

CCL: POWERGRID/TRUE UP/SR/Neyveli TS-1/

दिनांक: 26.07.2024

सचिव,  
केंद्रीय विद्युत विनियामक आयोग (सी.ई.आर.सी.)  
छठवाँ, सातवाँ एवं आठवाँ तल, टॉवर बी,  
वर्ल्ड ट्रेड सेंटर, नौरोजी नगर, नई दिल्ली-110029

विषय:- Petition for trueing up of Transmission tariff for 2019-24 and determination of transmission tariff for 2024-29 tariff block for asset under **Transmission System associated with "Neyveli TS-I"** in Southern Region" under Section 62 read with Section 79 (1) (d) of 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) Regulation 2024

महोदय,

उपरोक्त पारेषण प्रणाली के वर्ष 01.04.2019 से 31.03.2024 तथा 01.4.2024 से 31.3.2029 तक के पारेषण टैरिफ हेतु याचिका की 1 मूल व 1 प्रति संलग्न है। पूर्ण याचिका को पावरग्रिड की बेवसाइट पर दर्शाया गया है जिसका पता [www.powergrid.in](http://www.powergrid.in) है। माननीय आयोग द्वारा जारी सार्वजनिक सूचना दिनांक 25.08.2010 के अनुसार राशि का भुगतान वार्षिक फाईलिंग फीस के माध्यम से किया गया है। याचिका शुल्क की गणना नई फीस रेगुलेशन, 2012 के पैरा 3(2) के तहत दिये गये निर्देशों के आधार पर निम्ननुसार की गई है:-

Asset	Period	Fin. Year	Revised Tariff (T) (Rs. In Lakh)	Petition Filing fees already paid (A) (Rs.)	Revised Petition filing fees @....of Tariff (R)	Revised Petition filing fees (B)=(T)X@ (Rs.)	Rounded to nearest 100 (min. 40,000: 2009-12 and min. 1,00,000: 2012-25 (Rs.))	Net Filing fee Payable (Rs.) (B-A)
Combined Asset	2019-24	2019-20	57.89	100000	0.11%	6367.90	100000	0.00
		2020-21	57.21	100000	0.11%	6293.10	100000	0.00
		2021-22	56.54	100000	0.11%	6219.40	100000	0.00
		2022-23	55.94	100000	0.11%	6153.40	100000	0.00
		2023-24	55.49	100000	0.11%	6103.90	100000	0.00
	2024-29	2024-25	52.78	100000	0.11%	5805.80	100000	0.00
<b>Total</b>	<b>Filing fee payable</b>							<b>0.00</b>



माननीय आयोग द्वारा जारी CBR, 2023 के पैरा 18 (4) एवं 23(4) के तहत दिये गये निर्देशों के आधार पर याचिका की प्रति सभी पंजीकृत प्रतिवादियों को ईमेल द्वारा भेज दी गई है। ईमेल की प्रति संलग्न है। याचिका ई-फाइल कर दी गई है। माननीय आयोग से निवेदन है कि याचिका को स्वीकृत किया जाए। कृपया पावती भेजें।

भवदीय,

*WA*  
*26.07.2024*

(जफ़रुल हसन)

महाप्रबंधक (वाणिज्यिक)



## Mukesh Bhakar {मुकेश भाकर}

**From:** Mukesh Bhakar {मुकेश भाकर}  
**Sent:** Friday, July 26, 2024 13:03  
**To:** cfcreg@tnebn.net.org; trac@kseb.in; cecommercial@rediffmail.com; ptc.hescom@gmail.com; eeptcgescom@gmail.com; kamaluddinalikhan@gmail.com; gmpp.work@gmail.com; cee-elec.goa@nic.in; seccesc@gmail.com; seecoml@rediffmail.com; se3ped.pon@nic.in; cgmllegalaptransco@gmail.com; cgmpaepdcl@gmail.com; cgmir@tsnpdcl.in; chairman@tnebn.net.org; cmdkseb@kseb.in; se1ped@py.gov.in; cee-elec.goa@nic.in; cmd.cpdcl@apcpdcl.in; cmd@apeasternpower.com; cmd@apspdcl.in; cmd@tssouthernpower.com; cmd@tsnpdcl.in; md@bescom.co.in; md@gescom.in; md.hescom.kn@gmail.com; md@mesco.in; mdmescom@rediffmail.com; md@cescmysore.org; mdgesco@gmail.com; mdmescom@rediffmail.com; mdmescom@gmail.com  
**Cc:** csecytangedco@tnebn.net.org; cmdkseb@kseb.in; cmd@apeasternpower.com; cmd@apspdcl.in; prameela.ranics@gmail.com; cs@tssouthernpower.com; cs@tsnpdcl.in; csbescom@gmail.com; csgescom@gmail.com; cs.hescom@gmail.com; mdmescom@rediffmail.com; cscesc@cescmysore.org; Mohd Mohsin {मोहम्मद मोहसिन}  
**Subject:** Asset under Transmission System associated with "Neyveli TS-I  
**Attachments:** LILO of Neyveli Trichi Petition.pdf

Sir/Madam,

Please find attached the tariff petition which is being filed in CERC for the following asset for **truing up of Transmission tariff for 2019-24 tariff block and determination of transmission tariff for 2024-29 tariff block:**

**"LILO of one circuit of existing Neyveli-Trichy 400 kV D/C line at Neyveli TPS-I Expansion Transmission system associated with Neyveli TS-I."**

It is informed that petition is also accessible on e-filing portal of Hon'ble CERC under reference no. 449/2024. Further, the subject petition is also available on POWERGRID's website

This service is as per terms of Regulation 23 (4) of Central Electricity Regulatory Commission (Conduct of business) Regulations, 2023.

With Regards  
POWERGRID Commercial SR Group



BEFORE

THE CENTRAL ELECTRICITY REGULATORY COMMISSION

NEW DELHI

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

IN THE MATTER OF: -

**Subject matter:** Petition for truing up of Transmission tariff for 2019-24 and determination of transmission tariff for 2024-29 tariff block for **asset under Transmission System associated with "Neyveli TS-I** in Southern Region under Section 62 read with Section 79 (1) (d) of 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 Condition of Tariff Regulations) 2019 and Central Electricity Regulatory Commission (Terms and Condition 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).

**Tamil Nadu Generation and Distribution Corporation Ltd**

--- RESPONDENTS

NPKRR Maaligai, 800, Anna Salai,  
Chennai – 600 002

Represented by its Chairman & Managing Director

**And others**

**Place: Gurgaon**

**Date: 12.07.2024**

**Petitioner**

(Mohd. Mohsin)

**Chief General Manager (Commercial)**



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

PETITION NO.: .....

**IN THE MATTER OF:**

**Subject matter:** Petition for truing up of Transmission tariff for 2019-24 and determination of transmission tariff for 2024-29 tariff block for **asset under Transmission System associated with "Neyveli TS-I** in Southern Region under Section 62 read with Section 79 (1) (d) of 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 Condition of Tariff Regulations) 2019 and Central Electricity Regulatory Commission (Terms and Condition 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).

**Tamil Nadu Generation and Distribution Corporation Ltd**

----- RESPONDENTS

NPKRR Maaligai, 800, Anna Salai,  
Chennai – 600 002

Represented by its Chairman & Managing Director

**And others**

**INDEX**

SI. No.	Description	Enclosure No.	Page No.
	Cover Page	-	1
1	Index	-	2-3
2	Letter for registration	-	4-5
3	Memo of Parties	-	6-9
4	Memo of appearance	-	10
5	Supporting Affidavit	-	25-26
6	Petition for truing up of transmission tariff for	-	11-24



	2019-24 and determination of transmission tariff for 2024-29 tariff block		
7	Power of attorney	-	27
<b><u>ANNEXURES:</u></b>			
8	CERC order dated 28.10.2021 in petition no.133/TT/2020	Encl -1	28-74
9	True up tariff forms for 2019-24 block	Encl -2	75-92
10	Tariff Forms for 2024-29 block	Encl -3	93-110
11	Checklist	Encl -4	111-112

**FILED BY**

**POWER GRID CORPORATION OF INDIA LTD.**

**GURGAON**

**REPRESENTED BY**

**DATED:12.07.2024**

  
(Mohd. Mohsin)

**Chief General Manager (Commercial)**



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

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

**IN THE MATTER OF: Subject matter:** Petition for truing up of Transmission tariff for 2019-24 and determination of transmission tariff for 2024-29 tariff block for **asset under Transmission System associated with “Neyveli TS-I** in Southern Region under Section 62 read with Section 79 (1) (d) of 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 Condition of Tariff Regulations) 2019 and Central Electricity Regulatory Commission (Terms and Condition 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**

**Assam Power Distribution Company Limited**

04<sup>th</sup> Floor, Bijulee Bhawan, Paltan Bazar,  
Guwahati – 781001, Assam  
Represented by its Managing Director

**----- RESPONDENTS**

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 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 Condition of Tariff Regulations) 2019 and Central Electricity Regulatory Commission (Terms and Condition of Tariff Regulations) 2024 and same may be pleased to be registered and taken on record by the Hon'ble Commission.

**GURGAON**

**FILED BY**

**DATED:12.07.2024**

**POWER GRID CORPORATION OF INDIA LTD.**

**REPRESENTED BY**

  
(Mohd. Mohsin)

**Chief General Manager (Commercial)**





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

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

**IN THE MATTER OF:**

**Subject matter:** Petition for truing up of Transmission tariff for 2019-24 and determination of transmission tariff for 2024-29 tariff block **for asset under Transmission System associated with “Neyveli TS-I** under Southern Region under Section 62 read with Section 79 (1) (d) of 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 Condition of Tariff Regulations) 2019 and Central Electricity Regulatory Commission (Terms and Condition 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).

