinagar-Leh Transmission System (SLTS) was constructed by POWERGRID with 95% funding from Central Govt and 5% funding from State Government, and commissioned in 2019. As per agreement between POWERGRID and erstwhile Jammu and Kashmir Power Development Department (JKPDD), the said Srinagar Leh Transmission System (SLTS) was to be taken over by JKPDD after commissioning. However, JKPDD is yet to take over the system. Considering the importance of the system, POWERGRID is still maintaining the System, but it is not getting any maintenance charges.

2. The Technical Committee headed by CEA in the meeting held on 28.12.2020 (MOM at Annex I) inter-alia recommended that UT of J&K and UT Ladakh to communicate their



consent regarding handing over the System as ISTS. UT of J&K and UT of Ladakh vide their letters 3.2.2021 (Annex-II) and dated 7.1.2021 (Annex-III) respectively have mentioned that they have no objection regarding declaration of 220 kV Srinagar-Leh Transmission System as Inter State Transmission System (ISTS)

3. In this regard, it may be noted as per Section 2(36) of the Electricity Act, 2003, definition of inter-state transmission system includes “any system for the conveyance of electricity by means of main transmission line from the territory of one State to another State” and accordingly, **220 kV Srinagar-Leh Transmission System has automatically become an inter-state System, after bifurcation of erstwhile State of Jammu and Kashmir into UT of J&K and UT of Ladakh**

4. Keeping in view the importance of the Srinagar-Leh Transmission System and recommendation received from Technical Committee headed by CEA, and also the fact that both these UTs have given their consents for declaring the System as ISTS, **it is decided to transfer the 220 kV Srinagar-Leh Transmission System to POWERGRID as ISTS.** The O&M charges prior to date of transfer would be shared between two UTs in proportion of respective line length in the UTs. POWERGRID is advised to approach CERC for determination of tariff, so that CERC can decide tariff and other terms and conditions for the Srinagar-Leh Transmission System from the date of transfer, after hearing all the related parties including UT of J&K and UT of Ladakh, after considering POWERGRID’s operation and maintenance charges, as well as UT of J&K and UT of Ladakh’s contribution in the construction of the line. Date of formation of the two UTs of J&K and Ladakh’s contribution i.e. 31st October, 2019 will be construed as date of transfer of above asset as ISTS to POWERGRID.

5. This issues with the approval of Hon’ble Minister of State (Independent Charge) for Power and NRE and Minister of State for Skill Development and Entrepreneurship.”

12. Taking into consideration the above, the approval of the 220 kV Srinagar-Leh Transmission System (SLTS) is considered an ISTS transmission project in terms of Section 2(36) of the Act. Accordingly, the COD of the transmission assets is considered as 31.10.2019, i.e., the formation of the two UTs of J&K and UT of Ladakh.

Capital Cost

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

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

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

- (a) The expenditure incurred or projected to be incurred up to the date of commercial operation of the project;
- (b) Interest during construction and financing charges, on the loans (i) being equal to 70% of the funds deployed, in the event of the actual equity in excess of 30% of the funds deployed, by treating the excess equity as normative loan, or (ii) being equal to the



- actual amount of loan in the event of the actual equity less than 30% of the funds deployed;
- (c) Any gain or loss on account of foreign exchange risk variation pertaining to the loan amount availed during the construction period;
 - (d) Interest during construction and incidental expenditure during construction as computed in accordance with these regulations;
 - (e) Capitalised Initial Spares subject to the ceiling rates in accordance with these regulations;
 - (f) Expenditure on account of additional capitalization and de-capitalisation determined in accordance with these regulations;
 - (g) Adjustment of revenue due to sale of infirm power in excess of fuel cost prior to the date of commercial operation as specified under Regulation 7 of these regulations;
 - (h) Adjustment of revenue earned by the transmission licensee by using the Asset-before the date of commercial operation;
 - (i) Capital expenditure on account of ash disposal and utilization including handling and transportation facility;
 - (j) Capital expenditure incurred towards railway infrastructure and its augmentation for transportation of coal upto the receiving end of the generating station but does not include the transportation cost and any other appurtenant cost paid to the railway.
 - (k) Capital expenditure on account of biomass handling equipment and facilities, for co-firing;
 - (l) Capital expenditure on account of emission control system necessary to meet the revised emission standards and sewage treatment plant;
 - (m) Expenditure on account of fulfilment of any conditions for obtaining environment clearance for the project;
 - (n) Expenditure on account of change in law and force majeure events; and
 - (o) Capital cost incurred or projected to be incurred by a thermal generating station, on account of implementation of the norms under Perform, Achieve and Trade (PAT) scheme of Government of India shall be considered by the Commission subject to sharing of benefits accrued under the PAT scheme with the beneficiaries.
- (3) The Capital cost of an existing project shall include the following:
- (a) Capital cost admitted by the Commission prior to 1.4.2019 duly trued up by excluding liability, if any, as on 1.4.2019;
 - (b) Additional capitalization and de-capitalization for the respective year of tariff as determined in accordance with these regulations;
 - (c) Capital expenditure on account of ash disposal and utilization including handling and transportation facility;
 - (d) Capital expenditure on account of ash disposal and utilization including handling and transportation facility;
 - (e) Capital expenditure incurred towards railway infrastructure and its augmentation for transportation of coal up to the receiving end of generating station but does not include the transportation cost and any other appurtenant cost paid to the railway; and
 - (f) Capital cost incurred or projected to be incurred by a thermal generating station, on account of implementation of the norms under Perform, Achieve and Trade (PAT) scheme of Government of India shall be considered by the Commission subject to sharing of benefits accrued under the PAT scheme with the beneficiaries.
- (4) The capital cost in case of existing or new hydro generating station shall also include:
- (a) cost of approved rehabilitation and resettlement (R&R) plan of the project in conformity with National R&R Policy and R&R package as approved; and
 - (b) cost of the developer's 10% contribution towards Rajiv Gandhi Grameen Vidyutikaran Yojana (RGGVY) and Deendayal Upadhyaya Gram Jyoti Yojana (DDUGJY) project in the affected area.
- (5) The following shall be excluded from the capital cost of the existing and new projects:
- (a) The Asset-forming part of the project, but not in use, as declared in the tariff petition;



(b) *De-capitalised Asset-after the date of commercial operation on account of replacement or removal on account of obsolescence or shifting from one project to another project:*

Provided that in case replacement of transmission Asset-is recommended by Regional Power Committee, such Asset-shall be decapitalised only after its redeployment;

Provided further that unless shifting of an Asset-from one project to another is of permanent nature, there shall be no de-capitalization of the concerned asset.

(c) *In case of hydro generating stations, any expenditure incurred or committed to be incurred by a project developer for getting the project site allotted by the State Government by following a transparent process;*

(d) *Proportionate cost of land of the existing project which is being used for generating power from generating station based on renewable energy; and*

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

14. The Petitioner has claimed the following capital cost to pay off the State's contribution of 5% project cost to UT of J&K and UT of Ladakh and the expenditure towards the procurement of the T&Ps and the Spares for the 220 kV SLTS and has placed on record the copy of the Auditor's Certificate in support of the same:

| Approved Cost as per IA | Claimed cost as on 31.10.2019 | Additional Capitalization | | | (₹ in lakh) |
|-------------------------|-------------------------------|---------------------------|----------|---------|--|
| | | 2021-22 | 2022-23 | 2023-24 | Estimated completion cost as on 31.03.2024 |
| 14442.00 | 0.00 | 65.84 | 10846.29 | 2955.19 | 13867.31 |

15. The Petitioner has submitted that the SLTS Project was constructed by the Petitioner with 95% funding from the Central Government and 5% funding from the State Government with an initial cost estimate of ₹178,841 lakhs. The MoP vide sanction order dated 6.6.2019 conveyed the approval of the Revised Cost Estimates (“RCE”) of the project at ₹209,896 lakh as per the actual cost incurred on the project.

16. The Petitioner has considered capital cost as per the actuals and the estimated expenditure against the IA dated 24.5.2021 for the estimated cost of ₹14442 lakhs comprising of ₹ 8942 lakhs for equity investment to pay off the State's contribution of 5% project cost to UT of J&K and UT of Ladakh (which was paid by the Petitioner in FY 2022-23) and the expenditure of ₹ 5500 lakhs towards the procurement of the T&Ps and the Spares for the



SLTS Project which was transferred to PGCIL with effect from 31.10.2019. The original and subsequent RCE of the project, as approved by MoP, the T&Ps, and the Initial Spares were not included. In order to supply power through difficult hilly terrain and to minimize downtime in case of breakdown, dedicated T&Ps and Initial Spares are essential. Therefore, the T&Ps and the Initial Spares are being procured for the SLTS project under the IA dated 24.5.2021 in line with the norms of the T&Ps generally procured by PGCIL for its other transmission systems.

17. The Petitioner has submitted the expenditure of ₹4925 lakh for the T&Ps and the essential spares expected to be incurred up to FY 2023-24. Head-wise details of the actual/projected expenditure are as under:

(₹ in lakh)

| Cost Head | Actual/Projected Expenditure | | | Total Expenditure till 31.03.2024 |
|--|------------------------------|---------|---------|-----------------------------------|
| | 2021-22 | 2022-23 | 2023-24 | |
| Equity Investment to pay off the State contribution of 5% project cost | 0.00 | 8942.00 | 0.00 | 8942.00 |
| Expenditure towards procurement of the T&Ps and the Spares | 65.84 | 1904.29 | 2955.19 | 4925.31 |
| Total Project Cost | | | | 13867.31 |

18. The Petitioner has submitted that as against the FR approved cost of ₹14442.00 lakh, the estimated completion cost is ₹13867.31 lakh.

Initial Spares

19. Regulation 23(d) of the 2019 Tariff Regulations provides that the Initial Spares shall be capitalised as a percentage of plant and machinery cost up to the cut-off date, subject to the following ceiling norms.

“(d) Transmission System

(i) Transmission line: 1.00%

(ii) Transmission sub-station

- (Green Field): 4.00%

- (Brown Field): 6.00%

(iii) Series Compensation devices and HVDC Station: 4.00%

(iv) GIS Insulated Sub-station



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

20. The Petitioner has claimed the following Initial Spares:

(₹ in lakh)

| Asset | Head | Plant and Machinery cost* | Ceiling as per Regulations (in %) | Allowable Initial Spares | Initial Spares claimed | Excess Initial Spares |
|----------------|---------------------------|---------------------------|-----------------------------------|--------------------------|------------------------|-----------------------|
| Combined Asset | Sub-station (Green-field) | 46207.73 | 5 | 1861.61 | 1529.11 | Nil |
| | TL | 108862.18 | 1 | 1098.38 | 122.73 | Nil |

*inclusive of 95% of original project cost received as Central grant portion for computation of allowable spares only.

21. The Petitioner has submitted that the Initial Spares claimed are within the allowable limits as per the 2019 Tariff Regulations. It is noticed that the Petitioner has claimed the Initial Spares based on the total Project cost, including 95% of the original Project cost of the Central Grant portion. The Petitioner vide RoP dated 31.1.2024 was directed to furnish the details of the Initial Spares claimed for the sub-stations (₹1529.11 lakh) and the transmission line (₹ 122.73 lakh). In response, the Petitioner has submitted the details of estimates for the T&P for the SLTS. However, the Petitioner did not submit the details for the Initial Spares claimed based on the Plant & Machinery cost up to the cut-off date and how much amount is funded by the Central Government. Accordingly, the Petitioner is directed to submit the same at the time of truing up. We have considered and allowed the claimed Initial Spares subject to truing-up.

Additional Capital Expenditure (“ACE”)

22. The Petitioner has submitted that the admissibility of the ACE incurred after the COD is to be dealt with in accordance with the provisions of Regulation 24 of the 2019 Tariff Regulations, which provides as under:

“24. Additional Capitalisation within the original scope and up to the cut-off date

- (1) The additional capital expenditure in respect of a new project or an existing project



incurred or projected to be incurred, on the following counts within the original scope of work, after the date of commercial operation and up to the cut-off date may be admitted by the Commission, subject to prudence check:

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

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

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

23. The Petitioner has submitted that the element-wise details of ACE claimed have already been submitted vide Form-7. The Petitioner has further submitted that the additional capitalization incurred in the contextual assets is on account of the undischarged liability towards the final payment/withheld payment due to the contractual exigencies for works executed within the cut-off date under Regulations 24(1)(a) and 24(1)(b) of the 2019 Tariff Regulations. The Petitioner has submitted the details of ACE as under:

| Description | ₹ in lakh | Remarks |
|----------------------------|-----------------|--|
| 5% cost of UTs & J&K share | 8942.00 | State contribution of 5% project costs to UT of J&K and Ladakh |
| T&P | 3273.47 | Proposed Additional Capitalisation |
| TL Spares | 122.73 | |
| SS Spares | 1529.11 | |
| Total | 13867.31 | |

24. The Petitioner has submitted that the claim of the additional capitalization, details of the works carried out during the 2019-24 tariff period, including the works against which balance/retention payments were projected to be made, are as follows:



| Expenditure details incurred in FY 2021-22 | | | |
|--|---|---------------------|--------------|
| S. No. | Particulars | Amount (₹ in lakh)) | Remarks |
| 1 | Payment against T&P to M/S Amin Sons Agritech | 338000.00 | Sub-stations |
| 2 | Payment against T&P to M/S Beacon Enovation Technology | 1176224.00 | |
| 3 | Payment against T&P to M/S Mahabali Industries | 304000.10 | |
| 4 | Payment against T&P to M/S Motwane Manufacturion C. Pvt Ltd | 2006000.00 | |
| 5 | Payment against T&P to M/S Sonel Instruments India Pvt Ltd | 2643468.00 | |
| 6 | Payment against T&P to M/S Top Syringe Mfg Co. Pvt Ltd | 115920.00 | |
| 7 | Total (Rs) | 6583612.10 | |
| 8 | Total (Rs Lakh) | 65.84 | |

| Expenditure details incurred in FY 2022-23 | | | |
|--|--|--------------------|----------------------------|
| S. No. | Particulars | Amount (₹ In Lakh) | Remarks |
| 1 | Work already executed estimates kept for release of payment of equity investment to pay off the state contribution of 5% project cost to UTs of J&K and Ladakh (as per approval) | 569.96 | Building & Civil works |
| 2 | Estimates kept for procurement of T&P and spares under TL head for 2022-23 | 5531.89 | Transmission Line |
| 3 | Work already executed estimates kept for release of payment of equity investment to pay off the state contribution of 5% project cost to UTs of J&K and Ladakh (as per approval) | 354.37 | |
| 4 | Estimates kept for procurement of T&P and spares under S/S head for 2022-23 | 2348.07 | Sub-station |
| 5 | Work already executed estimates kept for release of payment of equity investment to pay off the state contribution of 5% project cost to UTs of J&K and Ladakh (as per approval) | 1549.91 | |
| 6 | Estimates kept for procurement of T&P and spares under S/S head for 2022-23 | 471.85 | PLCC/ Communication System |
| 7 | Work already executed estimates kept for release of payment of equity investment to pay off the state contribution of 5% project cost to UTs of J&K and Ladakh (as per approval) | 20.24 | IT Equipment |
| 8 | Total (Rs Lakh) | 10846.29 | |

| Expenditure details incurred in FY 2023-24 | | | |
|--|---|---------------------|-------------------|
| S. No. | Particulars | Amount (₹ in lakh) | Remarks |
| 1 | Estimates kept for procurement of T&P and spares under TL head for 2023-24 | 531.56 | Transmission Line |
| 2 | Estimates kept for procurement of T&P and spares under S/S head for 2023-24 | 2423.63 | Sub-station |
| 8 | Total (Rs Lakh) | 2955.19 | |

25. The Petitioner has also submitted the details of the estimated T&Ps for the SLTS Project as under:



| S. No. | Item Description | Quantity | Estimated rate (including GST) (₹) | Total estimated Amount (including GST) (₹) |
|--------|--|----------|------------------------------------|--|
| 1 | Automatic third Harmonic Resistive Current (THRC) Measurement Kit suitable for monitoring gapless LA | 2 | 1500000 | 3000000 |
| 2 | Digital insulation tester, low-voltage (250V, 500V, 1000V) Battery operated | 4 | 108250 | 433000 |
| 3 | Digital Automation contact Resistance meter | 4 | 256797 | 1027188 |
| 4 | Transformer oil BDV test set | 4 | 495000 | 1980000 |
| 5 | DGA glass syringes | 80 | 1818 | 145440 |
| 6 | Oil sampling bottles | 80 | 4499 | 359920 |
| 7 | Digital earth resistance/resistivity meter-battery operated | 4 | 234000 | 936000 |
| 8 | DC Earth fault locator | 4 | 625000 | 2500000 |
| 9 | Digital Insulation tester, battery operated-10 kV (500V, 1000V, 2.5kV, 5.0kV, 10kV), suitable for PI measurement | 4 | 429767 | 1719068 |
| 10 | 6 KLPH offline transformer oil filtration plant | 4 | 3579000 | 14316000 |
| 11 | Mobile dry air plant (heatless type) | 4 | 2324895 | 9299580 |
| 12 | Automatic battery discharge kit | 2 | 2845392 | 5690784 |
| 13 | Battery operated platform trolley, Min capacity of 2000kg | 4 | 1156500 | 4626000 |
| 14 | Automatic relay test kit | 4 | 3776000 | 15104000 |
| 15 | TFR Kit | 2 | 557550 | 1115100 |
| 16 | Procurement of cameras for TL Patrolling | 6 | 131300 | 787800 |
| 17 | Multimeters, clamp of meters, etc | Lot | 478660 | 478660 |
| 18 | C& Tan Delta Kit | 4 | 3032910 | 12131640 |
| 19 | Transformer Winding resistance meters | 1 | 742500 | 742500 |
| 20 | Automatic transformer turns ratio meter | 1 | 2006000 | 2006000 |
| 21 | Snow blowers for Drass & Kargil | 2 | 222222 | 444444 |
| 22 | RTD/Thermocouple Calibrator | 1 | 810000 | 810000 |
| 23 | Digital clamp on meters | Lot | 1088143 | 1088143 |
| 24 | Procurement of PPEs for sub-station and transmission line in SLTS under NR II region | Lot | 3409600 | 3409600 |
| 25 | Hand held laser range finder for Kargil | 1 | 205000 | 205000 |



| S. No. | Item Description | Quantity | Estimated rate (including GST) (₹) | Total estimated Amount (including GST) (₹) |
|--------|--|----------|------------------------------------|--|
| 26 | Hand held laser range finder Leh | 1 | 205000 | 205000 |
| 27 | Procurement of hand trolley (01 Ton) for all 04 Nos GIS under SLTS | 4 | 124000 | 496000 |
| 28 | Procurement of 02 no chain saw cutter for maintenance of Srinagar Leh Transmission line | 2 | 55560 | 111120 |
| 29 | Procurement of Bench vice and various measuring tapes for all 04 Nos GIS under SLTS | 1 | 48376 | 48376 |
| 30 | Thermo vision Camera High-end | 1 | 2360000 | 2360000 |
| 31 | Supply of Tools & Plants for TL | 1 | 4822823 | 4822823 |
| 32 | Special T&P for TL | Lot | 3206188 | 3206188 |
| 33 | Hydraulic T&P for TL | LS | 2826100 | 2826100 |
| 34 | PP ropes for all sub-station of SLTS | LS | 271992 | 271992 |
| 35 | Heavy duty drill machine for all Sub-station of SLTS | 4 | 207000 | 828000 |
| 36 | ERS | 1 | 55000000 | 55000000 |
| 37 | Portable moisture test kit/measuring sensors | 2 | 985300 | 1970600 |
| 38 | Procurement of cameras for TL Patrolling | 6 | 333588 | 2001528 |
| 39 | Portable welding set for all sub-stations of SLTS | 4 | 140000 | 560000 |
| 40 | Power Minch Machine for TL at Leh & Kargil | 2 | 2621724 | 5243448 |
| 41 | Portable DGA Kit | 1 | 3797800 | 3797800 |
| 42 | Light Meter (Lux Meter) for measurement of light for GIS Kargil | 1 | 20000 | 20000 |
| 43 | Sound/Noise Level Meter for GIS Kargil | 1 | 13215 | 13215 |
| 44 | CT Analyser | 1 | 2832000 | 2832000 |
| 45 | Automatic third Harmonic Resistive Current (THRC) Measurement Kit suitable for monitoring gapless LA (for Drass & Khlasti) | 2 | 1433000 | 2866000 |
| 46 | Digital Temperature Meter (Having remote sensor) for Kargil Sub-station | 1 | 14160 | 14160 |
| 47 | Procurement of 1 No digital temperature meter (having remote sensor) for 220/66 kV GIS Phyang Sub-station under SLTS | 1 | 14160 | 14160 |



| S. No. | Item Description | Quantity | Estimated rate (including GST) (₹) | Total estimated Amount (including GST) (₹) |
|--------|---|----------|------------------------------------|--|
| 48 | Electric Oven for GIS Kargil | 1 | 21850 | 21850 |
| 49 | Procurement of 1 No Electric Oven for GIS Phyang under SLTS | 1 | 21850 | 21850 |
| 50 | Procurement of 1 No Soldering station for GIS Kargil under SLTS | 1 | 18487.99 | 18487.99 |
| 51 | Procurement of 1 No Soldering station for GIS Phyang under SLTS | 1 | 22500 | 22500 |
| 52 | Procurement of 2 No phase sequence indicators for checking for correct sequence in 3 phase system at Kargil | 2 | 16000 | 32000 |
| 53 | Procurement of 1 No sound/noise level meter for 220/66kV GIS Phyang under SLTS | 1 | 13214.87 | 13214.87 |
| 54 | Thermovision Camera Low-end | 4 | 4219680 | 16878720 |
| 55 | Primary current injection Kit | 1 | 675000 | 675000 |
| 56 | Articulating Boom Lifts | 4 | 19964873 | 79859492 |
| 57 | Cable fault locator | LS | 54159931 | 54159931 |
| 58 | Procurement of various types of Ladders for all 04 Nos GIS under SLTS | Lot | 1779184 | 1779184 |
| | | | Net Total | 327346606.86 |

26. The Petitioner vide ROP dated 31.1.2024, was directed to submit the following information:

(a) Whether the RPC /standing committee approved the proposed Add-Cap for the subject transmission asset.