Tamil Nadu Generation and Distribution Corporation Ltd

**----- RESPONDENTS**

NPKRR Maaligai, 800, Anna Salai,  
Chennai – 600 002

Represented by its Chairman & Managing Director

**And others**

**MEMO OF PARTIES**

**Power Grid Corporation of India Ltd.**

**--- PETITIONER**

**VERSUS**

**Southern Region**

**--- RESPONDENTS**

1. Tamil Nadu Generation and Distribution Corporation Ltd



NPKRR Maaligai, 800, Anna Salai,  
Chennai – 600 002  
Represented by its Chairman & Managing Director

2.Kerala State Electricity Board Ltd (KSEBL)  
Vaidyuthi Bhavanam  
Pattom, Thiruvananthapuram – 695 004  
Represented by its Chairman

3.Electricity Department  
Government of Goa  
Vidyuti Bhawan, Panaji, Goa 403001  
Represented by Chief Engineer ( Electrical)

4.Electricity Department  
Govt of Pondicherry,  
137, Netaji Subash Chandra Bose Salai  
Pondicherry - 605001  
Represented by its Chief Secretary

5.Eastern Power Distribution Company of Andhra Pradesh  
Limited (APEPDCL),  
APEPDCL, P&T Colony,  
Seethmmadhara, VISHAKHAPATNAM, Andhra Pradesh,  
Represented by its Chairman & Managing Director

6.Southern Power Distribution Company of Andhra Pradesh Ltd  
(APSPDCL)  
#19-13-65/A, Srinivasapuram, Tiruchanoor Road  
Tirupati – 517503, Andhra Pradesh  
Represented by Its Chairman & Managing Director

7.Andhra Pradesh Central Power Distribution Company Limited  
(APCPDCL)  
Corporate Office, Beside Polytechnic College, ITI Road



Vijayawada - 520 008, Krishna District, Andhra Pradesh  
Represented by Its Chairman & Managing Director

8.Southern Power Distribution Company of Telangana Limited  
(TSSPDCL)

6-1-50, Corporate Office, Mint Compound,  
HYDERABAD – 500 063, Telangana  
Represented by Its Chairman & Managing Director

9.Northern Power Distribution Company of Telangana Limited  
(TSNPDCL)

H.No 2-5-3 1/2, Vidyut Bhawan, Corporate Office,  
Nakkal Gutta, Hanamkonda, WARANGAL – 506 001, Telangana  
Represented by Its Chairman & Managing Director

10.Bangalore Electricity Supply Company Ltd., (BESCOM),

Corporate Office, K.R.Circle  
BANGALORE – 560 001, Karanataka  
Represented by Its Managing Director

11.Gulbarga Electricity Supply Company Ltd., (GESCOM)

Corporate Office, Station Main Road, Opp. Parivar Hotel,  
Gulbarga (Kalburgi), KARNATAKA - 585102  
Represented by Its Managing Director

12.Hubli Electricity Supply Company Ltd., (HESCOM)

Navanagar, PB Road, HUBLI, Karnataka- 580025  
Represented by Its Managing Director

13.Mangalore Electricity Supply Company Ltd., (MESCOM)

Corporate Office,1st Floor, MESCOM Bhavan,  
Kavoor Cross Road, Bejai, Mangalore – 575 004,Karnataka  
Represented by Its Managing Director



14.Chamundeswari Electricity Supply Corporation Ltd., (CESC)  
Corporate Office, #29, Vijayanagara 2nd Stage,  
Hinkal, Mysuru-570017, KARNATAKA  
Represented by Its Managing Director

**PETITIONER**

**POWER GRID CORPORATION OF INDIA LTD.**

**GURGAON**

**REPRESENTED BY**

**DATED:12.07.2024**



**(Mohd. Mohsin)**

**Chief General Manager (Commercial)**



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

**IN THE MATTER OF: Subject matter:** Petition for truing up of Transmission tariff for 2019-24 and determination of transmission tariff for 2024-29 tariff block for **asset under Transmission System associated with “Neyveli TS-I** in Southern Region under Section 62 read with Section 79 (1) (d) of 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 Condition of Tariff Regulations) 2019 and Central Electricity Regulatory Commission (Terms and Condition 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).

Tamil Nadu Generation and Distribution Corporation Ltd

NPKRR Maaligai, 800, Anna Salai,

Chennai – 600 002

Represented by its Chairman & Managing Director

**--- RESPONDENT**

**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 (Commercial & RC), POWERGRID**
3. Shri V. Srinivas, Chief GM (Comml-BCD), POWERGRID
4. Shri V. C. Sekhar, Sr. GM (Comml- RC), POWERGRID
5. Shri Zafrul Hasan, GM (Comml- Petition), POWERGRID



I, Mohd. Mohsin, 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 12<sup>th</sup> day of July 2024.

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

**GURGAON  
Dated: 12.07.2024**

**Mohd. Mohsin  
Chief General Manager (Commercial)**



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

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

**IN THE MATTER OF:**

**Subject matter:** Petition for truing up of Transmission tariff for 2019-24 and determination of transmission tariff for 2024-29 tariff block for **asset under Transmission System associated with Neyveli TS-I** in Southern Region under Section 62 read with Section 79 (1) (d) of 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 Condition of Tariff Regulations) 2019 and Central Electricity Regulatory Commission (Terms and Condition 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).

**Tamil Nadu Generation and Distribution Corporation Ltd**

**---- RESPONDENTS**

NPKRR Maaligai, 800, Anna Salai,

Chennai – 600 002

Represented by its Chairman & Managing Director

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

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

1. The Petitioner herein, Power Grid Corporation of India Ltd. (Hereinafter referred to as “**POWERGRID/Petitioner**”) is a Government Company within the meaning of the Companies Act, 2013. POWERGRID is deemed transmission licensee in terms of



Section 14 of the Electricity Act, 2003. POWERGRID by virtue of a transmission licensee is required to inter-alia build, maintain and operate an efficient, coordinated and economical interstate 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 Central Commission”). Tariff for the transmission system established by POWERGRID is required to be determined by this Hon’ble Central Commission in accordance with the Tariff Regulations as notified by this Hon’ble Central 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 department of the respective states which are engaged in distribution of electricity in Southern Region of India. The respondents are also ‘Designated Inter State Transmission Customer’ (hereinafter referred to as ‘DICS’) in terms of the 2020 Sharing Regulations from South region.

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

2. 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 following Assets which are implemented under “Transmission System associated with the Neyveli TS-I in Southern Region” for the following:

Asset No	Asset Name	DOCO
Asset-I	LILO of one circuit of existing Neyveli-Trichy 400 kV D/C line at Neyveli TPS-I Expansion Transmission system associated with Neyveli TS-I.	01.02.2002

**(iv) Summary of Claims:**

3. 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 assets on capital cost comprising of capital cost incurred/Admitted upto 31.03.2019 and additional capital expenditure during 2019-24 & 2024-29 in accordance with terms 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. The details of FR/RCE approved cost vis-a vis claimed capital cost as on 31.03.2019 and additional capital expenditure during 2019-24 and 2024-29 tariff block is as under:

**Rs in lakhs**

Asset No.	Approved Cost as per FR	Expenditure Up to DOCO /31.03.2019	Expenditure during 2019-24 tariff block	Actual Cost as on 31.03.2024
			2019-24	
<b>Asset-1</b>	1114.00	807.78	No add cap	807.78

**Rs in lakhs**

Asset No.	Approved Cost as per FR	Expenditure Up to 31.03.2024	Estimated expenditure during 2024-29 tariff block	Estimated completion Cost as on 31.03.2029
			2024-29	
<b>Asset-1</b>	1114.00	807.78	No add cap	807.78

5. **It is prayed to hon’ble commission to** reimburse expenditure of petition filing fee, license fee, newspaper publication expanses and RLDC fee & charges etc.

6. Details of tariff claimed are as under:

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

**Rs in Lakhs**

Name of the asset	Particular	2019-20	2020-21	2021-22	2022-23	2023-24
<b>Asset-1</b>	AFC approved	57.89	57.20	56.52	55.93	55.34
	Revised AFC based on truing up	57.89	57.21	56.54	55.94	55.49

Tariff claimed for 2024-29 tariff block:



Rs in Lakhs

Name of the asset	2024-25	2025-26	2026-27	2027-28	2028-29
Asset-1	52.78	52.33	51.88	51.50	51.12

**B. Detailed Petition:**

**MOST RESPECTFULLY SHOWETH:**

**Issue wise submission(s)**

7. The Petitioner herein, Power Grid Corporation of India Ltd/ POWERGRID. is a Government Company within the meaning of the Companies Act, 1956. POWERGRID is a deemed transmission licensee under Section 14 of the Electricity Act 2003.
8. POWERGRID being transmission licensee is required to inter-alia build, maintain and operate an efficient, coordinated and economical interstate transmission system (ISTS). The tariff for the said transmission systems shall be determined by the Hon'ble Central Commission in accordance with the Tariff Regulations, 2019 and 2024.
9. That the subject project/petition covers approval of transmission tariff for following Asset:

Asset No	Asset Name	DOCO	Remarks
Asset-I	LILO of one circuit of existing Neyveli-Trichy 400 kV D/C line at Neyveli TPS-I Expansion Transmission system associated with Neyveli TS-I.	01.02.2002	Earlier covered under petition no. 133/TT/2020 now covered under instant petition

**10. Cost detail:**

The capital cost of Rs. 807.78 Lakhs for subject Asset has been admitted by Hon'ble commission vide order dated 28.10.2021 in petition no. 133/TT/2020. Copy of order is enclosed as **Encl-1**. In the current petition, no additional capital expenditure were incurred during the 2019-24 tariff block, and no additional capital expenditures are proposed during the 2024-29 tariff block.