(b) About the claim of additional capitalization, details of works carried out during the 2019-24 period, including the works against which balance/retention payments are projected to be made along with detailed justification in line with relevant provisions of the 2019 Tariff Regulations, 2019.

(c) Detailed policy for procurement of T&P and Spares.

27. The Petitioner, vide affidavit dated 16.2.2024, has submitted that the works related to the major upgradation/ modification of the existing assets are generally taken up for discussion in RPCs. With regard to the proposed Additional Capitalization of ₹8942 lakh is towards the equity investment to pay off the State's contribution of 5% of project cost (now



UT of J&K and UT of Ladakh). The remaining ₹ 5500 lakh is towards the procurement of the Spares and the T&Ps. PGCIL generally procures the spares and the T&Ps in its project as a part of the initial project cost, wherever required. However, the aforesaid SLTS was executed by PGCIL as PMC on behalf of the ultimate owner, i.e., PDD, J&K. In the original Detailed Project Report (DPR) and subsequent RCE of the project as approved by MoP, the T&Ps and the requisite Initial Spares were not included. In order to supply power through difficult hilly terrain and to minimize downtime in case of a breakdown, dedicated T&Ps, and Initial Spares are essential. Therefore, the T&Ps and the Initial Spares are being procured for the SLTS Project under the IA dated 24.5.2021 in line with the norms of the T&Ps generally procured by PGCIL for its other transmission systems. Therefore, a separate approval from the RPC Standing Committee has not been considered. The Petitioner has further submitted that the T&P and the spares are critical for the smooth functioning of the instant projects, and the cable fault locator has been procured in the instant project due to the following reasons:

- Under SLTS, a 220-kV cable has been installed in a portion of the 220-kV Alusteng–Drass Line. The SLTS scheme operates on a radial system at 220 kV level, and any outage of this line results in a blackout in the Ladakh Region. It has been observed from the previous history of cable faults at these sites that the lead time for hiring an agency for fault identification, its deployment, and successful fault identification is around 10-15 days. Further, the laying of the additional 15 km (approx.) cable in the 220 kV Alusteng–Drass Line in the Zozi-La section as an alternate path is under progress to ensure uninterrupted power supply to the Ladakh Region during the winter season. Considering the difficulty in the deployment of cable fault locator systems in the J&K and Ladakh Region due to remoteness and extreme climatic conditions, procurement of cable fault locator is being undertaken. The availability of the cable fault locator system can significantly reduce the dependency on external fault locating



agencies and effectively curtail the high lead time, ensuring timely identification and subsequent restoration in case of a cable fault. A similar cable fault locating system has also been purchased in the HVDC Trichur Project. The Petitioner has also shared the list of essential spares for sub-station equipment and transmission systems.

28. We have gone through the details of the estimates of the T&Ps for the SLTS project as submitted by the Petitioner as ACE. There is no separate provision to allow the ACE under Regulations 24 (1) and (2), Regulation 25 (1) and (2), and Regulation 26(1) and (2) with respect to the T&P spares in the 2019 Tariff Regulations. It is noticed that the Petitioner has proposed 58 items under T&P with an estimated cost of ₹3273 lakh. It is also observed that the line passes through difficult mountainous terrain in Minamarg to Zozi-La top portion of the Alusteng- Drass 220 kV section, which is also an avalanche-prone zone, and the transmission line traverses through heavy snowfall zones. In view of Regulations 24 (1) and (2), 25 (1) and (2) and 26 (1) and (2) of the 2019 Tariff Regulations, various items claimed by the Petitioner under the T&P cannot be allowed.

29. Regulations 76 and 77 of the 2019 Tariff Regulations provide as under:

"76. Power to Relax. The Commission, for reasons to be recorded in writing, may relax any of the provisions of these regulations on its own motion or on an application made before it by an interested person.

77. Power to Remove Difficulty: If any difficulty arises in giving effect to the provisions of these regulations, the Commission may, by order, make such provision not inconsistent with the provisions of the Act or provisions of other regulations specified by the Commission, as may appear to be necessary for removing the difficulty in giving effect to the objectives of these regulations."

30. It is an established principle of law that the power to relax and the power to remove difficulty have to be strictly construed and are to be exercised judiciously and with caution. Further, the power to relax and the power to remove difficulty are to be exercised only when undue hardship is caused by the application of the rules or regulations. Accordingly, we deem it appropriate to relax the provisions of Regulations 24 (1) and (2), 25 (1) and (2), and



26 (1) and (2) of the 2019 Tariff Regulations to allow T&P spares in the 2019 Tariff Regulations keeping in mind the peculiar circumstances of the case such as presence of the defense establishments in the area, its strategic importance as well as the need to maintain the transmission line for reliability of power in Ladakh Region. Therefore, the Commission, in the exercise of powers conferred under Regulations 76 and 77 of the 2019 Tariff Regulations, hereby relaxes the provisions of Regulations 24 (1) and (2), 25 (1) and (2), and 26 (1) and (2) of the 2019 Tariff Regulations. Accordingly, the Spares required for the smooth operation of the transmission asset, out of the total claim of ₹3273 lakhs, an amount of ₹ 3175 lakhs towards the T&P and the Spares is allowed, and an amount of ₹ 98 lakhs towards the T&P and the Spares claimed is disallowed. It is clarified that the present case should not be treated as a precedent for the relaxation of tariff regulations. The details of T&P and spares allowed and disallowed are as follows:

(₹ in lakh)

| T&Ps for SLTS | | | | |
|--|--|----------|------------------------------------|--|
| S. No. | Item Description | Quantity | Estimated rate (including GST) (₹) | Total estimated Amount (including GST) (₹) |
| T& P allowed under Power to relax | | | | |
| 1 | Automatic third Harmonic Resistive Current (THRC) Measurement Kit suitable for monitoring gapless LA | 2 | 1500000 | 3000000 |
| 2 | Digital insulation tester, low-voltage (250V, 500V, 1000V) Battery operated | 4 | 108250 | 433000 |
| 3 | Digital Automation contact Resistance meter | 4 | 256797 | 1027188 |
| 4 | Transformer oil BDV test set | 4 | 495000 | 1980000 |
| 5 | Digital earth resistance/resistivity meter-battery operated | 4 | 234000 | 936000 |
| 6 | DC Earth fault locator | 4 | 625000 | 2500000 |
| 7 | Digital Insulation tester, battery operated-10 kV (500V, 1000V, 2.5kV, 5.0kV, 10kV), suitable for PI measurement | 4 | 429767 | 1719068 |



| | | | | |
|----|--|-----|----------|----------|
| 8 | 6 KLPH offline transformer oil filtration plant | 4 | 3579000 | 14316000 |
| 9 | Battery operated platform trolley, Min capacity of 2000kg | 4 | 1156500 | 4626000 |
| 10 | Automatic relay test kit | 4 | 3776000 | 15104000 |
| 11 | TFR Kit | 2 | 557550 | 1115100 |
| 12 | C& Tan Delta Kit | 4 | 3032910 | 12131640 |
| 13 | Transformer Winding resistance meters | 1 | 742500 | 742500 |
| 14 | Automatic transformer turns ratio meter | 1 | 2006000 | 2006000 |
| 15 | Snow blowers for Drass & Kargil | 2 | 222222 | 444444 |
| 16 | RTD/Thermocouple Calibrator | 1 | 810000 | 810000 |
| 17 | Procurement of PPEs for sub-station and transmission line in SLTS under NR II region | Lot | 3409600 | 3409600 |
| 18 | Hand held laser range finder for Kargil | 1 | 205000 | 205000 |
| 19 | Hand held laser range finder Leh | 1 | 205000 | 205000 |
| 20 | Procurement of hand trolley (01 Ton) for all 04 Nos GIS under SLTS | 4 | 124000 | 496000 |
| 21 | Procurement of 02 no chain saw cutter for maintenance of Srinagar Leh Transmission line | 2 | 55560 | 111120 |
| 22 | Thermovision Camera High-end | 1 | 2360000 | 2360000 |
| 23 | PP ropes for all sub-station of SLTS | LS | 271992 | 271992 |
| 24 | Heavy duty drill machine for all Sub-station of SLTS | 4 | 207000 | 828000 |
| 25 | ERS | 1 | 55000000 | 55000000 |
| 26 | Portable welding set for all sub-station of SLTS | 4 | 140000 | 560000 |
| 27 | Power Minch Machine for TL at Leh & Kargil | 2 | 2621724 | 5243448 |
| 28 | Light Meter (Lux Meter) for measurement of light for GIS Kargil | 1 | 20000 | 20000 |
| 29 | Sound/Noise Level Meter for GIS Kargil | 1 | 13215 | 13215 |
| 30 | CT Analyser | 1 | 2832000 | 2832000 |
| 31 | Digital Temperature Meter (Having remote sensor) for Kargil Sub-station | 1 | 14160 | 14160 |
| 32 | Procurement of 1 No. digital temperature meter (having remote sensor) for 220/66kV GIS Phyang Sub-station under SLTS | 1 | 14160 | 14160 |



| | | | | |
|------------------------------|---|-----|-----------------------|----------|
| 33 | Procurement of 1 No Soldering station for GIS Kargil under SLTS | 1 | 18487.99 | 18487.99 |
| 34 | Procurement of 1 No Soldering station for GIS Phyang under SLTS | 1 | 22500 | 22500 |
| 35 | Procurement of 2 No phase sequence indicators for checking for correct sequence in 3 phase system at kargil | 2 | 16000 | 32000 |
| 36 | Primary current injection Kit | 1 | 675000 | 675000 |
| 37 | Articulating Boom Lifts | 4 | 19964873 | 79859492 |
| 38 | Cable fault locator | LS | 54159931 | 54159931 |
| 39 | Procurement of various types of Ladders for all 04 Nos GIS under SLTS | Lot | 1779184 | 1779184 |
| 40 | Mobile dry air plant (heatless type) | 4 | 2324895 | 9299580 |
| 41 | Automatic battery discharge kit | 2 | 2845392 | 5690784 |
| 42 | Supply of Tools & Plants for TL | 1 | 4822823 | 4822823 |
| 43 | Special T&P for TL | Lot | 3206188 | 3206188 |
| 44 | Hydraulic T&P for TL | LS | 2826100 | 2826100 |
| 45 | Portable DGA Kit | 1 | 3797800 | 3797800 |
| 46 | Thermovision Camera Low-end | 4 | 4219680 | 16878720 |
| Total T&P allowed | | | 31754333224.99 | |

| T&P not allowed | | | | |
|-----------------|---|----------|------------------------------------|--|
| S. No. | Item Description | Quantity | Estimated rate (including GST) (₹) | Total estimated Amount (including GST) (₹) |
| 1 | DGA glass syringes | 80 | 1818 | 145440 |
| 2 | Oil sampling bottles | 80 | 4499 | 359920 |
| 3 | Procurement of cameras for TL Patrolling | 6 | 131300 | 787800 |
| 4 | Multimeters, clamp of meters, etc | Lot | 478660 | 478660 |
| 5 | Digital clamp on meters | Lot | 1088143 | 1088143 |
| 6 | Procurement of Bench vice and various measuring tapes for all 04 Nos GIS under SLTS | 1 | 48376 | 48376 |
| 7 | Portable moisture test kit/measuring sensors | 2 | 985300 | 1970600 |
| 8 | Procurement of cameras for TL Patrolling | 6 | 333588 | 2001528 |



| | | | | |
|----|--|---|---------|-------------------|
| 9 | Automatic third Harmonic Resisitive Current(THRC) Measurement Kit suitable for monitoring gapless LA (for Drass & Khlasti) | 2 | 1433000 | 2866000 |
| 10 | Electric Oven for GIS Kargil | 1 | 21850 | 21850 |
| 11 | Procurement of 1 No Electric Oven for GIS Phyang under SLTS | 1 | 21850 | 21850 |
| 12 | Procurement of 1 No sound/noise level meter for 220/66kV GIS Phyang under SLTS | 1 | 13214.9 | 13214.87 |
| | Total not allowed | | | 9803381.87 |

31. Accordingly, we allowed the ACE in terms of Regulations 24(1)(a), 24(1)(b), 23(d), and 76 of the 2019 Tariff Regulations towards undischarged liabilities recognized to be payable at a future date and the balance work deferred for execution, as under:

(₹ in lakh)

| Particulars | Regulations | ACE allowed | | |
|---|----------------------------------|--------------|-----------------|----------------|
| | | 2021-22 | 2022-23 | 2023-24 |
| Balance and retention payments for liabilities other than IDC | 24(1)(a) and 24(1)(b) of 2019 TR | 65.84 | 8942.00 | 0.00 |
| Estimates for T&P Spares | 76 of 2019 TR | 0.00 | 279.86 | 2895.56 |
| T/L Spares | 23(d) of 2019 TR | 0.00 | 122.73 | 0.00 |
| Sub-station Spares | 23(d) of 2019 TR | 0.00 | 1463.27 | 0.00 |
| IDC Discharged after COD | | 0.00 | 0.00 | 0.00 |
| Total ACE | | 65.84 | 10807.87 | 2895.56 |

32. The capital cost allowed in respect of the transmission assets for 2019-24 tariff period is as follows:

(₹ in lakh)

| Admitted capital cost as on COD (31.10.2019) | (ACE) | | | Capital Cost as on 31.3.2024 |
|--|---------|----------|---------|------------------------------|
| | 2021-22 | 2022-23 | 2023-24 | |
| 0.00 | 65.84 | 10807.87 | 2895.56 | 13769.28 |

33. The Petitioner is directed to furnish the details of funds received/released by the Government of India up to COD and post COD; funds deployed by the Petitioner along with



the terms and conditions of the Central Government regarding utilization of the funds and the balance thereof at the time of truing-up.

Debt-Equity Ratio

34. 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.”

35. The Petitioner has claimed 100% equity investment for the 5% share of J&K amounting to ₹ 8942 lakh, which was paid during FY 2022-23 as per the option given vide letter No. Chmn/JKPTCL/KMR/01-06/01 dated 17.4.2021. Further, the Petitioner has claimed the Debt Equity Ratio of 70:30 for procurement of the T&Ps and the Spares incurred by the Petitioner. The same has been considered by the Commission. However, the Petitioner is directed to provide the justification for consideration of ₹ 8942 lakhs (i.e.,5% share of J&K) as equity and the approval of the MoP for treating the same equity at the time of truing-up. However, the claimed debt equity ratio has been considered as under:

| Funding | 2021-22 (₹ in lakh) | (in %) | 2022-23 (₹ in lakh) | (in %) | 2023-24 (₹ in lakh) | (in %) | Capital Cost as on 31.3.2024 (₹ in lakh) | (in %) |
|--------------|------------------------|---------------|------------------------|---------------|------------------------|---------------|--|------------|
| Debt | 46.09 | 70.00 | 1306.11 | 12.08 | 2026.89 | 70.00 | 3379.09 | 24.54 |
| Equity | 19.75 | 30.00 | 9501.76 | 87.92 | 868.67 | 30.00 | 10390.18 | 75.46 |
| Total | 65.84 | 100.00 | 10807.87 | 100.00 | 2895.56 | 100.00 | 13769.28 | 100 |

Depreciation

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

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

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

(2) The value base for the purpose of depreciation shall be the capital cost of the Asset admitted by the Commission. In case of multiple units of a generating station or multiple elements of a transmission system, weighted average life for the generating station of



the transmission system shall be applied. Depreciation shall be chargeable from the first year of commercial operation. In case of commercial operation of the Asset-for part of the year, depreciation shall be charged on pro rata basis.

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

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

Provided further that in case of hydro generating stations, the salvage value shall be as provided in the agreement, if any, signed by the developers with the State Government for development of the generating station

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

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

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

(5) Depreciation shall be calculated annually based on Straight Line Method and at rates specified in Appendix-I to these regulations for the 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 upto 31.3.2019 from the gross depreciable value of the assets.

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

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

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



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

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

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

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

37. We have considered the submissions of the Petitioner. The depreciation has been worked out considering the admitted capital expenditure as on the COD and expenditure incurred/projected to be incurred during the 2019-24 tariff period. The Weighted Average Rate of Depreciation (WAROD) at Annexure has been worked out as per the rates of depreciation specified in the 2019 Tariff Regulations. Depreciation allowed in respect of the transmission assets for the 2019-24 tariff period is as follows:

| (₹ in lakh) | | | | |
|-------------|---|-------------|---------------|---------------|
| | Particulars | 2021-22 | 2022-23 | 2023-24 |
| A | Opening Gross Block | 0.00 | 65.84 | 10873.71 |
| B | Addition during the year 2019-24 due to projected ACE | 65.84 | 10807.87 | 2895.56 |
| C | Closing Gross Block (A+B) | 65.84 | 10873.71 | 13769.28 |
| D | Average Gross Block (A+C)/2 | 32.92 | 5469.78 | 12321.49 |
| E | Average Gross Block (90% depreciable assets) | 32.92 | 5459.66 | 12301.25 |
| F | Average Gross Block (100% depreciable assets) | 0.00 | 10.12 | 20.24 |
| G | Depreciable value (excluding IT equipment and software) (E*90%) | 29.63 | 4913.69 | 11071.13 |
| H | Depreciable value of IT equipment and software (F*100%) | 0.00 | 10.12 | 20.24 |
| I | Total Depreciable Value (G+H) | 29.63 | 4923.81 | 11091.37 |
| J | Weighted average rate of Depreciation (WAROD) (in %) | 5.28 | 5.24 | 5.25 |
| K | Lapsed useful life at the beginning of the year (Year) | 1 | 2 | 3 |
| L | Balance useful life at the beginning of the year (Year) | 24 | 23 | 22 |
| M | Depreciation during the year (D*J) | 1.74 | 286.74 | 646.44 |
| N | Cumulative Depreciation at the end of the year | 1.74 | 288.47 | 934.91 |



| | Particulars | 2021-22 | 2022-23 | 2023-24 |
|---|---|---------|---------|----------|
| ○ | Remaining Aggregate Depreciable Value at the end of the year(I-N) | 27.89 | 4635.34 | 10156.46 |

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 Weighted Average Rate of Interest on Loan (WAROI) has been considered on the basis of the rates prevailing as on the COD for the respective loans. The Petitioner has prayed that the change in interest rate due to the floating rate of interest is applicable, if any, during



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

40. IoL has been worked out in accordance with Regulation 32 of the 2019 Tariff Regulations and allowed in respect of the transmission assets as under:

| | | (₹ in lakh) | | |
|---|--|-------------|--------------|---------------|
| | Particulars | 2021-22 | 2022-23 | 2023-24 |
| A | Gross Normative Loan | 0.00 | 46.09 | 1352.20 |
| B | Cumulative Repayments up to Previous Year | 0.00 | 1.74 | 288.47 |
| C | Net Loan-Opening (A-B) | 0.00 | 44.35 | 1063.72 |
| D | Addition due to ACE | 46.09 | 1306.11 | 2026.89 |
| E | Repayment during the year | 1.74 | 286.74 | 646.44 |
| F | Net Loan-Closing (C+D-E) | 44.35 | 1063.72 | 2444.18 |
| G | Average Loan (C+F)/2 | 22.17 | 554.04 | 1753.95 |
| H | Weighted Average Rate of Interest on Loan (in %) | 5.95 | 5.95 | 5.95 |
| I | Interest on Loan (G*H) | 1.32 | 32.97 | 104.36 |

Return on Equity (RoE)

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

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

(2) Return on equity 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 the MAT rate is applicable to the Petitioner's Company. The applicable MAT rate has been considered for the purpose of RoE, which will be trued-up in accordance with Regulation 31(3) of the 2019 Tariff Regulations. RoE allowed in respect of the transmission assets is as follows:

| | | (₹ in lakh) | | |
|---|---|-------------|---------------|----------------|
| | Particulars | 2021-22 | 2022-23 | 2023-24 |
| A | Opening Equity | 0.00 | 19.75 | 9521.51 |
| B | Addition due to ACE | 19.75 | 9501.76 | 868.67 |
| C | Closing Equity (A+B) | 19.75 | 9521.51 | 10390.18 |
| D | Average Equity (A+C)/2 | 9.88 | 4770.63 | 9955.85 |
| E | Return on Equity (Base Rate) (in %) | 15.50 | 15.50 | 15.50 |
| F | Tax Rate applicable (in %) | 17.472 | 17.472 | 17.472 |
| G | Rate of Return on Equity (Pre-tax) (in %) | 18.782 | 18.782 | 18.782 |
| H | Return on Equity (D*G) | 1.85 | 896.00 | 1869.86 |

Operation & Maintenance Expenses (O&M Expenses)

43. O&M Expenses claimed by the Petitioner for the 2019-24 tariff period are as follows:

| | | (₹ in lakh) | | | |
|-------------------------------|---------------------------------------|---------------|---------------|---------------|---------------|
| Particulars | 2019-20 (pro-rata for 153 days) | 2020-21 | 2021-22 | 2022-23 | 2023-24 |
| Transmission lines | 38.16 | 94.24 | 97.84 | 101.11 | 104.75 |
| Substation | 204.80 | 507.23 | 525.14 | 543.39 | 562.65 |
| Communication system | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Total O&M Expenses | 256.44 | 634.78 | 657.45 | 680.20 | 704.33 |

44. Regulation 35(3)(a) of the 2019 Tariff Regulations provide 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 |
|---|---------|---------|---------|---------|---------|
| Norms for sub-station Bays (₹ Lakh per bay) | | | | | |
| 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 |
| Norms for Transformers (₹ Lakh per MVA) | | | | | |
| 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 |
| Norms for AC and HVDC lines (₹ Lakh per km) | | | | | |
| 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 |
| Norms for HVDC stations | | | | | |
| HVDC Back-to-Back stations (Rs Lakh per 500 MW) (Except Gazuwaka BTB) | 834 | 864 | 894 | 925 | 958 |
| Gazuwaka HVDC Back-to-Back station (₹ 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:

- 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 ± 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 ± 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."

45. We have considered the submissions of the Petitioner. The Petitioner has submitted that the O&M rates for the 220 kV Single Circuit Underground Cable are not provided in the 2019 Tariff Regulations. O&M charges for the Gagangir-Shitkari (6.215 km) portion of the 220 kV Alusteng (Srinagar)-Drass S/c transmission line is calculated considering the approved O&M rates of Multi Circuit (Twin Conductor) AC line under Regulation 76 (Power to Relax) & Regulation 77 (Power to Remove Difficulty) of 2019 Tariff Regulations.

46. The O&M expenses allowed for the transmission assets covered under the instant tariff Petition are as follows:

| (₹ in lakh) | | | | | | |
|--|-------------------|------------------------------------|---------|---------|---------|---------|
| Transmission lines | Line length in KM | 2019-20 (pro-rata for 153 days) | 2020-21 | 2021-22 | 2022-23 | 2023-24 |
| 220 KV ALSTUNG-DRASS S/C transmission line | 115.80 | 12.20 | 30.108 | 31.266 | 32.308 | 33.47 |



| | | | | | | |
|--|-------|--------------|--------------|--------------|--------------|--------------|
| 220 KV DRASS - KARGIL S/C transmission line | 61.00 | 6.43 | 15.86 | 16.47 | 17.02 | 17.63 |
| 220 KV KARGIL KHALSTI (UPTO HANISKOOT) S/C transmission line | 96.71 | 10.19 | 25.14 | 26.11 | 26.98 | 27.95 |
| 220 KV KHALSTI-PHYANG (LEH) S/C transmission line | 61.50 | 6.48 | 15.99 | 16.61 | 17.16 | 17.77 |
| | | 35.29 | 87.10 | 90.45 | 93.47 | 96.82 |
| 66 KV CHUTAK KARGIL & SHARGOLE KARGIL D/C transmission line | 0.202 | 0.03 | 0.08 | 0.08 | 0.08 | 0.09 |
| 66 KV LILO OF LEH KHARU D/C transmission line | 16.11 | 2.54 | 6.30 | 6.51 | 6.75 | 6.98 |
| 66 KV LILO OF LEH NIMOO D/C transmission line | 2.21 | 0.35 | 0.86 | 0.89 | 0.93 | 0.96 |
| 220 kV S/C UG cable- 220 kV Alstang-Drass (Between GAGANGIR-SHITKARAI) * | 6.20 | 4.00 | 9.91 | 10.25 | 10.62 | 10.99 |
| | | 6.92 | 17.15 | 17.74 | 18.38 | 19.01 |

*O&M for 220 kV S/C Underground Cable has been approved under Regulation 76 & 77 of the 2019 Tariff Regulations.

(₹ in lakh)

| Substation | 2019-20 (pro-rata for 153 days) | 2020-21 | 2021-22 | 2022-23 | 2023-24 |
|--|--|---------------|---------------|---------------|---------------|
| 3 No. of 220 kV GIS bays at Drass Substation | 19.76 | 48.93 | 50.65 | 52.42 | 54.26 |
| 3 No. of 220 kV GIS bays at Khalsti Substation | 19.76 | 48.93 | 50.65 | 52.42 | 54.26 |
| 4 No. of 220 kV GIS bays at LEH Substation | 26.35 | 65.24 | 67.54 | 69.89 | 72.35 |
| 5 No. of 220 kV GIS bays at Kargil Substation | 32.93 | 81.55 | 84.42 | 87.36 | 90.44 |
| | 98.80 | 244.65 | 253.26 | 262.08 | 271.32 |
| 2 No. of 132 kV GIS bays at Drass Substation | 9.41 | 23.30 | 24.12 | 24.96 | 25.84 |



| | | | | | |
|---|---------------|---------------|---------------|---------------|---------------|
| 6 No. of 132 kV GIS bays at Kargil Sub-station | 28.23 | 69.89 | 72.37 | 74.89 | 77.53 |
| 2 No. of 132 kV GIS bays at Khalsti Sub-station | 9.41 | 23.30 | 24.12 | 24.96 | 25.84 |
| 6 No. of 132 kV GIS bays at Leh Sub-station | 28.23 | 69.89 | 72.37 | 74.89 | 77.53 |
| 1 no. of 132 kV GIS bay at Khalsti | 4.71 | 11.65 | 12.06 | 12.48 | 12.92 |
| 1 no. of 132 kV GIS bay at Drass | 4.71 | 11.65 | 12.06 | 12.48 | 12.92 |
| | 84.70 | 209.66 | 217.10 | 224.66 | 232.60 |
| 50 MVA ICT -1 at Drass Substation | 5.12 | 12.70 | 13.15 | 13.60 | 14.10 |
| 50 MVA ICT-1 at Kargil Substation | 5.12 | 12.70 | 13.15 | 13.60 | 14.10 |
| 50 MVA ICT-2 at Kargil Substation | 5.12 | 12.70 | 13.15 | 13.60 | 14.10 |
| 50 MVA ICT-1 at Khalsti Substation | 5.12 | 12.70 | 13.15 | 13.60 | 14.10 |
| 50 MVA ICT-1 at Leh Substation | 5.12 | 12.70 | 13.15 | 13.60 | 14.10 |
| 50 MVA ICT-2 at Leh Substation | 5.12 | 12.70 | 13.15 | 13.60 | 14.10 |
| Total O&M towards ICTs | 30.73 | 76.20 | 78.90 | 81.60 | 84.60 |
| Total Substation | 214.23 | 530.51 | 549.26 | 568.34 | 588.52 |

47. The break-up of the O&M Expense approved for the 220 kV Srinagar-Leh Transmission System (SLTS) is as follows:

| Particulars | (₹ in lakh) | | | | |
|-------------------------------|---------------------------------------|---------------|---------------|---------------|---------------|
| | 2019-20 (pro-rata for 153 days) | 2020-21 | 2021-22 | 2022-23 | 2023-24 |
| 220 kV S/C (Single Conductor) | 35.29 | 87.10 | 90.45 | 93.47 | 96.82 |
| 132 kV D/C Single Conductor | 2.92 | 7.24 | 7.48 | 7.76 | 8.02 |
| 220 kV S/C Underground Cable* | 4.00 | 9.91 | 10.25 | 10.62 | 10.99 |
| 220 KV GIS Bays | 98.80 | 244.65 | 253.26 | 262.08 | 271.32 |
| 132 kV GIS Bays | 84.70 | 209.66 | 217.10 | 224.66 | 232.60 |
| 220 KV 6*50 MVA Transformer | 30.73 | 76.20 | 78.90 | 81.60 | 84.60 |
| Total | 256.44 | 634.77 | 657.45 | 680.19 | 704.35 |

48. Considering the Petitioner's submissions, we approve the following O&M Expenses:



| Particulars | (₹ in lakh) | | | | |
|---|---------------------------------------|---------|---------|---------|---------|
| | 2019-20 (pro-rata for 153 days) | 2020-21 | 2021-22 | 2022-23 | 2023-24 |
| 220 kV Srinagar-Leh Transmission System (SLTS) | 256.44 | 634.77 | 657.45 | 680.19 | 704.35 |

49. The Petitioner will submit the actual O&M Expenses towards the 220 kV S/C Underground Cable at the time of truing-up.

Interest on Working Capital (IWC)

50. Regulations 34(1)(c), 34(3), 34(4), and 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;”

51. IWC has been worked out in accordance with Regulation 34 of the 2019 Tariff Regulations. The Rate of Interest (RoI) on working capital is considered as 12.05% (SBI 1 year MCLR applicable as on 1.4.2019 @ 8.55% plus 350 basis points) for FY 2019-20, 11.25% (SBI 1 year MCLR applicable as on 1.4.2020 @ 7.75% plus 350 basis points) for FY 2020-21, 10.50% (SBI 1 year MCLR applicable as on 1.4.2021 @ 7.00% plus 350 basis points) for FY 2021-22, 10.50% (SBI 1 year MCLR applicable as on 1.4.2022 @ 7.00% plus



350 basis points) for FY 2022-23 and 12.00% (SBI 1 year MCLR applicable as on 1.4.2023 @ 8.50% plus 350 basis points) for FY 2023-24.

52. The components of the working capital and interest allowed thereon are as follows:

| Particulars | (₹ in lakh) | | | | |
|---|---------------------------------------|---------------|---------------|---------------|---------------|
| | 2019-20 (pro-rata for 153 days) | 2020-21 | 2021-22 | 2022-23 | 2023-24 |
| Working Capital for O&M Expenses (O&M expenses for one month) | 51.12 | 52.90 | 54.79 | 56.68 | 58.70 |
| Working Capital for Maintenance Spares (15% of O&M expenses) | 92.02 | 95.21 | 98.62 | 102.03 | 105.65 |
| Working Capital for Receivables (Equivalent to 45 days of annual fixed cost /annual transmission charges) | 78.71 | 81.44 | 84.74 | 238.89 | 417.40 |
| Total Working Capital | 221.85 | 229.55 | 238.15 | 397.60 | 581.74 |
| Rate of Interest for working capital (in %) | 12.05 | 11.25 | 10.50 | 10.50 | 12.00 |
| Interest on working capital | 11.18 | 25.82 | 25.01 | 41.75 | 69.81 |

Annual Fixed Charges for the 2019-24 Tariff Period

53. The transmission charges allowed for the 2019-24 tariff period in respect of the transmission assets are as follows:

| Particulars | (₹ in lakh) | | | | |
|-----------------------------|---------------------------------------|---------------|---------------|----------------|----------------|
| | 2019-20 (pro-rata for 153 days) | 2020-21 | 2021-22 | 2022-23 | 2023-24 |
| Depreciation | 0.00 | 0.00 | 1.74 | 286.74 | 646.44 |
| Interest on Loan | 0.00 | 0.00 | 1.32 | 32.97 | 104.36 |
| Return on Equity | 0.00 | 0.00 | 1.85 | 896.00 | 1869.86 |
| O&M Expenses | 256.44 | 634.77 | 657.45 | 680.19 | 704.35 |
| Interest on Working Capital | 11.18 | 25.82 | 25.01 | 41.75 | 69.81 |
| Total | 267.62 | 660.59 | 687.37 | 1937.63 | 3394.81 |

Filing Fee and Publication Expenses

54. The Petitioner has sought reimbursement of the fee paid by it for filing the petition and publication expenses. The Petitioner shall be entitled to the 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.

Licence Fee and RLDC Fees and Charges

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

Goods and Services Tax

56. The Petitioner has submitted that if GST is levied at any rate and at any point of time in the future on charges of transmission of electricity, the same shall be borne and additionally paid by the Respondent(s) to the Petitioner and the same shall be charged and billed separately by the Petitioner. Further, the additional taxes, if any, are to be paid by the Petitioner on account of the demand from the Government/Statutory Authorities, the same may be allowed to be recovered from the beneficiaries. 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 has submitted that security expenses in respect of the transmission assets are not claimed in the instant Petition, and it would file a separate Petition for claiming the overall security expenses and the consequential IWC as per Regulation 35(3)(c) of the 2019 Tariff Regulations.



58. We have considered the above submissions of the Petitioner. The Petitioner has claimed consolidated security expenses for all the transmission assets owned by it on a projected basis for the 2019-24 tariff period on the basis of actual security expenses incurred in FY 2018-19 in Petition No. 260/MP/2020. The said Petition has already been disposed of by the Commission vide order dated 3.8.2021. Therefore, the Petitioner's prayer in the instant Petition for allowing it to file a separate Petition for claiming the overall security expenses and consequential IWC has become infructuous.

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. With effect from 1.11.2020, the sharing of the transmission charges is governed by the provisions of the 2020 Sharing Regulations. Accordingly, the billing, collection, and disbursement of transmission charges shall be recovered in terms of provisions of the 2020 Sharing Regulations as provided in Regulation 57 of the 2019 Tariff Regulations.

61. To summarize, the AFC allowed in respect of the transmission assets for the 2019-24 tariff period in this order is as follows:

| Particulars | (₹ in lakh) | | | | |
|-------------|---------------------------------------|---------|---------|---------|---------|
| | 2019-20 (pro-rata for 153 days) | 2020-21 | 2021-22 | 2022-23 | 2023-24 |
| AFC | 267.62 | 660.59 | 687.37 | 1937.63 | 3394.81 |

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



63. This order disposes of Petition No. 87/TT/2023 in terms of the above findings and discussions.

sd/-
(Harish Dudani)
Member

sd/-
(Ramesh Babu V.)
Member

sd/-
(Jishnu Barua)
Chairperson



Annexure

(₹ in lakh)

| | Admitted Capital Cost as on COD | Projected ACE | | | Admitted Capital Cost as on 31-03-2024 | Dep Rate | Annual Depreciation | | |
|-------------------|---------------------------------|---------------|-----------------|----------------|--|-------------------------|---------------------|----------------|-----------------|
| | | 2021-22 | 2022-23 | 2023-24 | | | 2021-22 | 2022-23 | 2023-24 |
| Capex | | | | | | | | | |
| Building | 0.00 | 0.00 | 569.96 | 0.00 | 569.96 | 3.34% | 0.00 | 9.52 | 19.04 |
| Substation | 0.00 | 65.84 | 3882.68 | 2374.74 | 6323.25 | 5.28% | 1.74 | 105.98 | 271.17 |
| Transmission Line | 0.00 | 0.00 | 5863.15 | 520.83 | 6383.97 | 5.28% | 0.00 | 154.79 | 323.32 |
| PLCC | 0.00 | 0.00 | 471.85 | 0.00 | 471.85 | 6.33% | 0.00 | 14.93 | 29.87 |
| IT Equipment | 0.00 | 0.00 | 20.24 | 0.00 | 20.24 | 15.00% | 0.00 | 1.52 | 3.04 |
| Total | 0.00 | 65.84 | 10807.87 | 2895.56 | 13769.28 | | 1.74 | 286.74 | 646.44 |
| | | | | | | Avg. Gross Block | 32.92 | 5469.78 | 12321.49 |
| | | | | | | WAROD | 5.28% | 5.24% | 5.25% |

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R.M. BANSAL & Co.
COST ACCOUNTANTS

A-201, TWIN TOWERS
 LAKHANPUR KANPUR-208024
 Mob: 8874341333
 E-Mail: cmrmbansal11@gmail.com

Certificate Ref. No.

Dated:.....

CERTIFICATE

This is to certify that we have verified the relevant records and other documents of Power Grid Corporation Of India Limited, having its Registered Office at B-9, Qutab Institutional Area, Katweria Sarai, New Delhi-110016 and on the basis of our verification, we certify that Capital Cost of "Equity Investment to pay off the State contribution of 5% project cost to UTs of J&K and Ladakh and expenditure towards procurement of T&Ps and Spares for 220 kV Srinagar-Leh Transmission System (SLTS) of Power Grid Corporation of India Limited", which is under commercial operation w.e.f. 31.01.2019 (handed over to Powergrid Corporation of India Ltd w.e.f. 31.10.2019 vide MoP, Govt. of India letter No. 3/18/2011-Trans Vol (2) dated 23.03.2021) is detailed as under:

(Rs. in Lakhs)

| S/N | Particulars | Capital Cost | IEDC | IDC | Total |
|-----|--|------------------|-------------|-------------|------------------|
| 1 | Capital Cost up to 31.10.2019 (up to Date of handing over to PGCIL by GOI) | 0.00 | 0.00 | 0.00 | 0.00 |
| 2 | Expenditure from 01.04.2019 to 31.03.2020 | 0.00 | | | 0.00 |
| 3 | Expenditure from 01.04.2020 to 31.03.2021 | 0.00 | | | 0.00 |
| 4 | Expenditure from 01.04.2021 to 31.03.2022 | 65.84 | | | 65.84 |
| 5 | Expenditure from 01.04.2022 to 31.03.2023 | 10,053.07 | | | 10,053.07 |
| 6 | Expenditure from 01.04.2023 to 31.03.2024 | 1,148.19 | | | 1,148.19 |
| 7 | Estimated Expenditure from 01.04.2024 to 31.03.2025 | 1,626.55 | | | 1,626.55 |
| 8 | Estimated Expenditure from 01.04.2025 to 31.03.2026 | 855.37 | | | 855.37 |
| | Total | 13,749.02 | 0.00 | 0.00 | 13,749.02 |

Equity investment to pay off the State contribution of 5% project cost to UTs of J&K and Ladakh is Rs 89.42 Crore paid in FY 2022-23

We certify that we have verified the expenditure up to 31.03.2024 as referred above on the basis of the information drawn from the audited Statement of Accounts of Power Grid Corporation of India Ltd. of Northern Region - II as on 31.03.2024.

The estimated expenditure is based on Management estimate

For R.M. Bansal & Co.

Cost Accountants
 FRN - 000022

(Rishi Mohan Bansal)

Partner

M.No. 3323

UDIN 250323ZZ1QMOJKJQQ

Place: Kanpur
 Date:- 26.03.25



Certificate Ref. No.

Date:

CERTIFICATE

This is to certify that we have verified the relevant records and other documents of Power Grid Corporation of India Limited, having its Registered Office at B-9, C-10, C-11, C-12, C-13, C-14, C-15, C-16, C-17, C-18, C-19, C-20, C-21, C-22, C-23, C-24, C-25, C-26, C-27, C-28, C-29, C-30, C-31, C-32, C-33, C-34, C-35, C-36, C-37, C-38, C-39, C-40, C-41, C-42, C-43, C-44, C-45, C-46, C-47, C-48, C-49, C-50, C-51, C-52, C-53, C-54, C-55, C-56, C-57, C-58, C-59, C-60, C-61, C-62, C-63, C-64, C-65, C-66, C-67, C-68, C-69, C-70, C-71, C-72, C-73, C-74, C-75, C-76, C-77, C-78, C-79, C-80, C-81, C-82, C-83, C-84, C-85, C-86, C-87, C-88, C-89, C-90, C-91, C-92, C-93, C-94, C-95, C-96, C-97, C-98, C-99, C-100, C-101, C-102, C-103, C-104, C-105, C-106, C-107, C-108, C-109, C-110, C-111, C-112, C-113, C-114, C-115, C-116, C-117, C-118, C-119, C-120, C-121, C-122, C-123, C-124, C-125, C-126, C-127, C-128, C-129, C-130, C-131, C-132, C-133, C-134, C-135, C-136, C-137, C-138, C-139, C-140, C-141, 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C-1000.

| S/N | Particulars | Freehold Land | Leasehold Land | Building and Civil Works | Tr. Line | Sub Station | DSGTY | Communication or system (excl. OPGW) | IT Equipment incl. software, UNIS, IRTDSM, EMS, Cyber Security System, REMC, WAMS, SCADA System | Batteries | Total |
|-----|--|---------------|----------------|--------------------------|----------|-------------|-------|--------------------------------------|---|-----------|-----------|
| 1 | Capital Cost up to 31.03.2019 (up to date of handing over to PGCIL by GOC) | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 2 | Expenditure from 01.04.2019 to 31.03.2020 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 3 | Expenditure from 01.04.2020 to 31.03.2021 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 4 | Expenditure from 01.04.2021 to 31.03.2022 | 0.00 | 0.00 | 0.00 | 0.00 | 85.84 | 0.00 | 0.00 | 0.00 | 0.00 | 85.84 |
| 5 | Expenditure from 01.04.2022 to 31.03.2023 | 0.00 | 0.00 | 569.88 | 5,535.04 | 3,445.35 | 0.00 | 471.89 | 20.24 | 13.83 | 10,053.07 |
| 6 | Expenditure from 01.04.2023 to 31.03.2024 | 0.00 | 0.00 | 0.00 | 578.53 | 569.86 | 0.00 | 0.00 | 0.00 | 0.00 | 1,148.39 |
| 7 | Estimated Expenditure from 01.04.2024 to 31.03.2025 | 0.00 | 0.00 | 981.76 | 161.40 | 483.36 | 0.00 | 0.00 | 0.00 | 0.00 | 1,626.52 |
| 8 | Estimated Expenditure from 01.04.2025 to 31.03.2025 | 0.00 | 0.00 | 412.20 | 1,205.53 | 322.24 | 0.00 | 0.00 | 0.00 | 0.00 | 855.37 |
| | Total | 0.00 | 0.00 | 1,943.86 | 6,416.70 | 4,888.65 | 0.00 | 471.89 | 20.24 | 10.63 | 13,749.92 |

| S/N | Particulars | Tr. Line | Sub-station |
|-----|--|-------------|-------------|
| 1 | Total Cost (Plant and Machinery cost including IDC, REOC, Land cost and cost of Civil works for the purpose of Initial System) | 1,09,745.96 | 40,746.50 |
| 1 | Initial Spares included in above | 163.90 | 808.81 |

Equity Investment to pay off the State contribution of 5% project cost to UTs of J&K and Ladakh is Rs 98.42 Crore paid in FY 2025-26

We certify that we have verified the expenditure up to 31.03.2024 as reflected above on the basis of the information drawn from the audited Statement of Accounts of Power Grid Corporation of India Ltd. of Northern Region - II as on 31.03.2024

The estimated expenditure is based on Management estimate.