**11. Transmission tariff:**



This truing up petition is being filed as per regulation 13 of Tariff Regulation 2019-24, given as here under:

Regulation 13 of Tariff Regulation 2019-24:

**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 Regulation 2019-24 period dated 07.03.2019 in the truing up petition for 2019-24 tariff block.

Regulation 31 (3) of the tariff Regulation 2019-24:

**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 has been issued by the Income Tax Department for FY 2019-20 and 2020-21; and that the Income Tax returns have been filed with the Income Tax



Department for FY 2021-22 & 2022-23. Further, it is submitted that the Income Tax Return for 2023-24 will be filed in due course.

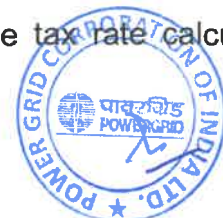
As such, basis of year wise effective tax rate and Grossed up ROE trued up accordingly for the block period 2019-24 is summarized as under.

Financial Year	Basis considered	Total Tax & Interest paid (Rs)	Assessed MAT Income under Sec 115 JB (Rs)	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	Applicable Rate #		##	17.472%	18.782%

# Based on the applicable rate of MAT @ 15.5 %, Surcharge @ 12% & Cess @ 4%

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

The Hon'ble Commission is requested to allow the petitioner to claim the differential tariff on account of the trued up ROE based on effective tax rate calculated on



completion of Income-tax assessment/re-assessment for the F/Y 2019-20, 2020-21,2021-22,2022-23 and 2023-24 on receipt of the respective assessment orders, directly from the beneficiaries, on year to year basis as provided in the regulation.

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

While filing Tariff petition for 2019-24 period, the petitioner had prayed for allowing the floating rate of Interest on loan adjustments. As per Hon'ble Commission order dated 18.04.2022 in petition no. 26/TT/2021, it has been stated that the weighted average rate of IoL has been considered on the basis of rate prevailing as on 1.4.2019 and accordingly, the floating rate of interest on actual, applicable from time to time, if any, during 2019-24 tariff shall be considered at the time of true up or next revision of tariff.

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

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

Rs in Lakh

Project		2019-20	2020-21	2021-22	2022-23	2023-24
Asset-1	AFC approved	57.89	57.20	56.62	55.93	55.34
	Revised AFC based on truing up	57.89	57.21	56.54	55.94	55.49

Tariff Filing Formats along with the other relevant information and supporting documentation are attached hereto as **Encl-2**.

That in the subject petition, details are provided in various Tariff Forms with respect to Capital Cost as per books / Gross Block amount as per Books. It is submitted that the petitioner has opted for deemed cost exemption as per Para D7 AA of Ind AS 101 'First-time Adoption of Indian Accounting Standards'. Accordingly Carrying value i.e.



Gross Block less Accumulated Depreciation is considered as deemed cost as on the date of transition i.e. 1st April 2015. As such, in case of assets commissioned before 01.04.2015, the accumulated depreciation as on 1st April 2015 is added back to the deemed Capital Cost as per books / Gross Block amount as per Books for arriving at the figures to be provided in various Tariff Forms.

13. The tariff for 2019-24 tariff block is summarized below:

Rs in Lakh

Project		2024-25	2025-26	2026-27	2027-28	2028-29
Asset-1	AFC	52.78	52.33	51.88	51.50	51.12

Tariff Filing Formats along with the other relevant information and supporting documentation are attached hereto as **Encl-3**.

14. The asset has already completed 12 Years of life as on 31.03.2014 thus depreciation during tariff block 2019-24 and 2024-29 have been spread over the balance useful life of the asset as per clause 33 (5) of the CERC Tariff regulations. The details have been computed and are provided in Form- 10 A.
15. That, it is submitted that the petitioner is currently liable to pay income tax at MAT rate specified in Income-Tax, 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.

16. 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 8.4 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.
17. In the tariff calculation 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 calculation 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 shall be submitted later in another truing up petition. Further, interest rate proof documents shall be available on the website [www.powergrid.in](http://www.powergrid.in).

18. The transmission charges at para-12 and 13 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.
19. That as per Regulation 36(3)(d) of CERC Tariff Regulations, 2024, the Security Expenses, Insurance and Capital Spares more than Rs. 10 Lakh for transmission system shall be allowed separately after prudence check.



**Security:**

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 Regulations 2019. 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 as per actual through a separate petition.

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

20. 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 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.

21. The application filing fee, expenses incurred on publication of Notices in News papers and License fee may be allowed to be recovered separately from the respondents in terms of Regulation 94(1) 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 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.
22. The Transmission Charges and other related Charges indicated at para 20 above, is exclusive of incentive, late payment surcharge, FERV, any statutory taxes, levies, duties, cess, filing fees, license fee, RLDC fees and charges, capital spares, security expenses, insurance expenses 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.
23. **Sharing of Transmission Charges**

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

Tariff for Transmission of Electricity (Annual Fixed Cost) for 2024-29 as per para 13 above 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



Central Electricity Regulatory Commission (Sharing of Inter State Transmission Charges and Losses) Regulations, 2020 or as amended from time to time.

24. 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.-4 may please be treated as integral part of this petition.**

### **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 assets covered under this petition, as per para 12 and 13 above.
- b) Allow the petitioner to recover the shortfall or refund the excess Annual Fixed Charges, on account of Return on Equity due to change in applicable Minimum Alternate/Corporate Income Tax rate as per the Income Tax Act, 1961 (as amended from time to time) of the respective financial year directly without making any application before the Commission as provided in Tariff Regulation 2019 and Tariff regulations 2024 as per para 12 and 13 above for respective block.  
Further it is submitted that deferred tax liability before 01.04.2009 shall be recoverable from the beneficiaries or long-term customers / DIC as the case may be, as and when the same is materialized as per regulation 67 of 2019 and regulation 89 of 2024 tariff regulation. The petitioner may be allowed to recover the deferred tax liability materialized directly without making any application before the commission as provided in the regulations.
- c) Approve the reimbursement of expenditure by the beneficiaries towards petition filing fee, and expenditure on publishing of notices in newspapers in terms of Regulation 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.
- d) Allow the petitioner to bill and recover Licensee fee and RLDC fees & charges, separately from the respondents in terms of Regulation 94 (3) and (4) Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations,



2024.

- e) 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.
- f) Allow the petitioner to file a separate petition before Hon'ble Commission for claiming the overall security expenses and consequential IOWC on that security expenses as mentioned at para 19 above.
- g) 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 19 above.
- h) 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 19 above.
- i) Allow the petitioner to claim expenses of CTUIL borne by POWERGRID through a separate petition as mentioned at para 20 above.
- j) Allow the Petitioner to bill and recover GST on Transmission Charges separately from the respondents, if GST on transmission is levied at any rate in future. Further, any taxes including GST and duties including cess etc. imposed by any statutory/Govt./municipal authorities shall be allowed to be recovered from the beneficiaries.

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

**GURGAON**

**DATED:12.07.2024**

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

**REPRESENTED BY**



**Mohd. Mohsin**

**Chief General Manager (COMMERCIAL)**

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

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

**IN THE MATTER OF: Subject matter:** Petition for truing up of Transmission tariff for 2019-24 and determination of transmission tariff for 2024-29 tariff block for **asset under Transmission System associated with “Neyveli TS-I** in Southern Region under Section 62 read with Section 79 (1) (d) of 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 Condition of Tariff Regulations) 2019 and Central Electricity Regulatory Commission (Terms and Condition 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).

**Tamil Nadu Generation and Distribution Corporation Ltd**

**--- RESPONDENT**

NPKRR Maaligai, 800, Anna Salai,  
Chennai – 600 002

Represented by its Chairman & Managing Director

**And others**

**AFFIDAVIT VERIFYING THE PETITION**

I, Mohd. Mohsin, S/O Late Sh Akhtar Hasan, working as Chief General Manager (Commercial) in the Powergrid Corporation of India Ltd., having its registered Office at B-9, Institutional Area, Katwaria Sarai, New Delhi-110 016, do hereby solemnly affirm and state



as under: -

1. That the deponent is the Chief 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 authorised 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 24 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 24 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 12<sup>th</sup> day of July' 2024 that the contents of the above affidavit are true to my knowledge and belief and no part of it is false and nothing material has been concealed there from.

  
(DEPONENT)  
POWER GRID CORPORATION OF INDIA LTD.  
POWERGRID



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

**पावर ग्रिड कॉर्पोरेशन ऑफ इंडिया लिमिटेड**  
**केन्द्रीय वाणिज्यिक विभाग**

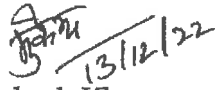
**Ref: CC/Commercial/2022**

**Date:-13.12.2022**

**LETTER OF AUTHORIZATION**

Pursuant to the POWER OF ATTORNEY dated 08.12.2022 and in supersession of the letters of authorization dated 19.07.2022, I hereby authorize the following Executives to sign on Vakalatnama, Affidavits and to appear and conduct case proceedings on behalf of the company before CERC, SERC, APTEL, High Courts and Supreme Court.