Place: Kanpur
Date: 28.05.25



For R.M. Bansal & Co.
Cost Accountants
Firm - 099022
(Rishi Mohan Bansal)
Partner
M.No. 3323
UDIV 250332321QINDIAJ&K

Name of the Project: Equity Investment to pay off the State contribution of 5% project cost to UTs of J&K and Ladakh and expenditure towards procurement of T&Ps and Spares for 220 kV Srinagar-Leh Transmission System (SLTS)''

(₹ in lakh)

| Sl.No | Item description | Quantity | Total Cost | Category |
|-------|---|----------|------------|----------|
| 1 | Automatic Third Harmonic Resistive Current (THRC) Measurement Kit suitable for monitoring gapless LA | 2 | 11.762 | SS |
| 2 | Digital Insulation tester, Low-Voltage (250V, 500V, 1000V) Battery operated | 4 | 2.400 | SS |
| 3 | Digital Automatic Contact Resistance meter. | 4 | 5.404 | SS |
| 4 | Transformer oil BDV test set | 4 | 20.060 | SS |
| 5 | Digital Earth Resistance/ Resistivity meter-battery operated | 4 | 6.844 | SS |
| 6 | DC Earth Fault Locator | 4 | 7.623 | SS |
| 7 | Digital Insulation Tester, battery operated-10 kV (500V, 1000V, 2.5kV,5.0KV, 10KV), suitable for PI Measurement | 4 | 17.191 | SS |
| 8 | 6 KLPH offline transformer Oil Filtration plant | 4 | 113.639 | SS |
| 9 | Battery Operated Platform Trolley Min. Capacity of 2000Kg. | 4 | 29.536 | SS |
| 10 | Automatic Relay Test kit | 4 | 104.312 | SS |
| 11 | TFR Kit | 2 | 6.560 | SS |
| 12 | C & Tan Delta Kit | 4 | 86.791 | SS |
| 13 | Transformer Winding Resistance Meters | 1 | 4.354 | SS |
| 14 | Automatic Transformer Turns Ratio Meter | 1 | 7.009 | SS |
| 15 | Snow Blowers for Drass & Kargil | 2 | 4.760 | SS |
| 16 | RTD/ Thermocouple Calibrator | 1 | 7.611 | SS |
| 17 | Procurement of PPEs for Substation and Transmission lines in SLTS under NR II Region | LS | 34.096 | SS |
| 18 | Hand held Laser Range Finder for Kargil | 1 | 2.938 | TL |
| 19 | Hand held Laser Range Finder Leh | 1 | 2.938 | TL |
| 20 | Procurement of Hand trolley (01 Ton) for all 04 No. GIS under SLTS | 4 | 0.864 | SS |
| 21 | Procurement of 02 no. chain saw cutter for maintenance of Srinagar Leh Transmission Line. | 2 | 0.210 | SS |
| 22 | Thermovision Camera -High end | 1 | 14.510 | SS |
| 23 | PP ropes for all substations of SLTS | LS | 1.090 | SS |
| 24 | Heavy Duty Drill Machine for all substations of SLTS | 4 | 7.040 | SS |
| 25 | ERS | 1 | 650.000 | TL |
| 26 | Portable Welding Set for all substations of SLTS | 4 | 1.770 | SS |

| | | | | |
|--|--|-----|-----------------|----|
| 27 | Power Winch Machine for TL at Leh & Kargil | 2 | 14.396 | TL |
| 28 | Light Meter (Lux Meter) | 4 | 0.200 | SS |
| 29 | Sound/Noise Level Meter for GIS Kargil. | 1 | 0.132 | SS |
| 30 | CT Analyser | 1 | 23.340 | SS |
| 31 | Digital Temp. Meter | 8 | 0.142 | SS |
| 32 | Procurement of 1 number Digital Temperature Meter (Having Remote Sensor) for 220/66kV GIS Phyang Substation under SLTS | 1 | 0.142 | SS |
| 33 | Soldering Station | 2 | 0.400 | SS |
| 34 | Phase sequence Indicator | 8 | 0.160 | SS |
| 35 | Primary Current Injection test kit | 1 | 6.750 | SS |
| 36 | Articulating Boom Lifts | 4 | 318.242 | SS |
| 37 | 220 kV Cable Fault Locator | LS | 650.000 | SS |
| 38 | Procurement of various types of Ladders for all 04 No. GIS under SLTS. | LS | 17.792 | SS |
| 39 | Mobile dry air Plant (Heatless type) | 4 | 66.033 | SS |
| 40 | Automatic Battery Discharge Kit | 2 | 23.128 | SS |
| 41 | TL T&P | LS | 12.205 | TL |
| 42 | Special T&P for Tr. Line | Lot | 19.232 | TL |
| 43 | Hydraulic T&P for Tr. Line | LS | 14.960 | TL |
| 44 | Portable DGA Kit | 1 | 33.040 | SS |
| 45 | Thermovision Camera –Low end | 4 | 57.348 | SS |
| | | | 2,408.95 | |
| T&P not allowed by Commission | | | | |
| 1 | DGA Glass syringes | 80 | 1.159 | SS |
| 2 | Oil sampling bottles | 80 | 3.040 | SS |
| 3 | Procurement of cameras for TL Patrolling | 6 | 3.240 | TL |
| 4 | Multimeters, Clamp on Meters, etc. | Set | 4.786 | SS |
| 5 | Digital Clamp on Meters | 1 | 6.710 | SS |
| 6 | Procurement of Bench Vice and various measuring tapes for all 04 No. GIS under SLTS. | 4 | 0.202 | SS |
| 7 | Portable Moisture Test kit/Measuring Sensors | 2 | 6.726 | SS |
| 8 | Automatic Third Harmonic Resistive Current (THRC) Measurement Kit suitable for monitoring gapless LA(for Drass & Khlasti) | 2 | 24.922 | SS |
| 9 | Electric Oven | 2 | 0.437 | SS |
| 10 | Sound Level meter | 4 | 0.132 | SS |
| Cost of T&P disallowed | | | 51.35 | |

Liability Flow Statement with Add-Cap Detail

Name of Petitioner
 Asset Name
 Project Name
 DOCO

POWERGRID CORPORATION OF INDIA LIMITED
 Equity Investment to pay off the State contribution of 5% project cost to UTs of J&K and Ladakh and expenditure towards procurement of T&Ps and Spares for 220 kV Srinagar-Leh Transmission System (SLTS)
 Equity Investment to pay off the State contribution of 5% project cost to UTs of J&K and Ladakh and expenditure towards procurement of T&Ps and Spares for 220 kV Srinagar-Leh Transmission System (SLTS)
 31.01.2019 (handed over to Powergrid Corporation of India Ltd w.e.f. 31.10.2019 vide MoP, Govt. of India letter No. 3/18/2011-Trans Vol (2) dated 23.03.2021)

2019-24 Block

| Asset No. | Headwise/Partywise | Particulars | Year of Actual Capitalization | Outstanding Liability as on COD/31st Mar'2019 | Discharge | | | | | | | Total (2019-24) | Additional Liability Recognized | | | | | Outstanding Liability as on 31.03.2024 | | | |
|------------------------|--|-----------------------|-------------------------------|---|-----------|---------|---------|---------|---------|---------|---------|-----------------|---------------------------------|---------|---------|---------|-----------------|--|------|-------|--------|
| | | | | | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | 2019-20 | 2020-21 | | 2021-22 | 2022-23 | 2023-24 | 2023-24 | Total (2019-24) | | | | |
| | | | | | Land | | | 0.00 | 0.00 | 0.00 | 0.00 | | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | | 0.00 | 0.00 | 0.00 |
| Combined Asset of SLTS | GARG ENTERPRISES, GE T&D India Limited, Siemens Limited, MEHRU Electricals and Mechanical Engineer & other misc. petty contractors | Transmission Line | 2019 | 5572.24 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | | |
| | | Substation | 2019 | 2729.01 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 40.35 | |
| | | Civil & Building Work | | | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 389.88 |
| | | OPGW | | | 982.16 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 412.20 |
| | | PLCC | 2019 | 471.85 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| IT | 2019 | 20.24 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| Batteries | 2019 | | 10.63 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |

2024-29 Block

| Asset No. | Headwise/Partywise | Particulars | Year of Actual Capitalization | Outstanding Liability as on COD/31st Mar'2024 | Discharge | | | | | | | Total (2024-29) | Additional Liability Recognized | | | | | Outstanding Liability as on 31.03.2029 | | | |
|------------------------|--|-----------------------|-------------------------------|---|-----------|---------|---------|---------|---------|---------|---------|-----------------|---------------------------------|---------|---------|---------|-----------------|--|------|------|------|
| | | | | | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2024-25 | 2025-26 | | 2026-27 | 2027-28 | 2028-29 | 2028-29 | Total (2024-29) | | | | |
| | | | | | Land | | | 0.00 | 0.00 | 0.00 | 0.00 | | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | | 0.00 | 0.00 | 0.00 |
| Combined Asset of SLTS | GARG ENTERPRISES, GE T&D India Limited, Siemens Limited, MEHRU Electricals and Mechanical Engineer & other misc. petty contractors | Transmission Line | 2019 | 40.35 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| | | Substation | 2019 | 389.88 | 67.63 | 322.24 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| | | Civil & Building Work | | | 412.20 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| | | OPGW | | | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| | | PLCC | | | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| IT | | | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| Batteries | | | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | |

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Summary of Tariff

Form No. - 1

| | | | |
|------------------------------------|--|-----------|--------------|
| Name of the Transmission Licensee: | Power Grid Corporation of India Limited | | |
| Project | 220 kV Srinagar-Leh Transmission System (SLTS) | | |
| Element Description | Equity Investment to pay off the State contribution of 5% project cost to UTs of J&K and Ladakh and expenditure towards procurement of T&Ps and Spares | | |
| Region | Northern Region | DOCO Date | Oct 31, 2019 |

(Amount in Rs. Lakh)

| Particulars | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 |
|------------------------------------|---------------|---------------|---------------|-----------------|-----------------|
| Year Days | 366.00 | 365.00 | 365.00 | 365.00 | 366.00 |
| Tariff Days | 153.00 | 365.00 | 365.00 | 365.00 | 366.00 |
| Depreciation-Form No. 10A | 0.00 | 0.00 | 1.63 | 266.28 | 558.69 |
| Interest on Loan-Form No. 9E | 0.00 | 0.00 | 1.24 | 21.22 | 53.04 |
| Return on Equity-Form No. 8 | 0.00 | 0.00 | 1.74 | 874.19 | 1,776.25 |
| Int. on Working capital-Form No.11 | 11.17 | 25.83 | 25.00 | 41.04 | 66.32 |
| Op. and maintenance-Form No.2 | 256.44 | 634.78 | 657.45 | 680.20 | 704.33 |
| Total AFC | 267.61 | 660.61 | 687.06 | 1,882.93 | 3,158.63 |

(Petitioner)



| | | |
|-----------------------------------|--|--------------------------|
| Name of the Transmission Licensee | Power Grid Corporation of India Limited | |
| Project | 220 kV Srinagar-Leh Transmission System (SLTS) | |
| Element Description | Equity Investment to pay off the State contribution of 5% project cost to UTs of J&K and Ladakh and expenditure towards procurement of T&Ps and Spares | |
| Region | Northern Region | DOC Date Oct 31, 2019 |

A) Summary of Capital Cost, Means of Finance of the Asset

(Amount in Rs. Lakh)

| Particular | i) Apportioned Approved Cost | | ii) Summary of Actual / Projected Capital Expenditure incurred | | | | | | |
|--|------------------------------|------------|--|---------|---------|---------|-----------|----------|------------------|
| | As Per IA | As per RCE | As on COD / 01.04.2019 | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | As on 31.03.2024 |
| Land (Freehold Land) | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Building & Civil Works | 0.00 | 0.00 | 981.96 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 981.96 |
| Transmission Lines | 0.00 | 0.00 | 5,575.47 | 0.00 | 0.00 | 0.00 | 3.16 | 575.09 | 6,153.72 |
| Substations | 0.00 | 0.00 | 2,777.13 | 0.00 | 0.00 | 61.64 | 1,096.20 | 535.95 | 4,470.92 |
| Comm. Sys. excluding Fiber Optic | 0.00 | 0.00 | 471.85 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 471.85 |
| Land (Leasehold) | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| IT/Software/UNMS/URTDSM/ | 0.00 | 0.00 | 20.23 | 0.00 | 0.00 | 0.00 | 0.01 | 0.00 | 20.24 |
| Batteries | 0.00 | 0.00 | 10.63 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 10.63 |
| Fiber Optic/OPGW | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Total Capital Cost as per Books | 0.00 | 0.00 | 9,837.27 | 0.00 | 0.00 | 61.64 | 1,099.37 | 1,111.04 | 12,109.32 |
| Less: Liability | 0.00 | 0.00 | 9,837.27 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Add: discharge of liability | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 8,942.00 | 1.69 | 893.58 |
| De cap During Year As per Books | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Total Capital incurred | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 61.64 | 10,041.37 | 1,112.73 | 11,215.74 |
| Equity | 10,592.00 | 0.00 | 0.00 | 0.00 | 0.00 | 18.49 | 9,271.81 | 333.82 | 9,624.12 |
| Debt | 3,850.00 | 0.00 | 0.00 | 0.00 | 0.00 | 43.15 | 769.56 | 778.91 | 1,591.62 |

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| | | | |
|-----------------------------------|--|---|--------------|
| Name of the Transmission Licensee | | Power Grid Corporation of India Limited | |
| Project | 220 KV Srinagar-Leh Transmission System (SLTS) | | |
| Element Description | Equity Investment to pay off the State contribution of 5% project cost to UTs of J&K and Ladakh and expenditure towards procurement of T&Ps and Spares | | |
| Region | Northern Region | DOCO Date | Oct 31, 2019 |

1. Transmission Lines

(Amount in Rs. Lakh)

| Name of Line | Type of Line AC/HVDC | S/C or D/C | No of Sub-Conductors | Voltage Level KV | Line Bays | Line Reactor (Including Switchable Reactor) | Line Length Km | Date of Commercial operation | Covered in the present petition | |
|---|----------------------|------------|----------------------|------------------|-----------|---|----------------|------------------------------|---------------------------------|---------------------|
| | | | | | | | | | Yes/No | If No, Petition No. |
| 220 KV ALSTUNG-DRASS | AC | SC | 1 | 220 KV | 0.000 | 0.000 | 115.800 | Oct 31, 2019 | Y | |
| 220 KV DRASS KARGIL | AC | SC | 1 | 220 KV | 0.000 | 0.000 | 61.000 | Oct 31, 2019 | Y | |
| 220 KV KARGIL-KHALSTI (NAMKILA TO KHALSTI) | AC | SC | 1 | 220 KV | 0.000 | 0.000 | 96.710 | Oct 31, 2019 | Y | |
| 220 KV KHALSTI-PHYANG (LEH) TL | AC | SC | 1 | 220 KV | 0.000 | 0.000 | 61.500 | Oct 31, 2019 | Y | |
| LILO OF 66 KV CHUTAK KARGIL & SHARGOLE KARGIL | AC | DC | 1 | 132 KV | 0.000 | 0.000 | 0.202 | Oct 31, 2019 | Y | |
| 66 KV LILO OF LEH KHARU TL | AC | DC | 1 | 132 KV | 0.000 | 0.000 | 16.110 | Oct 31, 2019 | Y | |

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| | Type of | S/C or | No of Sub- | Voltage | Line | Line Reactor | Line | Date of | Covered in the present petition |
|---|---------|--------|------------|---------|-------|--------------|-------|--------------|---------------------------------|
| 66 KV LILO OF LEH NIMOO TL | AC | DC | 1 | 132 KV | 0.000 | 0.000 | 2.210 | Oct 31, 2019 | Y |
| 220 KV S/C UNDERGROUND CABLE- 220KV ALSTANG DRASS (BETWEEN GAGANGIR-SHITKARI) | AC | MC | 2 | 220 KV | 0.000 | 0.000 | 6.200 | Oct 31, 2019 | Y |

Summary:

| O&M Expenses For the Transmission Lines Covered in the instant petition | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 |
|---|---------|---------|---------|---------|---------|
| SINGLE CIRCUIT (SINGLE CONDUCTOR) | | | | | |
| Normative Rate of O&M as per Regulation | 0.252 | 0.26 | 0.27 | 0.279 | 0.289 |
| No. of Units - (Length in KM) | 335.01 | 335.01 | 335.01 | 335.01 | 335.01 |
| O&M Claimed | 35.30 | 87.10 | 90.46 | 93.47 | 96.82 |
| DOUBLE CIRCUIT (SINGLE CONDUCTOR) | | | | | |
| Normative Rate of O&M as per Regulation | 0.377 | 0.391 | 0.404 | 0.419 | 0.433 |
| No. of Units - (Length in KM) | 18.522 | 18.522 | 18.522 | 18.522 | 18.522 |
| O&M Claimed | 2.92 | 7.24 | 7.48 | 7.76 | 8.03 |
| MULTICIRCUIT WITH TWO CONDUCTORS | | | | | |
| Normative Rate of O&M as per Regulation | 1.544 | 1.598 | 1.654 | 1.713 | 1.773 |
| No. of Units - (Length in KM) | 6.20 | 6.20 | 6.20 | 6.20 | 6.20 |



| | | | | | |
|-------------|------|------|-------|-------|-------|
| O&M Claimed | 4.00 | 9.91 | 10.25 | 10.62 | 10.99 |
|-------------|------|------|-------|-------|-------|

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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 | | |
| :GIS BAYS AT DRASS | GIS | 220 KV | | 3,000 | | | | | | | | Oct 31, 2019 | Y |
| KHALSTI:GIS BAYS AT KARGIL | | 220 KV | | 5,000 | | | | | | | | Oct 31, 2019 | Y |
| KHALSTI:GIS BAYS AT KHALSTI | GIS | 220 KV | | 3,000 | | | | | | | | Oct 31, 2019 | Y |
| :GIS BAYS AT LEH | GIS | 220 KV | | 4,000 | | | | | | | | Oct 31, 2019 | Y |
| :GIS BAYS AT DRASS | GIS | 132 KV | | | | | 2,000 | | | | | Oct 31, 2019 | Y |
| KARGIL:GIS BAYS AT KARGIL | GIS | 132 KV | | | | | 6,000 | | | | | Oct 31, 2019 | Y |
| KHALSTI:GIS BAYS AT KHALSTI | GIS | 132 KV | | | | | 2,000 | | | | | Oct 31, 2019 | Y |
| :GIS BAYS AT LEH | GIS | 132 KV | | | | | 6,000 | | | | | Oct 31, 2019 | Y |
| 220/66 KV ICT 1 AT DRASS | GIS | 220 KV | 1,000 | | | | | | | 50,000 | | Oct 31, 2019 | Y |

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| | | | | | | | | | | | | | | | |
|-----------------------------|-----|--------|-------|--|--|--|--|--|-------|--|--|--------|--|--------------|---|
| :220/66 KV ICT 1 AT KARGIL | GIS | 220 KV | 1.000 | | | | | | | | | 50.000 | | Oct 31, 2019 | Y |
| :220/66 KV ICT 2 AT KARGIL | GIS | 220 KV | 1.000 | | | | | | | | | 50.000 | | Oct 31, 2019 | Y |
| :220/66 KV ICT 1 AT KHALSTI | GIS | 220 KV | 1.000 | | | | | | | | | 50.000 | | Oct 31, 2019 | Y |
| :220/66 KV ICT 1 AT LEH | GIS | 220 KV | 1.000 | | | | | | | | | 50.000 | | Oct 31, 2019 | Y |
| :220/66 KV ICT 2 AT LEH | GIS | 220 KV | 1.000 | | | | | | | | | 50.000 | | Oct 31, 2019 | Y |
| KHALSTI:KHALSTI SEB BAY | GIS | 132 KV | | | | | | | 1.000 | | | | | Oct 31, 2019 | Y |
| :DRASS SEB BAY | GIS | 132 KV | | | | | | | 1.000 | | | | | Oct 31, 2019 | Y |

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Summary:

| O&M Expenses For Substations Covered in the instant petition | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 |
|--|---------|---------|---------|---------|---------|
| 220 KV GIS Substation | | | | | |
| Normative Rate of O&M as per Regulation | 15.757 | 16.31 | 16.884 | 17.472 | 18.088 |
| No. of Units | 15.00 | 15.00 | 15.00 | 15.00 | 15.00 |
| O&M Claimed | 98.80 | 244.65 | 253.26 | 262.09 | 271.31 |
| 132 kV and below GIS Substation | | | | | |
| Normative Rate of O&M as per Regulation | 11.256 | 11.648 | 12.061 | 12.481 | 12.922 |



| | | | | | | |
|---|-------|--------|--------|--------|--------|-------|
| No. of Units | 18.00 | 18.00 | 18.00 | 18.00 | 18.00 | 18.00 |
| O&M Claimed | 84.70 | 209.68 | 217.10 | 224.66 | 232.58 | |
| 220KV SUB-STATION ICT | | | | | | |
| Normative Rate of O&M as per Regulation | 0.245 | 0.254 | 0.263 | 0.272 | 0.282 | |
| No. of Units | 6.00 | 6.00 | 6.00 | 6.00 | 6.00 | |
| O&M Claimed | 30.72 | 76.20 | 78.90 | 81.60 | 84.60 | |

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3. Communication System

Summary:

[A large, faint, curved line or scribble is present across the middle of the page, likely a scanning artifact or a very light pencil mark.]

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Summary of O&M Expenses claim

(Amount in Rs. Lakh)

| Particular | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 |
|---|---------------|---------------|---------------|---------------|---------------|
| A) Normative O&M | | | | | |
| Transmission Line | 42.22 | 104.25 | 108.19 | 111.85 | 115.84 |
| Substation | 214.22 | 530.53 | 549.26 | 568.35 | 588.49 |
| Communication System | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Total Normative O&M | 256.44 | 634.78 | 657.45 | 680.20 | 704.33 |
| B) O&M Claimed under Regulation 35 (3)(C) (* The same is not being claimed and will be claimed through separate Petition) | | | | | |
| *Security Expenses | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| *Actual Capital Spare consumed | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| *Insurance Premium Paid | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Total O&M | 256.44 | 634.78 | 657.45 | 680.20 | 704.33 |

(Petitioner)

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Normative parameters considered for tariff computations

Form No. - 3

| | | | |
|-----------------------------------|--|----------|--------------|
| Name of the Transmission Licensee | Power Grid Corporation of India Limited | | |
| Project | 220 kV Srinagar-Leh Transmission System (SLTS) | | |
| Element Description | Equity Investment to pay off the State contribution of 5% project cost to UTs of J&K and Ladakh and expenditure towards procurement of T&Ps and Spares | | |
| Region | Northern Region | DOC Date | Oct 31, 2019 |

(Amount in Rs. Lakh)

| Particulars | 2018-19 | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 |
|--|---------|---------|---------|---------|---------|---------|
| Base Rate of Return of Equity (in %) | | | | | | |
| Tax Rate (in %) | 21.55 | 17.472 | 17.472 | 17.472 | 17.472 | 17.472 |
| Effective tax rate (in %) | | | | | | |
| 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 |
| Norms for sub-station Bays (Rs Lakh per bay) | | | | | | |
| 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 |
| Norms for Transformers (Rs Lakh per MVA) | | | | | | |
| 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 |
| Norms for AC and HVDC lines (Rs Lakh per km) | | | | | | |
| 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 | 0.539 | 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 |
| Norms for HVDC stations | | | | | | |
| 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)



| | | |
|-----------------------------------|--|-----------------------|
| Name of the Transmission Licensee | Power Grid Corporation of India Limited | |
| Project | 220 kV Srinagar-Leh Transmission System (SLTS) | |
| Element Description | Equity Investment to pay off the State contribution of 5% project cost to UTs of J&K and Ladakh and expenditure towards procurement of T&Ps and Spares | |
| Region | Northern Region | DOC Date Oct 31, 2019 |

A) Details of All the Asset Covered under the Scope of the Project

| Asset Name | Actual COD of the asset | COD considered for tariff purpose | Effective COD for the project as whole (Refer C) | Weighted Average useful life of the project (Refer D) | (Amount in Rs. Lakh) | |
|------------|-------------------------|-----------------------------------|---|---|--|--|
| | | | | | Lapsed useful Life of the project as on 01.04.2019 (Refer E) | Balance useful Life of the project as on 01.04.2019 (Refer E) |
| | | | | | 0 | 30 |

B) Details as on 01.04.2019 for determination of Single Tariff for the Project Commissioned prior to 01.04.2019

C) Computation of Effective COD for determining lapsed useful life of the project as whole

D) Weighted Average useful Life of the Project-as whole

E) Lapsed Weighted average useful life of the project & Balance weighted average Useful life
 This refers to the No. of completed years from the effective COD till the last day of the previous tariff period (i.e. 31.03.2019)

| | |
|--|--------------|
| 1) Effective COD | |
| 2) Last date of the previous tariff control period | Mar 31, 2019 |
| 3) No of Completed years lapsed as on 01.04.2019 (2) - (1) | 0 |



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4) Remaining useful life (in year) (WAL-lapsed year)

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(Petitioner)

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Financial Package upto COD

Form No. - 6

| | | | |
|-----------------------------------|--|----------|--------------|
| Name of the Transmission Licensee | Power Grid Corporation of India Limited | | |
| Project | 220 kV Srinagar-Leh Transmission System (SLTS) | | |
| Element Description | Equity Investment to pay off the State contribution of 5% project cost to UTs of J&K and Ladakh and expenditure towards procurement of T&Ps and Spares | | |
| Region | Northern Region | DOC Date | Oct 31, 2019 |

(Amount in Rs. Lakh)

| Particulars | Financial Package as Approved | | Financial Package as on COD 01/04/2019 | | As Admitted on COD 01/04/2019 | |
|-------------------|-------------------------------|--------|--|--------|-------------------------------|--------|
| | Currency | Amount | Currency | Amount | Currency | Amount |
| Loans | | 0.00 | | 0.00 | | 0.00 |
| Loan-Domestic | | 0.00 | | 0.00 | | 0.00 |
| Loan-Foreign | | 0.00 | | 0.00 | | 0.00 |
| Total Loans | INR | 0.00 | INR | 0.00 | | 0.00 |
| Equity | | 0.00 | | 0.00 | | 0.00 |
| Foreign | | 0.00 | | 0.00 | | 0.00 |
| Domestic | INR | 0.00 | INR | 0.00 | | 0.00 |
| Total Equity | INR | 0.00 | INR | 0.00 | | 0.00 |
| Debt Equity Ratio | | | | | 0:0 | |
| Total Cost | INR | 0.00 | INR | 0.00 | | 0.00 |

| Particulars | Debt | Equity | Total |
|------------------------|------|--------|-----------|
| Addcap for 2019 - 2020 | | | 0.00 |
| Addcap for 2020 - 2021 | | | 0.00 |
| Addcap for 2021 - 2022 | | | 61.64 |
| Addcap for 2022 - 2023 | | | 10,041.37 |



| | | | | |
|------------------------|--|--|----------|--|
| Addcap for 2023 - 2024 | | | 1,112.73 | |
|------------------------|--|--|----------|--|

| Particulars | Actual | Normative | |
|---------------------------------------|--------|-----------|--|
| Addcap for 2019 - 2020 | | | |
| Equity | | 0.00 | |
| Debt | | 0.00 | |
| Total | | 0.00 | |
| Addcap for 2020 - 2021 | | | |
| Equity | | 0.00 | |
| Debt | | 0.00 | |
| Total | | 0.00 | |
| Addcap for 2021 - 2022 | | | |
| Equity | | 18.49 | |
| Debt | | 43.15 | |
| Total | | 61.64 | |
| Addcap for 2022 - 2023 | | | |
| Equity | | 9,271.81 | |
| Debt | | 769.56 | |
| Total | | 10,041.37 | |
| Addcap for 2023 - 2024 | | | |
| Equity | | 333.82 | |
| Debt | | 778.91 | |
| Total | | 1,112.73 | |
| Total Capital cost with Addcap | | 11,215.74 | |

(Petitioner)



Statement of Additional Capitalisation after COD

Form No. - 7

| | | | |
|-----------------------------------|--|----------|--------------|
| Name of the Transmission Licensee | Power Grid Corporation of India Limited | | |
| Project | 220 kV Srinagar-Leh Transmission System (SLTS) | | |
| Element Description | Equity Investment to pay off the State contribution of 5% project cost to UTs of J&K and Ladakh and expenditure towards procurement of T&Ps and Spares | | |
| Region | Northern Region | DOC Date | Oct 31, 2019 |

(Amount in Rs. Lakh)

| Particulars | Addition into Gross Block as per books of Account during the year (2) | De-Cap into Gross Block as per books of Account during the year | Less: Deductions dr. the year towards | | | | Add: Discharge of earlier admitted liability | ACE on cash basis for tariff purpose | Admitted Cost In final tariff (Rs Lakh) |
|---|---|---|---------------------------------------|---|------------------------------|--|--|--------------------------------------|---|
| | | | Grants Received (if any) (3) | Asset pertaining to other businesses (If any) (4) | Other Deduction (if any) (5) | Less: Undischarged liability included in (2-4-5) | | | |
| ACE for the year :2019-20 (Actual/Projected) | | | | | | | | | |
| Land (Freehold Land) | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Building & Civil Works | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Transmission Lines | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Substations | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Comm. Sys. excluding Fiber Optic | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Land (Leasehold) | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| IT/Software/UNMS/URTDSM/SCADA,etc | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Batteries | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Fiber Optic/OPGW | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Total | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| ACE for the year :2020-21 (Actual/Projected) | | | | | | | | | |



| | | | | | | | | | |
|---|--------------|-------------|-------------|-------------|-------------|-------------|-------------|--------------|-------------|
| Land (Freehold Land) | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Building & Civil Works | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Transmission Lines | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Substations | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Comm. Sys. excluding Fiber Optic | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Land (Leasehold) | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| IT/Software/UNMS/URTDSM/ SCADA,etc | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Batteries | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Fiber Optic/OPGW | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Total | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| ACE for the year :2021-22 (Actual/Projected) | | | | | | | | | |
| Land (Freehold Land) | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Building & Civil Works | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Transmission Lines | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Substations | 61.64 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 61.64 | 0.00 |
| Comm. Sys. excluding Fiber Optic | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Land (Leasehold) | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| IT/Software/UNMS/URTDSM/ SCADA,etc | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Batteries | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Fiber Optic/OPGW | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Total | 61.64 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 61.64 | 0.00 |
| ACE for the year :2022-23 (Actual/Projected) | | | | | | | | | |
| Land (Freehold Land) | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Building & Civil Works | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 569.96 | 569.96 | 0.00 |



| | | | | | | | | | |
|---|-----------------|-------------|-------------|-------------|-------------|-------------|-----------------|------------------|-------------|
| Transmission Lines | 3.16 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 5,531.88 | 5,535.04 | 0.00 |
| Substations | 1,096.20 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 2,337.45 | 3,433.65 | 0.00 |
| Comm. Sys. excluding Fiber Optic | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 471.85 | 471.85 | 0.00 |
| Land (Leasehold) | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| IT/Software/UNMS/URTDSM/SCADA,etc | 0.01 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 20.23 | 20.24 | 0.00 |
| Batteries | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 10.63 | 10.63 | 0.00 |
| Fiber Optic/OPGW | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Total | 1,099.37 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 8,942.00 | 10,041.37 | 0.00 |
| ACE for the year :2023-24 (Actual/Projected) | | | | | | | | | |
| Land (Freehold Land) | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Building & Civil Works | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Transmission Lines | 575.09 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 575.09 | 0.00 |
| Substations | 535.95 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 1.69 | 537.64 | 0.00 |
| Comm. Sys. excluding Fiber Optic | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Land (Leasehold) | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| IT/Software/UNMS/URTDSM/SCADA,etc | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Batteries | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Fiber Optic/OPGW | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Total | 1,111.04 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 1.69 | 1,112.73 | 0.00 |

(Petitioner)



Financing of Additional Capitalisation

Form No. - 7A

| | | | |
|-----------------------------------|--|-----------|--------------|
| Name of the Transmission Licensee | Power Grid Corporation of India Limited | | |
| Project | 220 kV Srinagar-Leh Transmission System (SLTS) | | |
| Element Description | Equity Investment to pay off the State contribution of 5% project cost to UTs of J&K and Ladakh and expenditure towards procurement of T&Ps and Spares | | |
| Region | Northern Region | DOCO Date | Oct 31, 2019 |

(Amount in Rs. Lakh)

| Financial Year (Starting of COD) | Actual/Projected | | | | | Admitted | | | |
|---------------------------------------|------------------|---------|---------|-----------|----------|----------|---------|---------|---------|
| | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | 2020-21 | 2021-22 | 2022-23 | 2023-24 |
| Amount capitalized in Work/ Equipment | 0.00 | 0.00 | 43.15 | 769.56 | 778.91 | | | | |
| Financing Details | | | | | | | | | |
| Total Loan | | | | | | | | | |
| Equity | 0.00 | 0.00 | 18.49 | 9,271.81 | 333.82 | | | | |
| Total | 0.00 | 0.00 | 61.64 | 10,041.37 | 1,112.73 | | | | |



(Petitioner)

Calculation of ROE

Form No. - 8

| | | | |
|-----------------------------------|--|-----------|--------------|
| Name of the Transmission Licensee | Power Grid Corporation of India Limited | | |
| Project | 220 kV Srinagar-Leh Transmission System (SLTS) | | |
| Element Description | Equity Investment to pay off the State contribution of 5% project cost to UTs of J&K and Ladakh and expenditure towards procurement of T&Ps and Spares | | |
| Region | Northern Region | DOCO Date | Oct 31, 2019 |

| Particulars | (Amount in Rs. Lakh) | | | | |
|--|----------------------|---------|---------|----------|----------|
| | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 |
| No. of Days in the year | 366.00 | 365.00 | 365.00 | 365.00 | 366.00 |
| No. of days for which tariff claimed | 153.00 | 365.00 | 365.00 | 365.00 | 366.00 |
| Opening Normative Equity | 0.00 | 0.00 | 0.00 | 18.49 | 9,290.30 |
| Less: Adjustment in Equity* | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Adjustment during the year | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Net opening equity (Normal) | 0.00 | 0.00 | 0.00 | 18.49 | 9,290.30 |
| Add: Increase in Equity due to addition during the year / period | 0.00 | 0.00 | 18.49 | 1,015.12 | 333.31 |
| Less: Decrease due to de-capitalisation during the year / period | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Add: Increase due to discharge during the year / period | 0.00 | 0.00 | 0.00 | 8,256.69 | 0.51 |
| Closing Normative Equity | 0.00 | 0.00 | 18.49 | 9,290.30 | 9,624.12 |
| Average Normative Equity | 0.00 | 0.00 | 9.25 | 4,654.40 | 9,457.21 |
| Rate of return on Equity (%) | 18.782 | 18.782 | 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 | 0.00 | 0.00 |
| Effective rate of ROE | 15.50 | 15.50 | 15.50 | 15.50 | 15.50 |
| MAT/Corporate Rate | 17.472 | 17.472 | 17.472 | 17.472 | 17.472 |
| Grossed up rate of ROE | 18.782 | 18.782 | 18.782 | 18.782 | 18.782 |
| Return on Equity | 0.00 | 0.00 | 1.74 | 874.19 | 1,776.25 |
| Pro rata return on Equity | 0.00 | 0.00 | 1.74 | 874.19 | 1,776.25 |



Calculation of WAR of interest on actual loan

Form No. - 9C

| | | | |
|-----------------------------------|--|------------|--------------|
| Name of the Transmission Licensee | Power Grid Corporation of India Limited | | |
| Project | 220 kV Srinagar-Leh Transmission System (SLTS) | | |
| Element Description | Equity Investment to pay off the State contribution of 5% project cost to UTs of J&K and Ladakh and expenditure towards procurement of T&Ps and Spares | | |
| Region | Northern Region | DOCOC Date | Oct 31, 2019 |

(Amount in Rs. Lakh)

| Particulars | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 |
|---|----------|----------|---------|----------|----------|
| SBI-04 -ADD CAP 2022-23 | | | | | |
| Gross Loan- Opening | 0.00 | 0.00 | 0.00 | 0.00 | 759.63 |
| Cumulative repayments of Loans upto previous year | 0.00 | 0.00 | 0.00 | 71.71 | 71.71 |
| Net loan-Opening | 0.00 | 0.00 | 0.00 | 0.00 | 687.92 |
| Add: Drawl(s) during the year | 0.00 | 0.00 | 0.00 | 759.63 | 0.00 |
| Less: Repayment(s) of loan during the year | 0.00 | 0.00 | 0.00 | 0.00 | 75.96 |
| Net Loan-Closing | 0.00 | 0.00 | 0.00 | 759.63 | 611.96 |
| Average Net Loan | 0.00 | 0.00 | 0.00 | 379.82 | 649.94 |
| Rate of Interest on Loan on Annual Basis | 7.799673 | 6.902593 | 6.65 | 7.225616 | 8.126549 |
| Interest on loan | 0.00 | 0.00 | 0.00 | 27.4443 | 52.8177 |

| | | | | | |
|---|------|------|------|------|--------|
| SBI-04 -ADD CAP 2023-24 | | | | | |
| Gross Loan- Opening | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Cumulative repayments of Loans upto previous year | 0.00 | 0.00 | 0.00 | 0.00 | 64.06 |
| 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 | 678.65 |
| Less: Repayment(s) of loan during the year | 0.00 | 0.00 | 0.00 | 0.00 | 67.87 |
| Net Loan-Closing | 0.00 | 0.00 | 0.00 | 0.00 | 610.78 |



| | | | | | |
|--|----------|----------|------|----------|----------|
| Average Net Loan | 0.00 | 0.00 | 0.00 | 0.00 | 305.39 |
| Rate of Interest on Loan on Annual Basis | 7.799673 | 6.902593 | 6.65 | 7.225616 | 8.126549 |
| Interest on loan | 0.00 | 0.00 | 0.00 | 0.00 | 24.8177 |

HDFC (Rs.5000 Cr.) -ADD CAP 2022-23

| | | | | | |
|---|------|------|------|----------|--------|
| Gross Loan- Opening | 0.00 | 0.00 | 0.00 | 0.00 | 0.78 |
| Cumulative repayments of Loans upto previous year | 0.00 | 0.00 | 0.00 | 0.39 | 0.39 |
| Net loan-Opening | 0.00 | 0.00 | 0.00 | 0.00 | 0.39 |
| Add: Drawl(s) during the year | 0.00 | 0.00 | 0.00 | 0.78 | 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 | 0.78 | 0.39 |
| Average Net Loan | 0.00 | 0.00 | 0.00 | 0.39 | 0.39 |
| Rate of Interest on Loan on Annual Basis | 0.00 | 5.95 | 5.95 | 7.315205 | 8.10 |
| Interest on loan | 0.00 | 0.00 | 0.00 | 0.0285 | 0.0316 |

HDFC (Rs.5000 Cr.) -ADDCAP LOAN

| | | | | | |
|---|------|------|--------|----------|--------|
| Gross Loan- Opening | 0.00 | 0.00 | 0.00 | 46.09 | 46.09 |
| Cumulative repayments of Loans upto previous year | 0.00 | 0.00 | 0.00 | 23.29 | 23.29 |
| Net loan-Opening | 0.00 | 0.00 | 0.00 | 22.80 | 22.80 |
| Add: Drawl(s) during the year | 0.00 | 0.00 | 46.09 | 0.00 | 0.00 |
| Less: Repayment(s) of loan during the year | 0.00 | 0.00 | 23.29 | 0.00 | 0.00 |
| Net Loan-Closing | 0.00 | 0.00 | 22.80 | 22.80 | 22.80 |
| Average Net Loan | 0.00 | 0.00 | 11.40 | 22.80 | 22.80 |
| Rate of Interest on Loan on Annual Basis | 0.00 | 5.95 | 5.95 | 7.315205 | 8.10 |
| Interest on loan | 0.00 | 0.00 | 0.6783 | 1.6679 | 1.8468 |



| Canara-01 -ADD CAP 2022-23 | | | | | |
|---|------|------|------|----------|--------|
| Gross Loan- Opening | 0.00 | 0.00 | 0.00 | 0.00 | 17.33 |
| Cumulative repayments of Loans upto previous year | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Net loan-Opening | 0.00 | 0.00 | 0.00 | 0.00 | 17.33 |
| Add: Drawl(s) during the year | 0.00 | 0.00 | 0.00 | 17.33 | 0.00 |
| Less: Repayment(s) of loan during the year | 0.00 | 0.00 | 0.00 | 0.00 | 1.73 |
| Net Loan-Closing | 0.00 | 0.00 | 0.00 | 17.33 | 15.60 |
| Average Net Loan | 0.00 | 0.00 | 0.00 | 8.67 | 16.47 |
| Rate of Interest on Loan on Annual Basis | 0.00 | 0.00 | 0.00 | 7.634924 | 8.15 |
| Interest on loan | 0.00 | 0.00 | 0.00 | 0.6619 | 1.3423 |

| Bond LXXV (75) -ADD CAP 2023-24 | | | | | |
|---|------|------|------|------|--------|
| Gross Loan- Opening | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Cumulative repayments of Loans upto previous year | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 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 | 125.08 |
| 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 | 125.08 |
| Average Net Loan | 0.00 | 0.00 | 0.00 | 0.00 | 62.54 |
| Rate of Interest on Loan on Annual Basis | 7.65 | 7.65 | 7.65 | 7.65 | 7.65 |
| Interest on loan | 0.00 | 0.00 | 0.00 | 0.00 | 4.7843 |

Summary

| | | | | | |
|---|------|------|------|-------|--------|
| Gross Loan- Opening | 0.00 | 0.00 | 0.00 | 46.09 | 823.83 |
| Cumulative repayments of Loans upto previous year | 0.00 | 0.00 | 0.00 | 95.39 | 159.45 |



| | | | | | |
|--|------|------|--------|---------|----------|
| Net loan-Opening | 0.00 | 0.00 | 0.00 | 22.80 | 728.44 |
| Add: Drawl(s) during the year | 0.00 | 0.00 | 46.09 | 777.74 | 803.73 |
| Less: Repayment(s) of loan during the year | 0.00 | 0.00 | 23.29 | 0.00 | 145.56 |
| Net Loan-Closing | 0.00 | 0.00 | 22.80 | 800.54 | 1,386.61 |
| Average Net Loan | 0.00 | 0.00 | 11.40 | 411.68 | 1,057.53 |
| Rate of Interest on Loan on Annual Basis | 0.00 | 0.00 | 5.95 | 7.2393 | 8.0982 |
| Interest on loan | 0.00 | 0.00 | 0.6783 | 29.8026 | 85.6404 |

(Petitioner)



Calculation of interest on Normative loan

Form No. - 9E

| | | | |
|-----------------------------------|--|-----------|--------------|
| Name of the Transmission Licensee | Power Grid Corporation of India Limited | | |
| Project | 220 kV Srinagar-Leh Transmission System (SLTS) | | |
| Element Description | Equity Investment to pay off the State contribution of 5% project cost to UTs of J&K and Ladakh and expenditure towards procurement of T&Ps and Spares | | |
| Region | Northern Region | DOCO Date | Oct 31, 2019 |

(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 | 365.00 | 366.00 |
| No. of days for which Tariff claimed | 153.00 | 365.00 | 365.00 | 365.00 | 366.00 |
| Gross normative loan-Opening | 0.00 | 0.00 | 0.00 | 43.15 | 812.71 |
| Cumulative repayments of Normative loan upto previous year | 0.00 | 0.00 | 0.00 | 1.63 | 267.91 |
| Net normative loan-Opening | 0.00 | 0.00 | 0.00 | 41.52 | 544.80 |
| Addition in normative loan towards the ACE | 0.00 | 0.00 | 43.15 | 769.56 | 778.91 |
| Adjustment of normative gross loan pertaining to the decapitalised asset | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Normative repayments of normative loan during the year | 0.00 | 0.00 | 1.63 | 266.28 | 558.69 |
| Adjustment of cumulative repayment pertaining to the decapitalised asset | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Net normative loan - closing | 0.00 | 0.00 | 41.52 | 544.80 | 765.02 |
| Average normative loan | 0.00 | 0.00 | 20.76 | 293.16 | 654.91 |
| Weighted Average Rate of interest on actual loan | 0.00 | 0.00 | 5.95 | 7.2393 | 8.0982 |
| Interest on normative loan | 0.00 | 0.00 | 1.24 | 21.22 | 53.04 |
| Pro rata interest on normative loan | 0.00 | 0.00 | 1.24 | 21.22 | 53.04 |

(Petitioner)