1. Sh. S.S Raju, CGM (Commercial)
2. Sh. V. Srinivas, CGM (Commercial - BCD)
3. Sh. Mohd Mohsin, Sr. GM (Commercial)
4. Sh. Bipin Bihari Rath, Sr.GM (Commercial)
5. Sh. V.C Shekhar, GM (Regulatory Cell)
6. Sh. Zafrul Hasan, Sr. DGM (Commercial)

  
13/12/22  
**Mukesh Khanna**  
ED (Commercial &RC)



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

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

**CENTRAL ELECTRICITY REGULATORY COMMISSION  
NEW DELHI**

**Petition No. 133/TT/2020**

**Coram:**

**Shri I.S. Jha, Member  
Shri Arun Goyal, Member  
Shri P.K. Singh, Member**

**Date of order: 28.10.2021**

**In the matter of:**

Approval under Regulation 86 of the Central Electricity Regulatory Commission (Conduct of Business) Regulations, 1999 and revision of transmission tariff of 2001-04, 2004-09 and 2009-14 periods and truing up of transmission tariff of 2014-19 tariff under the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2014 and determination of transmission tariff of 2019-24 period under the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2019 for LILO of one circuit of existing Neyveli-Trichy 400 kV D/C line at Neyveli TPS-I Expansion Transmission System associated with "Neyveli TS-I" in Southern Region.

**And in the matter of:**

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

**.....Petitioner**

**Versus**

1. Karnataka Power Transmission Corporation Limited,  
Kaveri Bhavan, Bangalore – 560 009.
2. Transmission Corporation of Andhra Pradesh Limited,  
Vidyut Soudha, Hyderabad – 500 082.
3. Kerala State Electricity Board,  
Vaidyuthi Bhavanam.  
Pattom, Thiruvananthapuram – 695 004.
4. Tamil Nadu Generation and Distribution Corporation Limited,  
(Formerly Tamil Nadu Electricity Board -TNEB),  
NPKRR Maaligai, 800, Anna Salai,



Order in Petition No. 133/TT/2020



Chennai – 600 002.

5. Electricity Department,  
Government of Pondicherry,  
Pondicherry – 605 001.
6. Eastern Power Distribution Company of Andhra Pradesh Limited,  
P&T Colony, Seethmmadhara,  
Vishakhapatnam, Andhra Pradesh.
7. Southern Power Distribution Company of Andhra Pradesh Limited,  
Srinivasasa Kalyana Mandapam Backside,  
Tiruchanoor Road, Kesavayana Gunta,  
Tirupati - 517 501,  
Chittoor District, Andhra Pradesh.
8. Southern Power Distribution Company of Telangana Limited,  
6-1-50, Corporate Office, Mint Compound,  
Hyderabad – 500 063, Telangana.
9. Northern Power Distribution Company of Telangana Limited,  
H.No. 2-5-3 1/2 , Vidyut Bhawan, Corporate office, Nakkal Gupta,  
Hanamkonda, Warangal – 506 001,  
Telangana.
10. Bangalore Electricity Supply Company Limited,  
Corporate Office, K.R.Circle,  
Bangalore – 560 001, Karnataka.
11. Gulbarga Electricity Supply Company Limited,  
Station Main Road, Gulbarga,  
Karnataka.
12. Hubli Electricity Supply Company Limited,  
Navanagar, PB Road,  
Hubli, Karnataka.
13. MESCOM Corporate Office,  
Paradigm Plaza, AB Shetty Circle,  
Mangalore – 575 001,  
Karnataka.
14. Chamundeswari Electricity Supply Corporation Limited,  
# 927, L J Avenue, Ground Floor,  
New Kantharaj Urs Road, Saraswatipuram,



Order in Petition No. 133/TT/2020





Mysore – 570 009, Karnataka.

15. Electricity Department,  
Government of Goa,  
Vidyuti Bhawan, Panaji,  
Goa – 403001.

16. Transmission Corporation of Telangana Limited,  
Vidhyut Sudha, Khairatabad,  
Hyderabad - 500 082

17. Tamil Nadu Transmission Corporation,  
NPKRR Maaligai, 800, Anna Salai,  
Chennai – 600 002.

...Respondent(s)

**For Petitioner** : Shri S.S. Raju, PGCIL  
Shri D.K. Biswal, PGCIL  
Shri Ved Prakash Rastogi, PGCIL  
Shri Amit Yadav, PGCIL

**For Respondents** : Shri S. Vallinayagam, Advocate, TANGEDCO  
Ms. R. Ramalakshmi, TANGEDCO  
Ms. Siva Preetha Sankari, TANGEDCO

### ORDER

The instant petition has been filed by Power Grid Corporation of India Limited, a deemed transmission licensee, for revision of transmission tariff of 2001-04, 2004-09 and 2009-14 periods and truing up of transmission tariff for the period from 1.4.2014 to 31.3.2019 under the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2014 (hereinafter referred to as “the 2014 Tariff Regulations”) and for determination of tariff for the period from 1.4.2019 to 31.3.2024 under the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2019 (hereinafter referred to as “ the 2019 Tariff Regulations”) in respect of LILO of one circuit of existing Neyveli-Trichy 400 kV D/C line at Neyveli TPS-I Expansion switchyard transmission system (hereinafter referred to as “the transmission asset”) associated with “Neyveli TS-I” in Southern Region.



Order in Petition No. 133/TT/2020



Page 3 of 47

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

“1) Approve the revised Transmission Tariff for 2001-04, 2004-09 block and transmission tariff for 2009-14 block for the assets covered under this petition, as per para 8 above.

2) Approve the trued up Transmission Tariff for 2014-19 block and transmission tariff for 2019-24 block for the assets covered under this petition, as per para 9 and 10 above.

3a) Allow the petitioner to recover the shortfall or refund the excess Annual Fixed Charges, on account of Return on Equity due to change in applicable Minimum Alternate/Corporate Income Tax rate as per the Income Tax Act, 1961 (as amended from time to time) of the respective financial year directly without making any application before the Commission as provided in Tariff Regulation 2014 and Tariff regulations 2019 as per para 9 and 10 above for respective block.

b. Further it is submitted that deferred tax liability before 01.04.2009 shall be recoverable from the beneficiaries or long term customers / DIC as the case may be, as and when the same is materialized as per regulation 49 of 2014 and regulation 67 of 2019 tariff regulation. The petitioner may be allow to recover the deferred tax liability materialised directly without making any application before the commission as provided in the regulation.

4) Approve the reimbursement of expenditure by the beneficiaries towards petition filing fee, and expenditure on publishing of notices in newspapers in terms of Regulation 70 (1) Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2019, and other expenditure ( if any) in relation to the filing of petition.

5) Allow the petitioner to bill and recover Licensee fee and RLDC fees and charges, separately from the respondents in terms of Regulation 70 (3) and (4) Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2019.

6) Allow the petitioner to adjust the cumulative depreciation by taking into account the depreciation recovered in tariff by the decapitalized asset during its useful life and to recover the unrecovered depreciation amounting to ₹ 40.60 lakh in case of Asset-1 separately on account of de-capitalization.

7) Allow the petitioner to bill and adjust impact on Interest on Loan due to change in Interest rate on account of floating rate of interest applicable during 2019-24 period, if any, from the respondents.

8) 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 10.5 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.*

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

### **Background**

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

(a) The Investment Approval (IA) in respect of the transmission asset was accorded by the Board of Directors of the Petitioner Company as per Memorandum dated 29.2.2000 at an estimated cost of ₹1114.00 lakh based on 2<sup>nd</sup> Quarter 1999 price, including IDC of ₹52.00 lakh. The details of commercial operation (COD) of the transmission asset is as follows:

<b>Asset Name</b>	<b>COD</b>
LILO of one circuit of existing Neyveli-Trichy 400 kV D/C line at Neyveli TPS-I Expansion Transmission system associated with Neyveli TS-I.	1.2.2002

(b) The transmission asset is the only element under the transmission scheme.

(c) The transmission tariff in respect of the transmission asset was approved for the period from COD to 31.3.2004 vide order dated 21.2.2005 in Petition No. 57/2002.

(d) The transmission tariff for the period from 1.4.2004 to 31.3.2009 in respect of the transmission asset was approved vide order dated 17.1.2006 in Petition No. 36/2005.

(e) The transmission tariff for the period from 1.4.2009 to 31.3.2014 in respect of the transmission asset was approved vide order dated 1.12.2010 in Petition No. 150/2010. The tariff for 2009-14 period was trued up and tariff for the period from 1.4.2014 to 31.3.2019 was determined vide order dated 6.11.2015 in Petition No. 144/TT/2014.

(f) The Petitioner has sought revision of transmission tariff allowed for 2001-04 and 2004-09 tariff periods on account of change in Interest on Loan



(IoL) and Interest on Working Capital (IWC) to the extent of revision in IoL and in Maintenance Spares in terms of the judgments of the Appellate Tribunal for Electricity (APTEL) dated 22.1.2007 in Appeal No. 81 of 2005 and batch matters and 13.6.2007 in Appeal No. 139 of 2006 and batch cases. The Petitioner has sought consequential revision of transmission tariff allowed for 2009-14 tariff period, truing up of tariff of 2014-19 tariff period and determination of transmission tariff for 2019-24 tariff period for the transmission assets.

(g) APTEL in judgment dated 22.1.2007 in Appeal No.81 of 2005 and batch matters pertaining to generating stations of NTPC had considered 4 (four) issues. The issues considered by APTEL and its decisions are as follows:

Sl. No.	Issue	APTEL's decision/direction
1	Whether APTEL can enquire into the validity of Regulations framed by the Commission	Challenge to the validity of Regulations framed by the Commission falls outside the purview of APTEL
2	Computation of interest on loan	In view of the order of APTEL dated 14.11.2016 in Appeal Nos. 94 and 96 of 2005 and order dated 24.1.2007 passed in Appeal Nos. 81 to 87, 89 to 93 of 2005, computation of loan has to be based on loan repayment on normative basis. The Commission is required to recalculate the loan outstanding as on 31.3.2004 based on loan repayment on normative basis
3(a)	O&M Expenses: Inadequate provision of employee costs as part of O&M Expenses due to variation in salary and wages	Commission's view upheld
3(b)	O&M Expenses: Non-inclusion of incentives and ex-gratia payment to employees	Commission's view upheld
4	Cost of spares for calculation of working capital	Commission's view upheld

(h) APTEL in its judgment dated 13.6.2007 in Appeal No. 139 of 2006 and batch matters pertaining to generating stations of NTPC had considered 9 (nine) issues. The issues considered and the decisions of APTEL are as follows:



Sr. No.	Issue	APTEL's decision/direction
I	Computation of outstanding loan at the beginning of the tariff period i.e. 1.4.2004	Commission is required to recalculate the loan outstanding as on 31.3.2004 based on loan repayment on normative basis
II	Consequence of refinance of loan	Commission to consider the issue afresh
III	Treating depreciation available as deemed repayment of loan	Commission to make a fresh computation of outstanding loan
IV	Admissibility of depreciation up to 90%	Commission to consider the issue afresh
V	Cost of Maintenance Spares	Commission to consider the issue afresh
VI	Impact of de-capitalisation of the assets on cumulative repayment of Loan	The cumulative repayment of the loan proportionate to the assets decapitalized required to be reduced. Commission to act accordingly
VII	Non-consideration of normative transit loss for coal import	Commission to consider afresh the transit losses for coal imported from coal mines other than the dedicated ones
VIII	Foreign Exchange Rate Variation (FERV)	FERV has been kept as pass through to ensure that any liability or gain, if any, arising on account of any variation in foreign exchange rates is passed on to the beneficiary as held in order dated 4.10.2006 in Appeal Nos.135 to 140 of 2005. Commission to act accordingly
IX	Computation of interest on loan in Singrauli Station	Net loan closing at the end of a year is reflected as net loan opening on the first day of the next year. Commission shall re-compute the interest accordingly.

(i) The Commission and certain interested parties preferred Civil Appeals against the APTEL's judgments before the Hon'ble Supreme Court in 2007. The Appeals were admitted and initially stay was granted by the Hon'ble Supreme Court. Subsequently, on an assurance by NTPC that the issues under Appeal would not be pressed for implementation during the pendency of the Appeals, the stay was vacated by the Hon'ble Supreme Court.

(j) Based on APTEL's judgments dated 22.1.2007 in Appeal No. 81/2005 and batch matters and dated 13.6.2007 in Appeal No. 139/2006 and batch cases, the Petitioner had sought re-determination of tariff of its transmission assets of 2001-04 and 2004-09 tariff periods vide Petition No. 121/2007. The Commission after taking into consideration the pendency of Appeals before the Hon'ble Supreme Court adjourned the said petition *sine die* and directed that the

same be revived after the disposal of Civil Appeals by the Hon'ble Supreme Court.

(k) The Hon'ble Supreme Court vide its judgment dated 10.4.2018, dismissed the said Civil Appeals filed against APTEL's said judgments. Thus, the judgments of APTEL have attained finality.

(l) Consequent to the Hon'ble Supreme Court's order dated 10.4.2018 in NTPC matters, Petition No. 121/2007 was listed for hearing on 8.1.2019 before the Commission. The Commission vide order dated 18.1.2019 in Petition No. 121/2007, directed the Petitioner to submit its claim separately for the transmission assets at the time of filing of truing up petition for 2014-19 tariff period in respect of the concerned transmission assets. Accordingly, the Petitioner has filed the instant petition.

(m) The instant petition was heard on 9.7.2021 and in view of APTEL's judgments dated 22.1.2007 and 13.6.2007 and the order of Hon'ble Supreme Court dated 10.4.2018, tariff is being revised. Although, period-wise transmission tariff is being re-worked based on the Tariff Regulations applicable for the respective tariff periods and suitable assumptions have been made at certain places and applied, which are indicated.

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

5. The Petitioner has served the petition on the Respondents and notice regarding filing of this petition has been published in the newspapers in accordance with Section 64 of the Electricity Act, 2003. No comments or suggestions have been received from the general public in response to the aforesaid notices published in the newspapers. Tamil Nadu Generation and Distribution Corporation Limited i.e. Respondent No. 4, has filed its reply vide affidavit dated 8.7.2021 and has raised issues of



decapitalisation of the transmission asset, retrospective revision of tariff, depreciation and sharing of transmission charges. The issues raised by TANGEDCO have been considered in the relevant portions of this order.

**Re: Interest on Loan (IoL)**

6. APTEL while dealing with the issue of computation of IoL, in judgment dated 22.1.2007 in Appeal No. 81 of 2005 and batch matters observed that IoL for the period from 1.4.1998 to 31.3.2001 shall be computed only on normative loan repayment as per its judgment dated 14.11.2006 in Appeal No. 94 of 2005 and Appeal No. 96 of 2005. APTEL vide its judgment dated 14.11.2006 in Appeal No. 94 of 2005 and Appeal No. 96 of 2005 had set aside the Commission's methodology of computation of loan on the actual repayment basis or normative repayment whichever is higher and held that the Commission is required to adopt normative debt repayment methodology for working out IoL liability for the period 1.4.1998 to 31.3.2001. In view of the above, the interest allowed for 2001-04 and 2004-09 period is revised on the basis of the normative debt repayment methodology.

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

7. APTEL vide judgment dated 13.6.2007 in Appeal No. 139/2006 and batch matters held that ACE after COD should also be considered for computation of maintenance spares. In view of the above, the maintenance spares to be considered for computation of working capital for 2001-04 and 2004-09 periods are also required to be revised taking into consideration ACE after the date of commercial operation.

**Re: Depreciation**

8. As regards depreciation, APTEL in its judgment dated 13.6.2007 in Appeal No. 139 of 2006 and batch matters observed that depreciation is an expense and it cannot



be deployed for deemed repayment of loan and accordingly directed the Commission to compute the outstanding loan afresh. In view of the above directions of APTEL, the outstanding loan allowed for the transmission asset for 2001-04 and 2004-09 period is revised in the instant order.

9. The revision of tariff allowed for 2001-04 and 2004-09 tariff period necessitates the revision of transmission tariff allowed for 2009-14 tariff period, which is also being done in the present order. The implementation of the directions APTEL vide judgments dated 22.1.2007 in Appeal No. 81 of 2005 and batch matters and dated 13.6.2007 in Appeal No. 139 of 2006 and batch cases was kept pending in case of the Petitioner awaiting the outcome of the Civil Appeals filed before the Hon'ble Supreme Court. Taking into consideration the facts of the case and keeping in view the interest of the consumers, we are of the view that the beneficiaries should not be burdened with the carrying cost for the difference in the tariff allowed earlier and allowed in the instant order for 2001-04, 2004-09 and 2009-14 tariff periods. Therefore, we direct that the Petitioner will neither claim nor pay any carrying cost from or to the beneficiaries for the difference, if any, in the tariff allowed earlier and the tariff being allowed in the instant order. Further, the said difference in tariff shall be recovered/ paid over a period of six months from the date of issue of this order.

10. The hearing in this matter was held on 9.7.2021 through video conference and order was reserved.

11. This order is issued considering the submissions made by the Petitioner in the petition vide affidavit dated 2.1.2020 and affidavit dated 1.7.2021 and reply filed by TANGEDCO affidavit dated 8.7.2021.





12. Having heard the representatives of the Petitioner, learned counsel for TANGEDCO and perused the material on record, we proceed to dispose of the petition.

13. TANGEDCO relying on the judgment of the Hon'ble Supreme Court in *U.P. Power Corporation Ltd. v. NTPC Ltd.* reported in (2009) 6 SCC 235 has submitted that tariff of an earlier period cannot be passed on to the current consumers. It was further submitted that APTEL in its judgment dated 13.6.2007 in Appeal No. 139 of 2007 and batch matters and dated 22.1.2007 in Appeal No. 81 of 2005 and batch cases did not make any observations regarding retrospective revision of tariff and the said judgments are applicable only for 2004-09 tariff period. TANGEDCO has also submitted that the Petitioner has misled the Commission by stating that APTEL has allowed revision of tariff of 2001-04, 2004-09 and 2009-14 tariff periods. The Petitioner cannot be allowed to take advantage of the judgments of APTEL issued in favour of NTPC. It was further contended by TANGEDCO that the order dated 18.1.2019 in Petition No. 121/2007 passed by the Commission is per incuriam the judgment of the Hon'ble Supreme Court of India in the matter of *U.P. Power Corporation Ltd. (Supra)* in as much as Article 141 of the Constitution of India mandates that the law declared by the Hon'ble Supreme Court shall be binding on all courts within the territory of India. TANGEDCO submitted that there is no provision in any of the Tariff Regulations permitting revision of tariff for the 2001-04, 2004-09 and 2009-14 tariff periods.