Calculation of Depreciation Rate on Original Project Cost

Form No. - 10

| | | | |
|-----------------------------------|--|----------|--------------|
| Name of the Transmission Licensee | Power Grid Corporation of India Limited | | |
| Project | 220 kV Srinagar-Leh Transmission System (SLTS) | | |
| Element Description | Equity Investment to pay off the State contribution of 5% project cost to UTs of J&K and Ladakh and expenditure towards procurement of T&Ps and Spares | | |
| Region | Northern Region | DOC Date | Oct 31, 2019 |

(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 |
|---|--|-------------------------|------------------------------------|---------------------|--|---|
| 2019-20 | | | | | | |
| 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 | 0.00 | 0.00 | 0.00 | 0.00 | 5.28 | 0.00 |
| 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 |
| TOTAL | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Weighted Average Rate of Depreciation(%) | | | | | 0.00 | |

| | | | | | | |
|----------------|------|------|------|------|------|------|
| 2020-21 | | | | | | |
| 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 | 0.00 | 0.00 | 0.00 | 0.00 | 5.28 | 0.00 |
| 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 |
| TOTAL | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Weighted Average Rate of Depreciation(%) | | | | | 0.00 | |

| 2021-22 | | | | | | |
|---|------|-------|-------|-------|----------|------|
| 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 | 0.00 | 61.64 | 61.64 | 30.82 | 5.28 | 1.63 |
| 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 |
| TOTAL | 0.00 | 61.64 | 61.64 | 30.82 | 0.00 | 1.63 |
| Weighted Average Rate of Depreciation(%) | | | | | 5.288774 | |



| 2022-23 | | | | | | |
|---|--------------|------------------|------------------|-----------------|-----------------|---------------|
| Land(Freehold) | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Civil & Building | 0.00 | 569.96 | 569.96 | 284.98 | 3.34 | 9.52 |
| Transmission Line | 0.00 | 5,535.04 | 5,535.04 | 2,767.52 | 5.28 | 146.13 |
| Sub Station | 61.64 | 3,433.65 | 3,495.29 | 1,778.47 | 5.28 | 93.90 |
| Comm. Sys. excluding Fiber Optic | 0.00 | 471.85 | 471.85 | 235.93 | 6.33 | 14.93 |
| Leasehold Land | 0.00 | 0.00 | 0.00 | 0.00 | 3.34 | 0.00 |
| IT/Software/UNMS/URTDSM/SCADA,etc | 0.00 | 20.24 | 20.24 | 10.12 | 15.00 | 1.52 |
| Batteries | 0.00 | 10.63 | 10.63 | 5.32 | 5.28 | 0.28 |
| Fiber Optic/OPGW | 0.00 | 0.00 | 0.00 | 0.00 | 6.33 | 0.00 |
| TOTAL | 61.64 | 10,041.37 | 10,103.01 | 5,082.34 | 0.00 | 266.28 |
| Weighted Average Rate of Depreciation(%) | | | | | 5.239319 | |

| 2023-24 | | | | | | |
|-----------------------------------|------------------|-----------------|------------------|------------------|-------------|---------------|
| Land(Freehold) | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Civil & Building | 569.96 | 0.00 | 569.96 | 569.96 | 3.34 | 19.04 |
| Transmission Line | 5,535.04 | 575.09 | 6,110.13 | 5,822.59 | 5.28 | 307.43 |
| Sub Station | 3,495.29 | 537.64 | 4,032.93 | 3,764.11 | 5.28 | 198.75 |
| Comm. Sys. excluding Fiber Optic | 471.85 | 0.00 | 471.85 | 471.85 | 6.33 | 29.87 |
| Leasehold Land | 0.00 | 0.00 | 0.00 | 0.00 | 3.34 | 0.00 |
| IT/Software/UNMS/URTDSM/SCADA,etc | 20.24 | 0.00 | 20.24 | 20.24 | 15.00 | 3.04 |
| Batteries | 10.63 | 0.00 | 10.63 | 10.63 | 5.28 | 0.56 |
| Fiber Optic/OPGW | 0.00 | 0.00 | 0.00 | 0.00 | 6.33 | 0.00 |
| TOTAL | 10,103.01 | 1,112.73 | 11,215.74 | 10,659.38 | 0.00 | 558.69 |



| | | | | | | |
|--|--|--|--|--|----------|--|
| Weighted Average Rate of Depreciation(%) | | | | | 5.241299 | |
|--|--|--|--|--|----------|--|

(Petitioner)



Statement of Depreciation

Form No. - 10A

| | | | |
|-----------------------------------|--|----------|--------------|
| Name of the Transmission Licensee | Power Grid Corporation of India Limited | | |
| Project | 220 kV Srinagar-Leh Transmission System (SLTS) | | |
| Element Description | Equity Investment to pay off the State contribution of 5% project cost to UTs of J&K and Ladakh and expenditure towards procurement of T&Ps and Spares | | |
| Region | Northern Region | DOC Date | Oct 31, 2019 |

(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 | 365.00 | 366.00 |
| No of days for which tariff claimed | 153.00 | 365.00 | 365.00 | 365.00 | 366.00 |
| Life at the beginning of the year | | | | | |
| 1.1 Weighted Average useful life of the Asset/ Project | 30.00 | 30.00 | 30.00 | 30.00 | 30.00 |
| 1.2 Lapsed Weighted Average useful life of the Asset/Project(in completed no. of year) | 0.00 | 0.00 | 1.00 | 2.00 | 3.00 |
| 1.3 Balance Weighted Average useful life of the Asset/Project(in completed no. of year) | 30.00 | 30.00 | 29.00 | 28.00 | 27.00 |
| Capital Base | | | | | |
| 1.4 Opening capital cost | 0.00 | 0.00 | 0.00 | 61.64 | 10,103.01 |
| 1.5 Additional Capital Expenditure dr. the year | 0.00 | 0.00 | 61.64 | 10,041.37 | 1,112.73 |
| 1.6 De-Capitalisation During the year | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 1.7 Closing capital cost | 0.00 | 0.00 | 61.64 | 10,103.01 | 11,215.74 |
| 1.8 Average capital cost | 0.00 | 0.00 | 30.82 | 5,082.34 | 10,659.38 |
| 1.9 Freehold land included in 1.8 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 1.10 Asset having NIL salvage value included in 1.8 | 0.00 | 0.00 | 0.00 | 10.12 | 20.24 |
| 1.11 Asset having 10% salvage value included in 1.8 | 0.00 | 0.00 | 30.82 | 5,072.22 | 10,639.14 |
| 1.12 Depreciable Value(1.10+90% of 1.11) | 0.00 | 0.00 | 27.74 | 4,575.12 | 9,595.47 |
| Depreciation for the period and Cum. Depreciation | | | | | |
| 1.13 Weighted Average Rate of depreciation | 0.00 | 0.00 | 5.288774 | 5.239319 | 5.241299 |



| | | | | | |
|---|------|------|------|--------|--------|
| 1.14 Depreciation(for the period) | 0.00 | 0.00 | 1.63 | 266.28 | 558.69 |
| 1.15 Depreciation(Annualised) | 0.00 | 0.00 | 1.63 | 266.28 | 558.69 |
| Unrecovered Depreciation for DECAP | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 1.16 Cumulative depreciation at the beginning of the period | 0.00 | 0.00 | 0.00 | 1.63 | 267.91 |
| 1.17 Less:Adj of Cum. Dep pertaining to decapitalised Asset | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 1.18 Cumulative depreciation at the end of the period | 0.00 | 0.00 | 1.63 | 267.91 | 826.60 |

(Petitioner)



Calculation of interest on working Capital

Form No. - 11

| | | | |
|-----------------------------------|--|----------|--------------|
| Name of the Transmission Licensee | Power Grid Corporation of India Limited | | |
| Project | 220 kV Srinagar-Leh Transmission System (SLTS) | | |
| Element Description | Equity Investment to pay off the State contribution of 5% project cost to UTs of J&K and Ladakh and expenditure towards procurement of T&Ps and Spares | | |
| Region | Northern Region | DOC Date | Oct 31, 2019 |

| Particulars | (Amount in Rs. Lakh) | | | | |
|---|----------------------|---------|---------|---------|---------|
| | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 |
| No of Days in the year | 366.00 | 365.00 | 365.00 | 365.00 | 366.00 |
| No of days for which tariff claimed | 153.00 | 365.00 | 365.00 | 365.00 | 366.00 |
| O&M Expenses-one month | 51.12 | 52.90 | 54.79 | 56.68 | 58.69 |
| Maintenance spares 15% of O&M Expenses | 92.02 | 95.22 | 98.62 | 102.03 | 105.65 |
| Receivables equivalent to 45 days of AFC | 78.71 | 81.44 | 84.71 | 232.14 | 388.36 |
| Total Working capital | 221.85 | 229.56 | 238.12 | 390.85 | 552.70 |
| 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 | 10.50 | 12.00 |
| Interest on working capital | 26.73 | 25.83 | 25.00 | 41.04 | 66.32 |
| Pro rata interest on working capital | 11.17 | 25.83 | 25.00 | 41.04 | 66.32 |

(Petitioner)



Summary of Tariff

Form No. - 1

| | | | |
|------------------------------------|--|----------|--------------|
| Name of the Transmission Licensee: | Power Grid Corporation of India Limited | | |
| Project | 220 kV Srinagar-Leh Transmission System (SLTS) | | |
| Element Description | Equity Investment to pay off the State contribution of 5% project cost to UTs of J&K and Ladakh and expenditure towards procurement of T&Ps and Spares | | |
| Region | Northern Region | DOC Date | Oct 31, 2019 |

(Amount in Rs. Lakh)

| Particulars | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 |
|------------------------------------|----------|----------|----------|----------|----------|
| Year Days | 365.00 | 365.00 | 365.00 | 366.00 | 365.00 |
| Tariff Days | 365.00 | 365.00 | 365.00 | 366.00 | 365.00 |
| Depreciation-Form No. 10A | 663.03 | 715.23 | 733.81 | 733.81 | 733.81 |
| Interest on Loan-Form No. 9E | 81.68 | 96.28 | 61.65 | 15.88 | 0.00 |
| Return on Equity-Form No. 8 | 1,853.43 | 1,923.35 | 1,947.45 | 1,947.45 | 1,947.45 |
| Int. on Working capital-Form No.11 | 64.23 | 67.61 | 69.13 | 69.80 | 71.27 |
| Op. and maintenance-Form No.2 | 593.10 | 624.28 | 656.77 | 691.42 | 727.75 |
| Total AFC | 3,255.47 | 3,426.75 | 3,468.81 | 3,458.36 | 3,480.28 |

(Petitioner)



Summary of Asset Level Cost

Form No. - 1A

| | | |
|-----------------------------------|--|-------------------------|
| Name of the Transmission Licensee | Power Grid Corporation of India Limited | |
| Project | 220 kV Srinagar-Leh Transmission System (SLTS) | |
| Element Description | Equity Investment to pay off the State contribution of 5% project cost to UTs of J&K and Ladakh and expenditure towards procurement of T&Ps and Spares | |
| Region | Northern Region | DOC Date Oct 31, 2019 |

A) Summary of Capital Cost, Means of Finance of the Asset

(Amount in Rs. Lakh)

| Particular | i) Apportioned Approved Cost | | ii) Summary of Actual / Projected Capital Expenditure incurred | | | | | | |
|--|------------------------------|------------|--|----------|---------|---------|---------|---------|------------------|
| | As Per IA | As per RCE | As on COD / 01.04.2024 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | As on 31.03.2029 |
| Land (Freehold Land) | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Building & Civil Works | 0.00 | 0.00 | 981.96 | 961.79 | 0.20 | 0.00 | 0.00 | 0.00 | 1,943.95 |
| Transmission Lines | 0.00 | 0.00 | 6,153.72 | 181.40 | 80.58 | 0.00 | 0.00 | 0.00 | 6,415.70 |
| Substations | 0.00 | 0.00 | 4,470.92 | 415.73 | 0.00 | 0.00 | 0.00 | 0.00 | 4,886.65 |
| Comm. Sys. excluding Fiber Optic | 0.00 | 0.00 | 471.85 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 471.85 |
| Land (Leasehold) | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| IT/Software/UNMS/URTDMS/ | 0.00 | 0.00 | 20.24 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 20.24 |
| Batteries | 0.00 | 0.00 | 10.63 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 10.63 |
| Fiber Optic/OPGW | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Total Capital Cost as per Books | 0.00 | 0.00 | 12,109.32 | 1,558.92 | 80.78 | 0.00 | 0.00 | 0.00 | 13,749.02 |
| Less: Liability | 0.00 | 0.00 | 842.22 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Add: discharge of liability | 0.00 | 0.00 | 0.00 | 67.63 | 774.59 | 0.00 | 0.00 | 0.00 | 0.00 |
| De cap During Year As per Books | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Total Capital incurred | 0.00 | 0.00 | 11,215.74 | 1,626.55 | 855.37 | 0.00 | 0.00 | 0.00 | 13,697.66 |
| Equity | 10,592.00 | 0.00 | 9,624.12 | 487.96 | 256.61 | 0.00 | 0.00 | 0.00 | 10,368.69 |
| Debt | 3,850.00 | 0.00 | 1,591.62 | 1,138.59 | 598.76 | 0.00 | 0.00 | 0.00 | 3,328.97 |

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| | | | |
|-----------------------------------|--|---|--------------|
| Name of the Transmission Licensee | | Power Grid Corporation of India Limited | |
| Project | 220 kV Srinagar-Leh Transmission System (SLTS). | | |
| Element Description | Equity Investment to pay off the State contribution of 5% project cost to UTs of J&K and Ladakh and expenditure towards procurement of T&Ps and Spares | | |
| Region | Northern Region | DOCO Date | Oct 31, 2019 |

1. Transmission Lines

(Amount in Rs. Lakh)

| Name of Line | Type of Line AC/HVDC | S/C or D/C | No of Sub-Conductors | Voltage Level KV | Line Bays | Line Reactor (Including Switchable Reactor) | Line Length Km | Date of Commercial operation | Covered in the present petition | |
|---|----------------------|------------|----------------------|------------------|-----------|---|----------------|------------------------------|---------------------------------|---------------------|
| | | | | | | | | | Yes/No | If No, Petition No. |
| 220 KV ALSTUNG-DRASS | AC | SC | 1 | 220 KV | 0.000 | 0.000 | 115.800 | Oct 31, 2019 | Y | |
| 220 KV DRASS KARGIL | AC | SC | 1 | 220 KV | 0.000 | 0.000 | 61.000 | Oct 31, 2019 | Y | |
| 220 KV KARGIL-KHALSTI (NAMKILA TO KHALSTI) | AC | SC | 1 | 220 KV | 0.000 | 0.000 | 96.710 | Oct 31, 2019 | Y | |
| 220 KV KHALSTI-PHYANG (LEH) TL | AC | SC | 1 | 220 KV | 0.000 | 0.000 | 61.500 | Oct 31, 2019 | Y | |
| LILO OF 66 KV CHUTAK KARGIL & SHARGOLE KARGIL | AC | DC | 1 | 132 KV | 0.000 | 0.000 | 0.202 | Oct 31, 2019 | Y | |
| 66 KV LILO OF LEH KHARU TL | AC | DC | 1 | 132 KV | 0.000 | 0.000 | 16.110 | Oct 31, 2019 | Y | |

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| | Type of | S/C or | No of Sub- | Voltage | Line | Line Reactor | Line | Date of | Covered in the present petition |
|---|---------|--------|------------|---------|-------|--------------|-------|--------------|---------------------------------|
| | | | | | | | | | |
| 66 KV LILO OF LEH NIMOO TL | AC | DC | 1 | 132 KV | 0.000 | 0.000 | 2.210 | Oct 31, 2019 | Y |
| 220 KV S/C UNDERGROUND CABLE- 220KV ALSTANG DRASS (BETWEEN GAGANGIR-SHITKARI) | AC | MC | 2 | 220 KV | 0.000 | 0.000 | 6.200 | Oct 31, 2019 | Y |

Summary:

| O&M Expenses For the Transmission Lines Covered in the instant petition | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 |
|---|---------|---------|---------|---------|---------|
|---|---------|---------|---------|---------|---------|

SINGLE CIRCUIT (SINGLE CONDUCTOR)

| | | | | | |
|---|--------|--------|--------|--------|--------|
| Normative Rate of O&M as per Regulation | 0.246 | 0.259 | 0.272 | 0.287 | 0.302 |
| No. of Units - (Length in KM) | 335.01 | 335.01 | 335.01 | 335.01 | 335.01 |
| O&M Claimed | 82.42 | 86.77 | 91.13 | 96.15 | 101.17 |

DOUBLE CIRCUIT (SINGLE CONDUCTOR)

| | | | | | |
|---|--------|--------|--------|--------|--------|
| Normative Rate of O&M as per Regulation | 0.369 | 0.388 | 0.409 | 0.43 | 0.453 |
| No. of Units - (Length in KM) | 18.522 | 18.522 | 18.522 | 18.522 | 18.522 |
| O&M Claimed | 6.83 | 7.19 | 7.57 | 7.97 | 8.39 |

MULTICIRCUIT WITH TWO CONDUCTORS

| | | | | | |
|---|-------|-------|-------|-------|-------|
| Normative Rate of O&M as per Regulation | 1.509 | 1.588 | 1.671 | 1.759 | 1.851 |
| No. of Units - (Length in KM) | 6.20 | 6.20 | 6.20 | 6.20 | 6.20 |



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| | | | | | |
|-------------|------|------|-------|-------|-------|
| O&M Claimed | 9.36 | 9.85 | 10.36 | 10.91 | 11.48 |
|-------------|------|------|-------|-------|-------|

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2. Sub Station

| Name of Sub-station | Type of Substation | Voltage Level KV | No. of Transfor ms/ 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 | | | |
| :GIS BAYS AT DRASS | • GIS | 220 KV | | 3.000 | | | | | | | | | Oct 31, 2019 | Y |
| KHALSTI:GIS BAYS AT KARGIL | | 220 KV | | 5.000 | | | | | | | | | Oct 31, 2019 | Y |
| KHALSTI:GIS BAYS AT KHALSTI | GIS | 220 KV | | 3.000 | | | | | | | | | Oct 31, 2019 | Y |
| :GIS BAYS AT LEH | GIS | 220 KV | | 4.000 | | | | | | | | | Oct 31, 2019 | Y |
| :GIS BAYS AT DRASS | GIS | 132 KV | | | | | 2.000 | | | | | | Oct 31, 2019 | Y |
| KARGIL:GIS BAYS AT KARGIL | • GIS | 132 KV | | | | | 6.000 | | | | | | Oct 31, 2019 | Y |
| KHALSTI:GIS BAYS AT KHALSTI | GIS | 132 KV | | | | | 2.000 | | | | | | Oct 31, 2019 | Y |
| :GIS BAYS AT LEH | GIS | 132 KV | | | | | 6.000 | | | | | | Oct 31, 2019 | Y |
| 220/132 KV ICT 1 AT DRASS | GIS | 220 KV | 1.000 | | | | | | | | | | Oct 31, 2019 | Y |

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| | | | | | | | | | | | | | | |
|------------------------------|-----|--------|-------|--|--|--|--|--|-------|--|--|--------|--------------|---|
| :220/ 66 KV ICT 1 AT KARGIL | GIS | 220 KV | 1,000 | | | | | | | | | 50,000 | Oct 31, 2019 | Y |
| :220/ 66 KV ICT 2 AT KARGIL | GIS | 220 KV | 1,000 | | | | | | | | | 50,000 | Oct 31, 2019 | Y |
| :220/ 66 KV ICT 1 AT KHALSTI | GIS | 220 KV | 1,000 | | | | | | | | | 50,000 | Oct 31, 2019 | Y |
| :220/ 66 KV ICT 1 AT LEH | GIS | 220 KV | 1,000 | | | | | | | | | 50,000 | Oct 31, 2019 | Y |
| :220/ 66 KV ICT 2 AT LEH | GIS | 220 KV | 1,000 | | | | | | | | | 50,000 | Oct 31, 2019 | Y |
| KHALSTI:KHALSTI SEB BAY | GIS | 132 KV | | | | | | | 1,000 | | | | Oct 31, 2019 | Y |
| :DRASS SEB BAY | GIS | 132 KV | | | | | | | 1,000 | | | | Oct 31, 2019 | Y |

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Summary:

| O&M Expenses For Substations Covered in the instant petition | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 |
|--|---------|---------|---------|---------|---------|
| 220 kV GIS Substation | | | | | |
| Normative Rate of O&M as per Regulation | 14.469 | 15.225 | 16.03 | 16.87 | 17.752 |
| No. of Units | 15.00 | 15.00 | 15.00 | 15.00 | 15.00 |
| O&M Claimed | 217.05 | 228.39 | 240.45 | 253.05 | 266.29 |
| 132 kV and below GIS Substation | | | | | |
| Normative Rate of O&M as per Regulation | 11.046 | 11.627 | 12.236 | 12.88 | 13.545 |



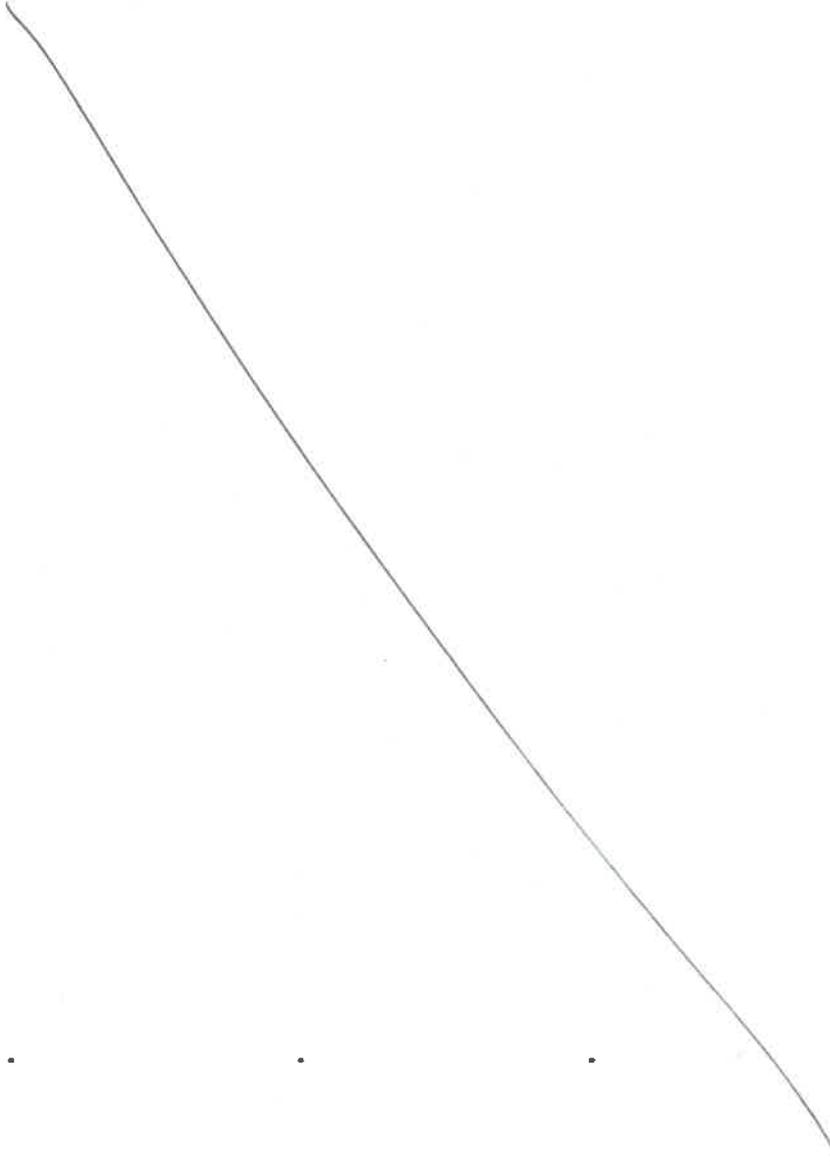
| | | | | | | |
|---|--------|--------|--------|--------|--------|-------|
| No. of Units | 18.00 | 18.00 | 18.00 | 18.00 | 18.00 | 18.00 |
| O&M Claimed | 198.84 | 209.28 | 220.26 | 231.84 | 243.82 | |
| 220KV SUB-STATION ICT | | | | | | |
| Normative Rate of O&M as per Regulation | 0.262 | 0.276 | 0.29 | 0.305 | 0.322 | |
| No. of Units | 6.00 | 6.00 | 6.00 | 6.00 | 6.00 | |
| O&M Claimed | 78.60 | 82.80 | 87.00 | 91.50 | 96.60 | |

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3. Communication System

Summary:



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Summary of O&M Expenses claim

(Amount in Rs. Lakh)

| Particular | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 |
|---|---------------|---------------|---------------|---------------|---------------|
| A) Normative O&M | | | | | |
| Transmission Line | 98.61 | 103.81 | 109.06 | 115.03 | 121.04 |
| Substation | 494.49 | 520.47 | 547.71 | 576.39 | 606.71 |
| Communication System | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Total Normative O&M | 593.10 | 624.28 | 656.77 | 691.42 | 727.75 |
| B) O&M Claimed under Regulation 35 (3)(C) (* The same is not being claimed and will be claimed through separate Petition) | | | | | |
| *Security Expenses | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| *Actual Capital Spare consumed | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| *Insurance Premium Paid | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Total O&M | 593.10 | 624.28 | 656.77 | 691.42 | 727.75 |

(Petitioner)



Normative parameters considered for tariff computations

Form No. - 3

| | | | |
|-----------------------------------|--|------------|--------------|
| Name of the Transmission Licensee | Power Grid Corporation of India Limited | | |
| Project | 220 kV Srinagar-Leh Transmission System (SLTS) | | |
| Element Description | Equity Investment to pay off the State contribution of 5% project cost to UTs of J&K and Ladakh and expenditure towards procurement of T&Ps and Spares | | |
| Region | Northern Region | DOCOC Date | Oct 31, 2019 |

(Amount in Rs. Lakh)

| Particulars | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 |
|---|---------|---------|---------|---------|---------|---------|
| Base Rate of Return of Equity (in %) | | | | | | |
| Tax Rate (in %) | 17.472 | 17.472 | 17.472 | 17.472 | 17.472 | 17.472 |
| Effective tax rate (in %) | | | | | | |
| Grossed up Rate for ROE of 15.5% (in %) | 18.782 | 18.782 | 18.782 | 18.782 | 18.782 | 18.782 |
| Grossed up Rate for ROE of 15.0% (in %) | 18.176 | 18.176 | 18.176 | 18.176 | 18.176 | 18.176 |
| 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 |
| Norms for sub-station Bays (Rs Lakh per bay) | | | | | | |
| 765 kV | 51.68 | 41.34 | 43.51 | 45.79 | 48.20 | 50.73 |
| 400 kV | 36.91 | 29.53 | 31.08 | 32.71 | 34.43 | 36.23 |
| 220 kV | 25.84 | 20.67 | 21.75 | 22.90 | 24.10 | 25.36 |
| 132 kV and below | 18.46 | 15.78 | 16.61 | 17.48 | 18.40 | 19.35 |
| Norms for Transformers (Rs Lakh per MVA) | | | | | | |
| 765 kV | 0.564 | 0.262 | 0.276 | 0.29 | 0.305 | 0.322 |
| 400 kV | 0.411 | 0.262 | 0.276 | 0.29 | 0.305 | 0.322 |
| 220 kV | 0.282 | 0.262 | 0.276 | 0.29 | 0.305 | 0.322 |
| 132 kV and below | 0.282 | 0.262 | 0.276 | 0.29 | 0.305 | 0.322 |
| Norms for Reactor (Rs Lakh per MVAR) | | | | | | |
| 765 kV | 0.00 | 0.262 | 0.276 | 0.29 | 0.305 | 0.322 |
| 400 kV | 0.00 | 0.262 | 0.276 | 0.29 | 0.305 | 0.322 |



| | | | | | | |
|---|-------|-------|-------|-------|-------|-------|
| 220 kV | 0.00 | 0.262 | 0.276 | 0.29 | 0.305 | 0.322 |
| 132 kV and below | 0.00 | 0.262 | 0.276 | 0.29 | 0.305 | 0.322 |
| Norms for AC and HVDC lines (Rs Lakh per km) | | | | | | |
| Single Circuit (Bundled Conductor with six or more sub-conductors) | 1.011 | 0.861 | 0.906 | 0.953 | 1.003 | 1.056 |
| Single Circuit (Bundled conductor with four sub-conductors) | 0.867 | 0.738 | 0.776 | 0.817 | 0.86 | 0.905 |
| Single Circuit (Twin & Triple Conductor) | 0.578 | 0.492 | 0.518 | 0.545 | 0.573 | 0.603 |
| Single Circuit (Single Conductor) | 0.289 | 0.246 | 0.259 | 0.272 | 0.287 | 0.302 |
| Double Circuit (Bundled conductor with four or more sub-conductors) | 1.517 | 1.291 | 1.359 | 1.43 | 1.506 | 1.585 |
| Double Circuit (Twin & Triple Conductor) | 1.011 | 0.861 | 0.906 | 0.953 | 1.003 | 1.056 |
| Double Circuit (Single Conductor) | 0.433 | 0.369 | 0.388 | 0.409 | 0.43 | 0.453 |
| Multi Circuit (Bundled Conductor with four or more sub-conductor) | 2.662 | 2.266 | 2.385 | 2.51 | 2.642 | 2.781 |
| Multi Circuit (Twin & Triple Conductor) | 1.773 | 1.509 | 1.588 | 1.671 | 1.759 | 1.851 |
| Norms for HVDC stations (Rs Lakh/MW) | | | | | | |
| HVDC Back-to-Back stations (Rs Lakh/MW) (Except Gazuwaka BTB) | 0.00 | 2.07 | 2.18 | 2.30 | 2.42 | 2.55 |
| Gazuwaka HVDC Back-to-Back station (Rs Lakh/MW) | 0.00 | 1.83 | 1.92 | 2.03 | 2.13 | 2.24 |
| HVDC bipole scheme (Rs Lakh/MW) | 0.00 | 1.04 | 1.10 | 1.16 | 1.22 | 1.28 |

(Petitioner)



| | | | |
|-----------------------------------|--|----------|--------------|
| Name of the Transmission Licensee | Power Grid Corporation of India Limited | | |
| Project | 220 kV Srinagar-Leh Transmission System (SLTS) | | |
| Element Description | Equity Investment to pay off the State contribution of 5% project cost to UTs of J&K and Ladakh and expenditure towards procurement of T&Ps and Spares | | |
| Region | Northern Region | DOC Date | Oct 31, 2019 |

A) Details of All the Asset Covered under the Scope of the Project

| Asset Name | Actual COD of the asset | COD considered for tariff purpose | Effective COD for the project as whole (Refer C) | Weighted Average useful life of the project (Refer D) | Lapsed useful Life of the project on 01.04.2024 (Refer E) | (Amount in Rs. Lakh) |
|------------|-------------------------|-----------------------------------|---|---|---|--|
| | | | | | | Balance useful Life of the project as on 01.04.2024 (Refer E) |
| | | | | | 4 | 26 |

B) Details as on 01.04.2024 for determination of Single Tariff for the Project Commissioned prior to 01.04.2024

C) Computation of Effective COD for determining lapsed useful life of the project as whole

D) Weighted Average useful Life of the Project as whole

E) Lapsed Weighted average useful life of the project & Balance weighted average Useful life
 This refers to the No. of completed years from the effective COD till the last day of the previous tariff period (i.e. 31.03.2024)

| | |
|--|--------------|
| 1) Effective COD | |
| 2) Last date of the previous tariff control period | Mar 31, 2024 |
| 3) No of Completed years lapsed as on 01.04.2024 (2) - (1) | 4 |



4) Remaining useful life (in year) (WAL-lapsed year)

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(Petitioner)

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Financial Package upto COD

Form No. - 6

| | | | |
|-----------------------------------|--|------------|--------------|
| Name of the Transmission Licensee | Power Grid Corporation of India Limited | | |
| Project | 220 kV Srinagar-Leh Transmission System (SLTS) | | |
| Element Description | Equity Investment to pay off the State contribution of 5% project cost to UTs of J&K and Ladakh and expenditure towards procurement of T&Ps and Spares | | |
| Region | Northern Region | DOCOD Date | Oct 31, 2019 |

(Amount in Rs. Lakh)

| Particulars | Financial Package as Approved | | Financial Package as on COD 01/04/2024 | | As Admitted on COD 01/04/2024 | |
|-------------------|-------------------------------|--------|--|-----------|-------------------------------|--------|
| | Currency | Amount | Currency | Amount | Currency | Amount |
| Loans | | 0.00 | | 0.00 | | 0.00 |
| Loan-Domestic | | 0.00 | | 0.00 | | 0.00 |
| Loan-Foreign | | 0.00 | | 0.00 | | 0.00 |
| Total Loans | INR | 0.00 | INR | 1,591.62 | | 0.00 |
| Equity | | 0.00 | | 0.00 | | 0.00 |
| Foreign | | 0.00 | | 0.00 | | 0.00 |
| Domestic | INR | 0.00 | INR | 9,624.12 | | 0.00 |
| Total Equity | INR | 0.00 | INR | 9,624.12 | | 0.00 |
| Debt Equity Ratio | | | | | 14:86 | |
| Total Cost | INR | 0.00 | INR | 11,215.74 | | 0.00 |

| Particulars | Debt | Equity | Total |
|------------------------|------|--------|----------|
| Addcap for 2024 - 2025 | | | 1,626.55 |
| Addcap for 2025 - 2026 | | | 855.37 |
| Addcap for 2026 - 2027 | | | 0.00 |
| Addcap for 2027 - 2028 | | | 0.00 |



| | | | |
|------------------------|--|--|------|
| Addcap for 2028 - 2029 | | | 0.00 |
|------------------------|--|--|------|

| Particulars | Actual | Normative | |
|---------------------------------------|--------|-----------|--|
| Addcap for 2024 - 2025 | | | |
| Equity | | 487.96 | |
| Debt | | 1,138.59 | |
| Total | | 1,626.55 | |
| Addcap for 2025 - 2026 | | | |
| Equity | | 256.61 | |
| Debt | | 598.76 | |
| Total | | 855.37 | |
| Addcap for 2026 - 2027 | | | |
| Equity | | 0.00 | |
| Debt | | 0.00 | |
| Total | | 0.00 | |
| Addcap for 2027 - 2028 | | | |
| Equity | | 0.00 | |
| Debt | | 0.00 | |
| Total | | 0.00 | |
| Addcap for 2028 - 2029 | | | |
| Equity | | 0.00 | |
| Debt | | 0.00 | |
| Total | | 0.00 | |
| Total Capital cost with Addcap | | 13,697.66 | |

(Petitioner)



Statement of Additional Capitalisation after COD

Form No. - 7

| | | | |
|-----------------------------------|--|----------|--------------|
| Name of the Transmission Licensee | Power Grid Corporation of India Limited | | |
| Project | 220 kV Srinagar-Leh Transmission System (SLTS) | | |
| Element Description | Equity Investment to pay off the State contribution of 5% project cost to UTs of J&K and Ladakh and expenditure towards procurement of T&Ps and Spares | | |
| Region | Northern Region | DOC Date | Oct 31, 2019 |

(Amount in Rs. Lakh)

| Particulars | Addition into Gross Block as per books of Account during the year (2) | De-Cap into Gross Block as per books of Account during the year | Less: Deductions dr. the year towards | | | | Add: Discharge of earlier admitted liability | ACE on cash basis for tariff purpose | Admitted Cost in final tariff (Rs Lakh) |
|---|---|---|---------------------------------------|---|------------------------------|---|--|--------------------------------------|---|
| | | | Grants Received (if any) (3) | Asset pertaining to other businesses (if any) (4) | Other Deduction (if any) (5) | Less: Un-discharged liability included in (2-4-5) | | | |
| ACE for the year :2024-25 (Actual/Projected) | | | | | | | | | |
| Land (Freehold Land) | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Building & Civil Works | 961.79 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 961.79 | 0.00 |
| Transmission Lines | 181.40 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 181.40 | 0.00 |
| Substations | 415.73 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 67.63 | 483.36 | 0.00 |
| Comm. Sys. excluding Fiber Optic | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Land (Leasehold) | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| IT/Software/UNMS/URTDSM/SCADA,etc | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Batteries | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Fiber Optic/OPGW | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Total | 1,558.92 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 67.63 | 1,626.55 | 0.00 |
| ACE for the year :2025-26 (Actual/Projected) | | | | | | | | | |



| | | | | | | | | | |
|---|--------------|-------------|-------------|-------------|-------------|-------------|---------------|---------------|-------------|
| Land (Freehold Land) | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Building & Civil Works | 0.20 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 412.00 | 412.20 | 0.00 |
| Transmission Lines | 80.58 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 40.35 | 120.93 | 0.00 |
| Substations | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 322.24 | 322.24 | 0.00 |
| Comm. Sys. excluding Fiber Optic | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Land (Leasehold) | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| IT/Software/UNMS/URTDSM/ SCADA,etc | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Batteries | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Fiber Optic/OPGW | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Total | 80.78 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 774.59 | 855.37 | 0.00 |
| ACE for the year :2026-27 (Actual/Projected) | | | | | | | | | |
| Land (Freehold Land) | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Building & Civil Works | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Transmission Lines | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Substations | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Comm. Sys. excluding Fiber Optic | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Land (Leasehold) | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| IT/Software/UNMS/URTDSM/ SCADA,etc | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Batteries | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Fiber Optic/OPGW | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Total | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| ACE for the year :2027-28 (Actual/Projected) | | | | | | | | | |
| Land (Freehold Land) | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Building & Civil Works | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |



| | | | | | | | | | |
|---|------|------|------|------|------|------|------|------|------|
| Transmission Lines | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Substations | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Comm. Sys. excluding Fiber Optic | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Land (Leasehold) | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| IT/Software/UNMS/URTDSM/ SCADA,etc | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Batteries | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Fiber Optic/OPGW | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Total | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| ACE for the year :2028-29 (Actual/Projected) | | | | | | | | | |
| Land (Freehold Land) | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Building & Civil Works | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Transmission Lines | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Substations | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Comm. Sys. excluding Fiber Optic | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Land (Leasehold) | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| IT/Software/UNMS/URTDSM/ SCADA,etc | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Batteries | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Fiber Optic/OPGW | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Total | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |

(Petitioner)



Financing of Additional Capitalisation

Form No. - 7A

| | | |
|-----------------------------------|--|-------------------------|
| Name of the Transmission Licensee | Power Grid Corporation of India Limited | |
| Project | 220 KV Srinagar-Leh Transmission System (SLTS) | |
| Element Description | Equity Investment to pay off the State contribution of 5% project cost to UTs of J&K and Ladakh and expenditure towards procurement of T&Ps and Spares | |
| Region | Northern Region | DOC Date Oct 31, 2019 |

(Amount in Rs. Lakh)

| Financial Year (Starting of COD) | Actual/Projected | | | | | | Admitted | | | |
|---------------------------------------|------------------|---------------|-------------|-------------|-------------|---------|----------|---------|---------|---------|
| | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 |
| Amount capitalized in Work/ Equipment | | | | | | | | | | |
| Financing Details | | | | | | | | | | |
| Total Loan | 1,138.59 | 598.76 | 0.00 | 0.00 | 0.00 | | | | | |
| Equity | 487.96 | 256.61 | 0.00 | 0.00 | 0.00 | | | | | |
| Total | 1,626.55 | 855.37 | 0.00 | 0.00 | 0.00 | | | | | |



(Petitioner)

Calculation of ROE

Form No. - 8

| | | | |
|-----------------------------------|--|----------|--------------|
| Name of the Transmission Licensee | Power Grid Corporation of India Limited | | |
| Project | 220 kV Srinagar-Leh Transmission System (SLTS) | | |
| Element Description | Equity Investment to pay off the State contribution of 5% project cost to UTs of J&K and Ladakh and expenditure towards procurement of T&Ps and Spares | | |
| Region | Northern Region | DOC Date | Oct 31, 2019 |

(Amount in Rs. Lakh)

| Particulars | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 |
|--|-----------|-----------|-----------|-----------|-----------|
| No. of Days in the year | 365.00 | 365.00 | 365.00 | 366.00 | 365.00 |
| No. of days for which tariff claimed | 365.00 | 365.00 | 365.00 | 366.00 | 365.00 |
| Opening Normative Equity | 9,624.12 | 10,112.08 | 10,368.69 | 10,368.69 | 10,368.69 |
| Less: Adjustment in Equity* | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Adjustment during the year | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Net opening equity (Normal) | 9,624.12 | 10,112.08 | 10,368.69 | 10,368.69 | 10,368.69 |
| Add: Increase in Equity due to addition during the year / period | 467.67 | 24.23 | 0.00 | 0.00 | 0.00 |
| Less: Decrease due to de-capitalisation during the year / period | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Add: Increase due to discharge during the year / period | 20.29 | 232.38 | 0.00 | 0.00 | 0.00 |
| Closing Normative Equity | 10,112.08 | 10,368.69 | 10,368.69 | 10,368.69 | 10,368.69 |
| Average Normative Equity | 9,868.10 | 10,240.39 | 10,368.69 | 10,368.69 | 10,368.69 |
| Rate of return on Equity (%) | 18.782 | 18.782 | 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 | 0.00 | 0.00 |
| Effective rate of ROE | 15.50 | 15.50 | 15.50 | 15.50 | 15.50 |
| MAT/Corporate Rate | 17.472 | 17.472 | 17.472 | 17.472 | 17.472 |
| Grossed up rate of ROE | 18.782 | 18.782 | 18.782 | 18.782 | 18.782 |
| Return on Equity | 1,853.43 | 1,923.35 | 1,947.45 | 1,947.45 | 1,947.45 |
| Pro rata return on Equity | 1,853.43 | 1,923.35 | 1,947.45 | 1,947.45 | 1,947.45 |



Calculation of WAR of interest on actual loan

Form No. - 9C

| | | | | | |
|-----------------------------------|--|------------|--------------|--|--|
| Name of the Transmission Licensee | Power Grid Corporation of India Limited | | | | |
| Project | 220 kV Srinagar-Leh Transmission System (SLTS) | | | | |
| Element Description | Equity Investment to pay off the State contribution of 5% project cost to UTs of J&K and Ladakh and expenditure towards procurement of T&Ps and Spares | | | | |
| Region | Northern Region | DOCOC Date | Oct 31, 2019 | | |

(Amount in Rs. Lakh)

| Particulars | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 |
|---|---------|---------|---------|---------|---------|
| SBI-04 -ADD CAP 2022-23 | | | | | |
| Gross Loan- Opening | 759.63 | 759.63 | 759.63 | 759.63 | 759.63 |
| Cumulative repayments of Loans upto previous year | 147.67 | 223.64 | 299.60 | 375.56 | 451.52 |
| Net loan-Opening | 611.96 | 535.99 | 460.03 | 384.07 | 308.11 |
| Add: Drawl(s) during the year | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Less: Repayment(s) of loan during the year | 75.96 | 75.96 | 75.96 | 75.96 | 75.96 |
| Net Loan-Closing | 536.00 | 460.03 | 384.07 | 308.11 | 232.15 |
| Average Net Loan | 573.98 | 498.01 | 422.05 | 346.09 | 270.13 |
| Rate of Interest on Loan on Annual Basis | 8.20 | 8.20 | 8.20 | 8.20 | 8.20 |
| Interest on loan | 47.0664 | 40.8368 | 34.6081 | 28.3794 | 22.1507 |

| | | | | | |
|---|--------|--------|--------|--------|--------|
| SBI-04 -ADD CAP 2023-24 | | | | | |
| Gross Loan- Opening | 678.65 | 678.65 | 678.65 | 678.65 | 678.65 |
| Cumulative repayments of Loans upto previous year | 131.93 | 199.79 | 267.66 | 335.52 | 403.39 |
| Net loan-Opening | 546.72 | 478.86 | 410.99 | 343.13 | 275.26 |
| Add: Drawl(s) during the year | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Less: Repayment(s) of loan during the year | 67.87 | 67.87 | 67.87 | 67.87 | 67.87 |
| Net Loan-Closing | 478.85 | 410.99 | 343.12 | 275.26 | 207.39 |



| | | | | | |
|--|---------|---------|---------|---------|---------|
| Average Net Loan | 512.79 | 444.93 | 377.06 | 309.20 | 241.33 |
| Rate of Interest on Loan on Annual Basis | 8.20 | 8.20 | 8.20 | 8.20 | 8.20 |
| Interest on loan | 42.0488 | 36.4843 | 30.9189 | 25.3544 | 19.7891 |