14. In response, the representative of the Petitioner in the course of hearing on 9.7.2021 submitted that revision of tariff has been claimed as per the judgments of APTEL dated 22.1.2007 in Appeal No. 81 of 2005 and batch matters and dated 13.6.2007 in Appeal No. 139 of 2006 and batch cases as well as order of the

▲ Order in Petition No. 133/TT/2020



Commission dated 18.1.2019 in Petition No. 121/2007. The order of the Commission in Petition No. 121/2007 was passed in 2019 only because Appeals against the said judgments of APTEL dated 22.1.2007 and 13.6.2007 were pending before the Hon'ble Supreme Court. The representative of the Petitioner prayed that as there was no delay on the part of the Petitioner in claiming the revised tariff, the same may be allowed.

15. We have considered the submissions made by the Petitioner and TANGEDCO. We observe that the contentions of TANGEDCO regarding revision of tariff for 2001-04, 2004-09 and 2009-14 tariff periods are similar to that raised by BRPL in earlier petitions filed before the Commission. It has been placed before us that the Commission has decided the above issue in various petitions including in Petition No. 288/TT/2019 and Petition No. 290/TT/2020. TANGEDCO had also raised this issue in several other petitions as well and the Commission, in terms of its findings in Petition No. 288/TT/2019 and Petition No. 290/TT/2020, rejected the contentions of TANGEDCO. Accordingly, in terms of orders dated 31.7.2020 and dated 5.3.2021 in Petition No. 288/TT/2019 and Petition No. 290/TT/2020 respectively, we do not find merit in the submissions of TANGEDCO and, therefore, reject the same and proceed with revision of tariff of 2001-04 and 2004-09 periods and consequent revision of tariff for 2009-14 period.

### **REVISION OF TRANSMISSION CHARGES ALLOWED FOR 2001-04, 2004-09 AND 2009-14 TARIFF PERIODS**

#### **2001-04 Tariff Period**

16. The Commission vide order dated 21.2.2005 in Petition No. 57/2002 approved the transmission charges in respect of the transmission asset from COD to 31.3.2004. The transmission charges approved for 2001-04 period vide order dated 21.2.2005 in Petition No. 57/2002 are as follows:



Order in Petition No. 133/TT/2020



(₹ in lakh)

Particulars	2001-02 (Pro-rata for 2 months)	2002-03	2003-04
Depreciation	3.83	22.96	22.96
Return on Equity	2.70	16.20	16.20
O&M Expenses	1.85	11.75	12.45
Advance against Depreciation	0.00	0.00	0.00
Interest on Loan	10.86	82.53	81.53
Interest on Working Capital	0.57	3.78	3.84
<b>Total</b>	<b>19.80</b>	<b>137.23</b>	<b>136.99</b>

17. The Petitioner has claimed the following revised transmission charges in respect of the transmission asset for 2001-04 period in this petition:

(₹ in lakh)

Particulars	2001-02 (Pro rata for 2 months)	2002-03	2003-04
Depreciation	3.83	22.96	22.96
Return on Equity	2.70	24.22	25.36
O&M Expenses	1.85	11.75	12.45
Advance against Depreciation	0.00	0.00	0.00
Interest on Loan	10.86	82.53	81.53
Interest on Working Capital	0.57	4.06	4.16
<b>Total</b>	<b>19.81</b>	<b>145.52</b>	<b>146.46</b>

18. We have considered the Petitioner's claim. The tariff is allowed in respect of the transmission asset on the basis of the following:

- a) Admitted capital cost of ₹893.27 lakh as on COD;
- b) Weighted Average Rate of Interest on actual loan adopted from order dated 21.2.2005 in Petition No.57/2002; and
- c) Weighted Average Rate of Depreciation, Rate of Interest for Working Capital and O&M Expenses as per order dated 21.2.2005 in Petition No. 57/2002.

19. In view of the above, the revised transmission charges allowed in respect of the transmission asset for 2001-04 tariff period are as follows:

(₹ in lakh)

Particulars	2001-02 (Pro rata for 2 months)	2002-03	2003-04
Depreciation	3.83	22.96	22.96
Return on Equity	2.70	16.20*	16.20*
O&M Expenses	1.85	11.75	12.45
Advance against Depreciation	0.00	0.00	0.00
Interest on Loan	10.86	82.53	81.53
Interest on Working Capital	0.57	3.85	3.93
<b>Total</b>	<b>19.81</b>	<b>137.28</b>	<b>137.06</b>

\* In addition to above, Return on equity of ₹8.02 lakh and ₹9.16 lakh has been allowed in 2002-03 and 2003-04 respectively as per order dated 17.1.2006 in Petition No.36/2005 on account of additional equity of ₹50.13 lakh and ₹57.27 lakh for the year 2002-03 and 2003-04 respectively.

20. Annual Fixed Charges (AFC) allowed for 2001-04 tariff period vide order dated 21.2.2005 in Petition No. 57/2002, the revised AFC claimed in the instant petition and AFC allowed in the instant order are as follows:

(₹ in lakh)

Particulars	2001-02 (Pro-rata for 2 months)	2002-03	2003-04
AFC approved vide order dated 21.2.2005 in Petition No. 57/2002	19.80	137.23	136.99
AFC claimed by the Petitioner in the instant petition	19.81	145.52	146.46
AFC allowed in the instant order	19.81	137.28*	137.06*

\* Return on equity of ₹8.02 lakh and ₹9.16 lakh has been allowed in 2002-03 and 2003-04 respectively as per order dated 17.1.2006 in Petition No.36/2005 on account of additional equity of ₹50.13 lakh and ₹57.27 lakh for the year 2002-03 and 2003-04 respectively.

### 2004-09 Tariff Period

21. The Commission approved transmission charges for the period from 1.4.2004 to 31.3.2009 vide order dated 17.1.2006 in Petition No. 36/2005 in respect of the transmission asset. The transmission charges approved for 2004-09 period vide order dated 17.1.2006 in Petition No. 36/2005 are as follows:



(₹ in lakh)					
Particulars	2004-05	2005-06	2006-07	2007-08	2008-09
Depreciation	24.61	24.61	24.61	24.61	24.61
Return on Equity	23.19	23.19	23.19	23.19	23.19
O&M Expenses	5.00	5.20	5.42	5.62	5.86
Advance against Depreciation	0.00	34.31	43.62	43.62	43.62
Interest on Loan	77.22	70.96	63.89	56.82	49.74
Interest on Working Capital	3.36	3.92	4.03	3.98	3.94
<b>Total</b>	<b>133.39</b>	<b>162.20</b>	<b>164.76</b>	<b>157.85</b>	<b>150.97</b>

22. The Petitioner has claimed the following revised transmission charges in respect of the transmission asset for 2004-09 period in this petition:

(₹ in lakh)					
Particulars	2004-05	2005-06	2006-07	2007-08	2008-09
Depreciation	24.61	24.61	24.61	24.61	24.61
Return on Equity	23.19	23.19	23.19	23.19	23.19
O&M Expenses	5.00	5.20	5.42	5.62	5.86
Advance against Depreciation	0.00	34.31	43.62	43.62	43.62
Interest on Loan	77.23	70.95	63.90	56.81	49.74
Interest on Working Capital	3.49	4.06	4.18	4.14	4.11
<b>Total</b>	<b>133.53</b>	<b>162.31</b>	<b>164.92</b>	<b>157.99</b>	<b>151.13</b>

23. We have considered the Petitioner's claim. The tariff is allowed for the transmission asset on the basis of the following:

- a) Admitted capital cost of ₹957.67 lakh as on 1.4.2004;
- b) ACE of ₹64.40 lakh for 2001-04 period as approved vide order dated 17.1.2006 in Petition No. 36/2005;
- c) Weighted Average Rate of Interest on actual loan adopted from order dated 17.1.2006 in Petition No. 36/2005; and
- d) Weighted Average Rate of Depreciation, Rate of Interest for Working Capital and O&M Expenses as per order dated 17.1.2006 in Petition No. 36/2005.