HDFC (Rs.5000 Cr.) -ADD CAP 2022-23

| | | | | | |
|---|--------|--------|------|--------|--------|
| Gross Loan- Opening | 0.78 | 0.78 | 0.78 | 0.78 | 0.78 |
| Cumulative repayments of Loans upto previous year | 0.39 | 0.39 | 0.39 | 0.43 | 0.47 |
| Net loan-Opening | 0.39 | 0.39 | 0.39 | 0.35 | 0.31 |
| 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 | 0.04 | 0.04 | 0.04 |
| Net Loan-Closing | 0.39 | 0.39 | 0.35 | 0.31 | 0.27 |
| Average Net Loan | 0.39 | 0.39 | 0.37 | 0.33 | 0.29 |
| Rate of Interest on Loan on Annual Basis | 8.10 | 8.10 | 8.10 | 8.10 | 8.10 |
| Interest on loan | 0.0316 | 0.0316 | 0.03 | 0.0267 | 0.0235 |

HDFC (Rs.5000 Cr.) -ADDCAP LOAN

| | | | | | |
|---|--------|--------|--------|--------|--------|
| Gross Loan- Opening | 46.09 | 46.09 | 46.09 | 46.09 | 46.09 |
| Cumulative repayments of Loans upto previous year | 23.29 | 23.29 | 23.29 | 25.57 | 27.85 |
| Net loan-Opening | 22.80 | 22.80 | 22.80 | 20.52 | 18.24 |
| 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 | 2.28 | 2.28 | 2.28 |
| Net Loan-Closing | 22.80 | 22.80 | 20.52 | 18.24 | 15.96 |
| Average Net Loan | 22.80 | 22.80 | 21.66 | 19.38 | 17.10 |
| Rate of Interest on Loan on Annual Basis | 8.10 | 8.10 | 8.10 | 8.10 | 8.10 |
| Interest on loan | 1.8468 | 1.8468 | 1.7545 | 1.5698 | 1.3851 |



| Canara-01 -ADD CAP 2022-23 | | | | | |
|---|--------|--------|--------|--------|--------|
| Gross Loan- Opening | 17.33 | 17.33 | 17.33 | 17.33 | 17.33 |
| Cumulative repayments of Loans upto previous year | 1.73 | 2.60 | 4.33 | 6.07 | 7.80 |
| Net loan-Opening | 15.60 | 14.73 | 13.00 | 11.26 | 9.53 |
| Add: Drawl(s) during the year | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Less: Repayment(s) of loan during the year | 0.87 | 1.73 | 1.73 | 1.73 | 1.73 |
| Net Loan-Closing | 14.73 | 13.00 | 11.27 | 9.53 | 7.80 |
| Average Net Loan | 15.17 | 13.87 | 12.14 | 10.40 | 8.67 |
| Rate of Interest on Loan on Annual Basis | 8.15 | 8.15 | 8.15 | 8.15 | 8.15 |
| Interest on loan | 1.2364 | 1.1304 | 0.9894 | 0.8476 | 0.7066 |

| Bond LXXV (75) -ADD CAP 2023-24 | | | | | |
|---|--------|--------|--------|--------|--------|
| Gross Loan- Opening | 125.08 | 125.08 | 125.08 | 125.08 | 125.08 |
| Cumulative repayments of Loans upto previous year | 0.00 | 12.51 | 25.02 | 37.52 | 50.03 |
| Net loan-Opening | 125.08 | 112.57 | 100.06 | 87.56 | 75.05 |
| Add: Drawl(s) during the year | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Less: Repayment(s) of loan during the year | 12.51 | 12.51 | 12.51 | 12.51 | 12.51 |
| Net Loan-Closing | 112.57 | 100.06 | 87.55 | 75.05 | 62.54 |
| Average Net Loan | 118.83 | 106.32 | 93.81 | 81.31 | 68.80 |
| Rate of Interest on Loan on Annual Basis | 7.65 | 7.65 | 7.65 | 7.65 | 7.65 |
| Interest on loan | 9.0905 | 8.1335 | 7.1765 | 6.2202 | 5.2632 |

Summary

| | | | | | |
|---|----------|----------|----------|----------|----------|
| Gross Loan- Opening | 1,627.56 | 1,627.56 | 1,627.56 | 1,627.56 | 1,627.56 |
| Cumulative repayments of Loans upto previous year | 305.01 | 462.22 | 620.29 | 780.67 | 941.06 |



| | | | | | |
|--|----------|----------|----------|---------|---------|
| Net loan-Opening | 1,322.55 | 1,165.34 | 1,007.27 | 846.89 | 686.50 |
| Add: Drawl(s) during the year | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Less: Repayment(s) of loan during the year | 157.21 | 158.07 | 160.39 | 160.39 | 160.39 |
| Net Loan-Closing | 1,165.34 | 1,007.27 | 846.88 | 686.50 | 526.11 |
| Average Net Loan | 1,243.96 | 1,086.32 | 927.09 | 766.71 | 606.32 |
| Rate of Interest on Loan on Annual Basis | 8.145 | 8.1434 | 8.1413 | 8.1384 | 8.134 |
| Interest on loan | 101.3205 | 88.4634 | 75.4774 | 62.3981 | 49.3182 |

(Petitioner)



Calculation of interest on Normative loan

Form No. - 9E

| | | | |
|-----------------------------------|--|-----------|--------------|
| Name of the Transmission Licensee | Power Grid Corporation of India Limited | | |
| Project | 220 kV Srinagar-Leh Transmission System (SLTS) | | |
| Element Description | Equity Investment to pay off the State contribution of 5% project cost to UTs of J&K and Ladakh and expenditure towards procurement of T&Ps and Spares | | |
| Region | Northern Region | DOCO Date | Oct 31, 2019 |

(Amount in Rs. Lakh)

| Particulars | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 |
|--|----------|----------|----------|----------|----------|
| No. of Days in the Year | 365.00 | 365.00 | 365.00 | 366.00 | 365.00 |
| No. of days for which Tariff claimed | 365.00 | 365.00 | 365.00 | 366.00 | 365.00 |
| Gross normative loan-Opening | 1,591.62 | 2,730.21 | 3,328.97 | 3,328.97 | 3,328.97 |
| Cumulative repayments of Normative loan upto previous year | 826.60 | 1,489.63 | 2,204.86 | 2,938.67 | 3,328.97 |
| Net normative loan-Opening | 765.02 | 1,240.58 | 1,124.11 | 390.30 | 0.00 |
| Addition in normative loan towards the ACE | 1,138.59 | 598.76 | 0.00 | 0.00 | 0.00 |
| Adjustment of normative gross loan pertaining to the decapitalised asset | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Normative repayments of normative loan during the year | 663.03 | 715.23 | 733.81 | 390.30 | 0.00 |
| Adjustment of cumulative repayment pertaining to the decapitalised asset | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Net normative loan - closing | 1,240.58 | 1,124.11 | 390.30 | 0.00 | 0.00 |
| Average normative loan | 1,002.80 | 1,182.35 | 757.21 | 195.15 | 0.00 |
| Weighted Average Rate of interest on actual loan | 8.145 | 8.1434 | 8.1413 | 8.1384 | 8.134 |
| Interest on normative loan | 81.68 | 96.28 | 61.65 | 15.88 | 0.00 |
| Pro rata interest on normative loan | 81.68 | 96.28 | 61.65 | 15.88 | 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 | 220 kV Srinagar-Leh Transmission System (SLTS) | | |
| Element Description | Equity Investment to pay off the State contribution of 5% project cost to UTs of J&K and Ladakh and expenditure towards procurement of T&Ps and Spares | | |
| Region | Northern Region | DOCO Date | Oct 31, 2019 |

(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 31.03.2029 |
|---|--|-------------------------|------------------------------------|---------------------|--|---|
| 2024-25 | | | | | | |
| Land(Freehold) | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Civil & Building | 569.96 | 961.79 | 1,531.75 | 1,050.86 | 3.34 | 35.10 |
| Transmission Line | 6,110.13 | 181.40 | 6,291.53 | 6,200.83 | 5.28 | 327.40 |
| Sub Station | 4,032.93 | 483.36 | 4,516.29 | 4,274.61 | 5.28 | 225.70 |
| Comm. Sys. excluding Fiber Optic | 471.85 | 0.00 | 471.85 | 471.85 | 15.00 | 70.78 |
| Leasehold Land | 0.00 | 0.00 | 0.00 | 0.00 | 3.34 | 0.00 |
| IT/Software/UNMS/URTDSM/SCADA,etc | 20.24 | 0.00 | 20.24 | 20.24 | 15.00 | 3.04 |
| Batteries | 10.63 | 0.00 | 10.63 | 10.63 | 9.50 | 1.01 |
| Fiber Optic/OPGW | 0.00 | 0.00 | 0.00 | 0.00 | 6.33 | 0.00 |
| TOTAL | 11,215.74 | 1,626.55 | 12,842.29 | 12,029.02 | 0.00 | 663.03 |
| Weighted Average Rate of Depreciation(%) | | | | | 5.51192 | |

| | | | | | | |
|----------------|------|------|------|------|------|------|
| 2025-26 | | | | | | |
| Land(Freehold) | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |



| | | | | | | |
|---|------------------|---------------|------------------|------------------|-----------------|---------------|
| Civil & Building | 1,531.75 | 412.20 | 1,943.95 | 1,737.85 | 3.34 | 58.04 |
| Transmission Line | 6,291.53 | 120.93 | 6,412.46 | 6,352.00 | 5.28 | 335.39 |
| Sub Station | 4,516.29 | 322.24 | 4,838.53 | 4,677.41 | 5.28 | 246.97 |
| Comm. Sys. excluding Fiber Optic | 471.85 | 0.00 | 471.85 | 471.85 | 15.00 | 70.78 |
| Leasehold Land | 0.00 | 0.00 | 0.00 | 0.00 | 3.34 | 0.00 |
| IT/Software/UNMS/URTDSM/SCADA,etc | 20.24 | 0.00 | 20.24 | 20.24 | 15.00 | 3.04 |
| Batteries | 10.63 | 0.00 | 10.63 | 10.63 | 9.50 | 1.01 |
| Fiber Optic/OPGW | 0.00 | 0.00 | 0.00 | 0.00 | 6.33 | 0.00 |
| TOTAL | 12,842.29 | 855.37 | 13,697.66 | 13,269.98 | 0.00 | 715.23 |
| Weighted Average Rate of Depreciation(%) | | | | | 5.389835 | |

| | | | | | | |
|---|------------------|-------------|------------------|------------------|-----------------|---------------|
| 2026-27 | | | | | | |
| Land(Freehold) | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Civil & Building | 1,943.95 | 0.00 | 1,943.95 | 1,943.95 | 3.34 | 64.93 |
| Transmission Line | 6,412.46 | 0.00 | 6,412.46 | 6,412.46 | 5.28 | 338.58 |
| Sub Station | 4,838.53 | 0.00 | 4,838.53 | 4,838.53 | 5.28 | 255.47 |
| Comm. Sys. excluding Fiber Optic | 471.85 | 0.00 | 471.85 | 471.85 | 15.00 | 70.78 |
| Leasehold Land | 0.00 | 0.00 | 0.00 | 0.00 | 3.34 | 0.00 |
| IT/Software/UNMS/URTDSM/SCADA,etc | 20.24 | 0.00 | 20.24 | 20.24 | 15.00 | 3.04 |
| Batteries | 10.63 | 0.00 | 10.63 | 10.63 | 9.50 | 1.01 |
| Fiber Optic/OPGW | 0.00 | 0.00 | 0.00 | 0.00 | 6.33 | 0.00 |
| TOTAL | 13,697.66 | 0.00 | 13,697.66 | 13,697.66 | 0.00 | 733.81 |
| Weighted Average Rate of Depreciation(%) | | | | | 5.357192 | |



| 2027-28 | | | | | | |
|---|------------------|-------------|------------------|------------------|-----------------|---------------|
| Land(Freehold) | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Civil & Building | 1,943.95 | 0.00 | 1,943.95 | 1,943.95 | 3.34 | 64.93 |
| Transmission Line | 6,412.46 | 0.00 | 6,412.46 | 6,412.46 | 5.28 | 338.58 |
| Sub Station | 4,838.53 | 0.00 | 4,838.53 | 4,838.53 | 5.28 | 255.47 |
| Comm. Sys. excluding Fiber Optic | 471.85 | 0.00 | 471.85 | 471.85 | 15.00 | 70.78 |
| Leasehold Land | 0.00 | 0.00 | 0.00 | 0.00 | 3.34 | 0.00 |
| IT/Software/UNMS/URTDSM/SCADA,etc | 20.24 | 0.00 | 20.24 | 20.24 | 15.00 | 3.04 |
| Batteries | 10.63 | 0.00 | 10.63 | 10.63 | 9.50 | 1.01 |
| Fiber Optic/OPGW | 0.00 | 0.00 | 0.00 | 0.00 | 6.33 | 0.00 |
| TOTAL | 13,697.66 | 0.00 | 13,697.66 | 13,697.66 | 0.00 | 733.81 |
| Weighted Average Rate of Depreciation(%) | | | | | 5.357192 | |

| 2028-29 | | | | | | |
|-----------------------------------|------------------|-------------|------------------|------------------|-------------|---------------|
| Land(Freehold) | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Civil & Building | 1,943.95 | 0.00 | 1,943.95 | 1,943.95 | 3.34 | 64.93 |
| Transmission Line | 6,412.46 | 0.00 | 6,412.46 | 6,412.46 | 5.28 | 338.58 |
| Sub Station | 4,838.53 | 0.00 | 4,838.53 | 4,838.53 | 5.28 | 255.47 |
| Comm. Sys. excluding Fiber Optic | 471.85 | 0.00 | 471.85 | 471.85 | 15.00 | 70.78 |
| Leasehold Land | 0.00 | 0.00 | 0.00 | 0.00 | 3.34 | 0.00 |
| IT/Software/UNMS/URTDSM/SCADA,etc | 20.24 | 0.00 | 20.24 | 20.24 | 15.00 | 3.04 |
| Batteries | 10.63 | 0.00 | 10.63 | 10.63 | 9.50 | 1.01 |
| Fiber Optic/OPGW | 0.00 | 0.00 | 0.00 | 0.00 | 6.33 | 0.00 |
| TOTAL | 13,697.66 | 0.00 | 13,697.66 | 13,697.66 | 0.00 | 733.81 |



| | | | | | | |
|--|--|--|--|--|----------|--|
| Weighted Average Rate of Depreciation(%) | | | | | 5.357192 | |
|--|--|--|--|--|----------|--|

(Petitioner)



Statement of Depreciation

Form No. - 10A

| | | | | |
|-----------------------------------|--|-----------|--------------|--|
| Name of the Transmission Licensee | Power Grid Corporation of India Limited | | | |
| Project | 220 kV Srinagar-Leh Transmission System (SLTS) | | | |
| Element Description | Equity Investment to pay off the State contribution of 5% project cost to UTs of J&K and Ladakh and expenditure towards procurement of T&Ps and Spares | | | |
| Region | Northern Region | DOCO Date | Oct 31, 2019 | |

(Amount in Rs. Lakh)

| Particulars | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 |
|---|-----------|-----------|-----------|-----------|-----------|
| No of Days in the year | 365.00 | 365.00 | 365.00 | 366.00 | 365.00 |
| No of days for which tariff claimed | 365.00 | 365.00 | 365.00 | 366.00 | 365.00 |
| Life at the beginning of the year | | | | | |
| 1.1 Weighted Average useful life of the Asset/ Project | 30.00 | 30.00 | 30.00 | 30.00 | 30.00 |
| 1.2 Lapsed Weighted Average useful life of the Asset/Project(in completed no. of year) | 4.00 | 5.00 | 6.00 | 7.00 | 8.00 |
| 1.3 Balance Weighted Average useful life of the Asset/Project(in completed no. of year) | 26.00 | 25.00 | 24.00 | 23.00 | 22.00 |
| Capital Base | | | | | |
| 1.4 Opening capital cost | 11,215.74 | 12,842.29 | 13,697.66 | 13,697.66 | 13,697.66 |
| 1.5 Additional Capital Expenditure dr. the year | 1,626.55 | 855.37 | 0.00 | 0.00 | 0.00 |
| 1.6 De-Capitalisation During the year | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 1.7 Closing capital cost | 12,842.29 | 13,697.66 | 13,697.66 | 13,697.66 | 13,697.66 |
| 1.8 Average capital cost | 12,029.02 | 13,269.98 | 13,697.66 | 13,697.66 | 13,697.66 |
| 1.9 Freehold land included in 1.8 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 1.10 Asset having NIL salvage value included in 1.8 | 20.24 | 20.24 | 20.24 | 20.24 | 20.24 |
| 1.11 Asset having 10% salvage value included in 1.8 | 12,008.78 | 13,249.74 | 13,677.42 | 13,677.42 | 13,677.42 |
| 1.12 Depreciable Value(1.10+90% of 1.11) | 10,828.15 | 11,945.02 | 12,329.93 | 12,329.93 | 12,329.93 |
| Depreciation for the period and Cum. Depreciation | | | | | |
| 1.13 Weighted Average Rate of depreciation | 5.51192 | 5.389835 | 5.357192 | 5.357192 | 5.357192 |



| | | | | | |
|---|----------|----------|----------|----------|----------|
| 1.14 Depreciation(for the period) | 663.03 | 715.23 | 733.81 | 733.81 | 733.81 |
| 1.15 Depreciation(Annualised) | 663.03 | 715.23 | 733.81 | 733.81 | 733.81 |
| Unrecovered Depreciation for DECAP | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 1.16 Cumulative depreciation at the beginning of the period | 826.60 | 1,489.63 | 2,204.86 | 2,938.67 | 3,672.48 |
| 1.17 Less:Adj of Cum. Dep pertaining to decapitalised Asset | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 1.18 Cumulative depreciation at the end of the period | 1,489.63 | 2,204.86 | 2,938.67 | 3,672.48 | 4,406.29 |

(Petitioner)



Calculation of interest on working Capital

Form No. - 11

| | | | |
|-----------------------------------|--|-----------|--------------|
| Name of the Transmission Licensee | Power Grid Corporation of India Limited | | |
| Project | 220 kV Srinagar-Leh Transmission System (SLTS) | | |
| Element Description | Equity Investment to pay off the State contribution of 5% project cost to UTs of J&K and Ladakh and expenditure towards procurement of T&Ps and Spares | | |
| Region | Northern Region | DOCO Date | Oct 31, 2019 |

(Amount in Rs. Lakh)

| Particulars | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 |
|---|---------|---------|---------|---------|---------|
| No of Days in the year | 365.00 | 365.00 | 365.00 | 366.00 | 365.00 |
| No of days for which tariff claimed | 365.00 | 365.00 | 365.00 | 366.00 | 365.00 |
| O&M Expenses-one month | 49.43 | 52.02 | 54.73 | 57.62 | 60.65 |
| Maintenance spares 15% of O&M Expenses | 88.97 | 93.64 | 98.52 | 103.71 | 109.16 |
| Receivables equivalent to 45 days of AFC | 401.36 | 422.47 | 427.66 | 425.21 | 429.08 |
| Total Working capital | 539.76 | 568.13 | 580.91 | 586.54 | 598.89 |
| Bank Rate as on 01.04.2024 or as on 01st April of the COD year, whichever is later. | 11.90 | 11.90 | 11.90 | 11.90 | 11.90 |
| Interest on working capital | 64.23 | 67.61 | 69.13 | 69.80 | 71.27 |
| Pro rata interest on working capital | 64.23 | 67.61 | 69.13 | 69.80 | 71.27 |

(Petitioner)



2024

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 | 2024-29 |
| 4. Name of the Project | 220 kV Srinagar-Leh Transmission System (SLTS) |
| 5. Investment Approval date | 24.05.2021. |
| 6. SCOD of the Project | NA |
| 7. Actual COD of the project | 31.10.2019 |
| 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 | Rs.144.42 Cr |
| 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.136.97 Cr |
| 15. No. of Assets covered in instant petition and having cost overrun. | NIL |

16 **Prayer in brief**

17 **Key details and any Specific issue involved:**

18 **Respondents**

Name of Respondents

| | |
|----|--|
| 1 | UTTAR PRADESH POWER CORPORATION LTD. |
| 2 | AJMER VIDYUT VITRAN NIGAM LTD |
| 3 | JAIPUR VIDYUT VITRAN NIGAM LTD |
| 4 | JODHPUR VIDYUT VITRAN NIGAM LTD |
| 5 | HIMACHAL PRADESH STATE ELECTRICITY BOARD |
| 6 | PUNJAB STATE POWER CORPORATION LIMITED |
| 7 | HARYANA POWER PURCHASE CENTRE |
| 8 | JAMMU KASHMIR POWER CORPORATION LIMITED |
| 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 |

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PART-III

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

| Form No. | Title of Tariff Filing Forms (Transmission& Communication System) | Tick |
|-----------|--|------|
| FORM- 1 | Summary of Tariff | ✓ |
| FORM- 1A | Summary of Asset level cost | ✓ |
| 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 | ✓ |
| FORM- 4A | Statement of Capital cost | ✓ |
| 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 | 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 | ✓ |
| FORM- 7 | Statement of Additional Capitalisation after COD | ✓ |
| FORM- 7A | Financing of Additional Capitalisation | ✓ |
| FORM- 7B | Statement of Additional Capitalisation during five year before the end | 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 | 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 | ✓ |
| FORM-9D | Loans in Foreign Currency | ✓ |
| 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 | ✓ |
| 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. | NA |
| 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 | NA |
| 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 |

Note 1: 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.

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