24. In view of the above, the revised transmission charges allowed in respect of the transmission asset for 2004-09 tariff period are as follows:

Particulars	(₹ in lakh)				
	2004-05	2005-06	2006-07	2007-08	2008-09
Depreciation	24.61	24.61	24.61	24.61	24.61
Return on Equity	23.19	23.19	23.19	23.19	23.19
O&M Expenses	5.00	5.20	5.42	5.62	5.86
Advance against Depreciation	0.00	34.32	43.62	43.62	43.62
Interest on Loan	77.23	70.95	63.90	56.81	49.74
Interest on Working Capital	3.44	4.00	4.12	4.08	4.04
<b>Total</b>	<b>133.48</b>	<b>162.27</b>	<b>164.86</b>	<b>157.93</b>	<b>151.07</b>

25. AFC allowed for 2004-09 tariff period vide order dated 17.1.2006 in Petition No. 36/2005, the revised AFC claimed in the instant petition and AFC allowed in the instant order are as follows:

Particulars	(₹ in lakh)				
	2004-05	2005-06	2006-07	2007-08	2008-09
AFC approved vide order dated 17.1.2006 in Petition No. 36/2005	133.39	162.20	164.76	157.85	150.97
AFC claimed by the Petitioner in the instant petition	133.53	162.31	164.92	157.99	151.13
AFC allowed in the instant order	133.48	162.27	164.86	157.93	151.07

#### **2009-14 Tariff Period**

26. The Commission vide order dated 1.12.2010 in Petition No. 150/2010 approved the tariff in respect of the transmission asset for 2009-14 period and vide order dated 6.11.2015 in Petition No. 144/TT/2014 trued up the tariff allowed for 2009-14 period and the same is as follows:

Particulars	(₹ in lakh)				
	2009-10	2010-11	2011-12	2012-13	2013-14
Depreciation	50.56	50.56	50.56	50.56	50.56
Return on Equity	30.94	32.07	32.10	32.10	32.49
O&M Expenses	6.90	7.30	7.72	8.16	8.62
Interest on Loan	44.21	39.50	35.79	30.09	24.34
Interest on Working Capital	2.97	2.91	2.85	2.76	2.67
<b>Total</b>	<b>135.58</b>	<b>132.35</b>	<b>129.03</b>	<b>123.67</b>	<b>118.69</b>

27. The Petitioner has claimed the following revised transmission charges in respect of the transmission asset for 2009-14 period in this petition:

Particulars	(₹ in lakh)				
	2009-10	2010-11	2011-12	2012-13	2013-14
Depreciation	50.56	50.56	50.56	50.56	50.56
Return on Equity	30.94	32.07	32.10	32.10	32.49
O&M Expenses	6.90	7.30	7.72	8.16	8.62
Interest on Loan	44.21	39.50	35.79	30.09	24.35
Interest on Working Capital	2.97	2.91	2.85	2.76	2.67
<b>Total</b>	<b>135.58</b>	<b>132.34</b>	<b>129.02</b>	<b>123.67</b>	<b>118.69</b>

28. We have considered the Petitioner's claim. The tariff is allowed for the transmission asset on the basis of the following:

- Admitted capital cost of ₹957.67 lakh as on 1.4.2009;
- Weighted Average Rate of Interest on actual loan derived/adopted from order dated 6.11.2015 in Petition No. 144/TT/2014; and
- Weighted Average Rate of Depreciation as per order 6.11.2015 in Petition No. 144/TT/2014.

29. In view of the above, the revised transmission charges allowed in respect of the transmission asset for 2009-14 period are as follows:

Particulars	(₹ in lakh)				
	2009-10	2010-11	2011-12	2012-13	2013-14
Depreciation	50.56	50.56	50.56	50.56	50.56
Interest on Loan	44.21	39.50	35.79	30.09	24.34
Return on equity	30.94	32.07	32.10	32.10	32.49
Interest on Working Capital	2.97	2.91	2.85	2.76	2.67
O&M Expenses	6.90	7.30	7.72	8.16	8.62
<b>Total</b>	<b>135.58</b>	<b>132.35</b>	<b>129.03</b>	<b>123.68</b>	<b>118.69</b>

30. Annual Fixed Charges (AFC) allowed for 2009-14 tariff period vide order dated 6.11.2015 in Petition No. 144/TT/2014, the revised AFC claimed in the instant petition and AFC allowed in the instant order are as follows:

Particulars	(₹ in lakh)				
	2009-10	2010-11	2011-12	2012-13	2013-14
AFC approved vide order dated 6.11.2015 in Petition No.	135.58	132.35	129.03	123.67	118.69



144/TT/2014					
AFC claimed by the Petitioner in the instant petition	135.58	132.34	129.02	123.67	118.69
AFC allowed in the instant order	135.58	132.35	129.03	123.68	118.69

### **TRUING UP OF ANNUAL FIXED CHARGES FOR 2014-19 TARIFF PERIOD**

31. The details of the trued-up transmission charges claimed by the Petitioner are as follows:

Particulars	(₹ in lakh)				
	2014-15	2015-16	2016-17	2017-18	2018-19
Depreciation	11.79	13.01	9.80	9.80	9.80
Interest on Loan	20.87	17.58	13.89	12.93	11.97
Return on equity	32.51	30.11	27.54	27.54	27.61
O&M Expenses	7.79	8.05	8.31	8.59	8.88
Interest on Working Capital	1.93	1.84	1.64	1.63	1.63
<b>Total</b>	<b>74.89</b>	<b>70.59</b>	<b>61.18</b>	<b>60.49</b>	<b>59.89</b>

32. The details of the trued-up Interest on Working Capital (IWC) claimed by the Petitioner are as follows:

Particulars	(₹ in lakh)				
	2014-15	2015-16	2016-17	2017-18	2018-19
O&M Expenses	0.65	0.67	0.69	0.72	0.74
Maintenance Spares	1.17	1.21	1.25	1.29	1.33
Receivables	12.48	11.77	10.20	10.08	9.98
<b>Total Working Capital</b>	<b>14.30</b>	<b>13.65</b>	<b>12.14</b>	<b>12.09</b>	<b>12.05</b>
Rate of Interest on Working Capital (%)	13.50	13.50	13.50	13.50	13.50
<b>Interest of working capital</b>	<b>1.93</b>	<b>1.84</b>	<b>1.64</b>	<b>1.63</b>	<b>1.63</b>

### **Capital Cost as on 1.4.2014**

33. The capital cost of the transmission asset has been calculated in accordance with Regulations 9(3) and 9(6) of the 2014 Tariff Regulations. The Commission vide order dated 6.11.2015 in Petition No. 144/TT/2014 approved the transmission tariff in respect of the transmission asset for 2014-19 period based on admitted capital cost of ₹957.67 lakh as on 1.4.2014.





34. Accordingly, the capital cost of ₹957.67 lakh in respect of the transmission asset has been considered for the purpose of truing up of the tariff for 2014-19 tariff period.

35. The Petitioner has not claimed any ACE for the transmission asset during 2014-19 tariff period.

### **Decapitalisation**

36. The Petitioner has submitted that re-conductoring of the transmission asset has been done w.e.f. 9.11.2015 for strengthening of Neyveli TS-II-TS-I expansion link with higher capacity conductor under the transmission system associated with contingency plan for evacuation of power from IL&FS (2x600 MW) covered in Petition No. 51/TT/2015 as approved in SRPC. Accordingly, the gross block has been de-capitalized from the transmission asset in 2015-16 and tariff has been calculated. De-capitalization details submitted by the Petitioner are as follows:

Asset	De-cap
	2015-16
LILO of one circuit of existing Neyveli-Trichy 400 kV D/C line at Neyveli TPS-I Expansion Switchyard Transmission System.	-149.89

37. TANGEDCO has submitted that the Commission vide order dated 20.7.2016 in Petition No. 51/TT/2015 approved the transmission tariff for 2014-19 period in respect of Asset-1 therein (LILO of 2<sup>nd</sup> second of Neyveli-Trichy 400 kV D/C line at Negapattinam Pooling Station along with associated bays) with COD as 29.9.2015 and Asset-2 therein (Strengthening of Neyveli TS-II-TS-I expansion link with higher capacity conductor) with COD as 9.11.2015. The Commission in its order in Petition No. 51/TT/2015 in respect of Asset-2 therein, while granting tariff, approved recovery

of 30% of the completion cost of the new asset with a direction to submit the details of de-capitalization during truing up. TANGEDCO has further submitted that the Petitioner has not furnished the details of the de-capitalised asset even at the time of truing-up in Petition No. 514/TT/2019 (tariff that was granted in Petition No. 51/TT/2015) and stated that the de-capitalised asset value has been deducted in the gross block of the old asset. This shows non-compliance by the Petitioner of the Commission's order in Petition No. 51/TT/2015. TANGEDCO has submitted that the Petitioner has purposefully included de-capitalization of the asset connected with the assets covered in Petition No. 51/TT/2015 (and trued-up in Petition No. 514/TT/2019) in the present petition and that the same is not permissible and is violative of various orders of the Commission and Tariff Regulations.

38. In response, the Petitioner in the course of hearing the matter on 9.7.2021 submitted that de-capitalisation has been done as per the existing Regulations and as per the discussions held during the meetings of RPC.

39. We have considered the submissions of the Petitioner and TANGEDCO. The Petitioner has carried out re-conductoring w.e.f. 9.11.2015 of existing Neyveli-Trichy 400 kV D/C line at Neyveli TPS-I Expansion switchyard and accordingly de-capitalisation is done from 9.11.2015. Therefore, the capital cost allowed for 2014-19 tariff period is as follows:

(₹ in lakh)		
Capital Cost as on 1.4.2014	De-capitalization during 2014-19 period	Capital Cost as on 31.3.2019
957.67	-149.89	807.78

40. The Petitioner has adjusted cumulative depreciation by taking into account the depreciation recovered in tariff by the decapitalized asset during its useful life and

prayed to allow to recover unrecovered depreciation amounting to ₹ 40.60 lakh in case of the transmission asset separately on account of de-capitalization. The details of depreciation recovered from decapitalized asset are as follows:

(₹ in lakh)

Asset	Gross Block of decapitalized asset (A)	Year of decapitalization	Cumulative depreciation recovered(B)	Unrecovered depreciation (0.9*A-B)
LILO of one circuit of existing Neyveli-Trichy 400 kV D/C line at Neyveli TPS-I Expansion Switchyard Transmission System.	149.8 9	2015-16	94.31	40.60

41. We have considered the submission of the petitioner. It is observed that there is no specific provision for recovering unrecovered depreciation in the 2014 Tariff Regulations. Accordingly, we are not inclined to allow the un-recovered depreciation claimed by the Petitioner.

#### **Debt-Equity Ratio**

42. Debt-equity ratio has been allowed in accordance with Regulation 19(3) of the 2014 Tariff Regulations. As per Regulation 19(3) of the 2014 Tariff Regulations, debt-equity ratio allowed by the Commission for determination of tariff for the period ending on 31.3.2014 shall be considered. Accordingly, the admitted debt-equity ratio of 82.70:17.30 for the period ending on 31.3.2014 has been considered as opening debt-equity ratio as on 1.4.2014 for the purpose of truing up of tariff of 2014-19 period in respect of the transmission asset. The details of debt-equity ratio of the transmission asset as on 1.4.2014 and 31.3.2019 are as follows:



<b>Funding</b>	<b>Capital cost as on 1.4.2014 (₹ in lakh)</b>	<b>(in %)</b>	<b>Total cost as on 31.3.2019 (₹ in lakh)</b>	<b>(in %)</b>
Debt	792.00	82.70	668.04	82.70
Equity	165.67	17.30	139.74	17.30
<b>Total</b>	<b>957.67</b>	<b>100.00</b>	<b>807.78</b>	<b>100.00</b>

### **Depreciation**

43. The Petitioner has claimed depreciation considering the capital expenditure of ₹957.67 lakh as on 1.4.2014 and de-capitalization of ₹149.89 lakh in respect of re-conductoring for Strengthening of Neyveli TS-II-TS-I expansion link with higher capacity conductor under the transmission system associated with contingency plan for evacuation of power from IL&FS (2x600MW) during the 2015-16 tariff period.

44. TANGEDCO has submitted that the Petitioner is trying to recover the unrecovered depreciation with regard to the decapitalized asset which is not supported by the provisions of the Tariff Regulations.

45. In response, the Petitioner has submitted that de-capitalization was done on account of discussions in RPC and as such the unrecovered depreciation is being claimed.

46. We have considered the submission of the Petitioner and TANGEDCO. The depreciation has been allowed as per the methodology provided in Regulation 27 of the 2014 Tariff Regulations. The transmission asset has already completed 12 years of life as on 31.3.2014. The remaining depreciable value of ₹ 271.11 lakh has been spread across the balance useful life of 23 years in accordance with Regulation 27(5) of the 2014 Tariff Regulations. The Gross Block during 2014-19 tariff period with regard to the transmission asset has been depreciated at Weighted Average Rate of Depreciation (WAROD). WAROD has been worked out after taking into account the



Order in Petition No. 133/TT/2020



depreciation rates of assets as prescribed in the 2014 Tariff Regulations and depreciation allowed during 2014-19 period in respect of the transmission asset is as follows:

(₹ in lakh)					
Particulars	2014-15	2015-16	2016-17	2017-18	2018-19
Opening Gross Block	957.67	957.67	807.78	807.78	807.78
ACE	0.00	-149.89	0.00	0.00	0.00
Closing Gross Block	957.67	807.78	807.78	807.78	807.78
Average Gross Block	957.67	882.73	807.78	807.78	807.78
Weighted average Rate of Depreciation (%)	1.16	1.16	1.16	1.16	1.16
Balance useful life (Year) (at the beginning of the year)	23.00	22.00	21.00	20.00	19.00
Aggregate Depreciable Value	861.90	794.45	727.00	727.00	727.00
<b>Depreciation during the year</b>	<b>11.79</b>	<b>13.01</b>	<b>9.80</b>	<b>9.80</b>	<b>9.80</b>
Cumulative Aggregate Depreciation	602.58	521.28	531.08	540.87	550.67
Remaining Aggregate Depreciable Value	259.32	205.71	195.93	186.13	176.33

47. The details of depreciation approved vide order dated 6.11.2015 in Petition No.144/TT/2014, as claimed in the instant petition and true up depreciation allowed in respect of the transmission asset is as follows:

(₹ in lakh)					
Particulars	2014-15	2015-16	2016-17	2017-18	2018-19
Approved vide order dated 6.11.2015 in Petition No. 144/TT/2014	11.79	11.79	11.79	11.79	11.79
Claimed by the Petitioner in the instant petition	11.79	13.01	9.80	9.80	9.80
Allowed after true-up in this order	11.79	13.01	9.80	9.80	9.80

#### **Interest on Loan ("IoL")**

48. IoL has been worked out in accordance with Regulation 26 of the 2014 Tariff Regulations. The Petitioner has claimed IoL based on actual interest rates for each year during 2014-19 period. The Petitioner has considered the weighted average rate

of IoL on the basis of prevailing rates as on 1.4.2014 for respective loans and has prayed to consider the floating rate of interest applicable during 2014-19 period, if any, during the truing-up of tariff.

49. We have considered the submissions of the Petitioner and accordingly IoL has been considered based on the actual interest rate, in accordance with Regulation 26 of the 2014 Tariff Regulations.

50. The details of the trued-up IoL allowed for the transmission asset are as follows:

(₹ in lakh)					
Particulars	2014-15	2015-16	2016-17	2017-18	2018-19
Gross Normative Loan	792.00	792.00	668.04	668.04	668.04
Cumulative Repayments up to Previous Year	590.79	602.58	521.28	531.08	540.87
Net Loan-Opening	201.21	189.42	146.76	136.96	127.17
Addition due to ACE	0.00	-123.96	0.00	0.00	0.00
Repayment during the year	11.79	13.01	9.80	9.80	9.80
Adjustment of cumulative repayment pertaining to the decapitalised asset	0.00	94.31	0.00	0.00	0.00
Net Loan-Closing	189.42	146.76	136.96	127.17	117.37
Average Loan	195.31	168.09	141.86	132.07	122.27
Weighted Average Rate of Interest on Loan (%)	10.680	10.461	9.793	9.793	9.793
<b>Interest on Loan</b>	<b>20.87</b>	<b>17.58</b>	<b>13.89</b>	<b>12.93</b>	<b>11.97</b>

51. The details of IoL approved vide order dated 6.11.2015 in Petition No. 144/TT/2014, as claimed by the Petitioner in the instant petition and trued up in the instant order are as follows:

(₹ in lakh)					
Particulars	2014-15	2015-16	2016-17	2017-18	2018-19
Approved vide order dated 6.11.2015 in Petition No. 144/TT/2014	20.87	19.20	16.82	15.66	14.51
Claimed by the Petitioner in the instant petition	20.87	17.58	13.89	12.93	11.97
Allowed after true-up in this order	20.87	17.58	13.89	12.93	11.97

### Return on Equity ("RoE")

52. The Petitioner has claimed RoE in respect of the transmission asset in terms of Regulation 24 and Regulation 25 of the 2014 Tariff Regulations. The Petitioner has submitted that it is liable to pay income tax at MAT rates and has claimed following effective tax rates for 2014-19 tariff period:

Year	Claimed effective tax rate (in %)	Grossed up RoE [(Base Rate)/(1-t)] (in %)
2014-15	21.018	19.624
2015-16	21.382	19.716
2016-17	21.338	19.705
2017-18	21.337	19.704
2018-19	21.549	19.758

53. We have considered the submissions of the Petitioner. The Commission vide order dated 27.4.2020 in Petition No. 274/TT/2019 has arrived at the effective tax rate based on the notified MAT rates for the Petitioner and the same is as follows:

Year	Notified MAT rates (in %) (inclusive of surcharge & cess)	Effective tax (in %)
2014-15	20.961	20.961
2015-16	21.342	21.342
2016-17	21.342	21.342
2017-18	21.342	21.342
2018-19	21.549	21.549

54. The same MAT rates as considered vide order dated 27.4.2020 in Petition No. 274/TT/2019 are considered for the purpose of grossing up of rate of RoE for truing up of tariff of the 2014-19 tariff period in terms of the provisions of the 2014 Tariff Regulations, which is as follows:

Year	Notified MAT rates (in %) (inclusive of surcharge & cess)	Base rate of RoE (in %)	Grossed up RoE [(Base Rate)/(1-t)] (in %)
2014-15	20.961	15.50	19.610
2015-16	21.342	15.50	19.705
2016-17	21.342	15.50	19.705
2017-18	21.342	15.50	19.705
2018-19	21.549	15.50	19.758

55. Accordingly, RoE allowed in respect of the transmission asset is as follows:

Particulars	(₹ in lakh)				
	2014-15	2015-16	2016-17	2017-18	2018-19
Opening Equity	165.67	165.67	139.74	139.74	139.74
Addition due to ACE	0.00	-25.93	0.00	0.00	0.00
Closing Equity	165.67	139.74	139.74	139.74	139.74
Average Equity	165.67	152.71	139.74	139.74	139.74
Return on Equity (Base Rate) (%)	15.500	15.500	15.500	15.500	15.500
Tax Rate applicable (%)	20.961	21.342	21.342	21.342	21.549
Applicable ROE Rate (%)	19.610	19.705	19.705	19.705	19.758
<b>Return on Equity for the year</b>	<b>32.49</b>	<b>30.09</b>	<b>27.54</b>	<b>27.54</b>	<b>27.61</b>

56. The details of RoE approved vide order dated 6.11.2015 in Petition No. 144/TT/2014, as claimed in the instant petition and true up RoE allowed in respect of the transmission asset is as follows:

Particulars	(₹ in lakh)				
	2014-15	2015-16	2016-17	2017-18	2018-19
Approved vide order dated 6.11.2015 in Petition No. 144/TT/2014	32.49	32.49	32.49	32.49	32.49
Claimed by the Petitioner in the instant petition	32.51	30.11	27.54	27.54	27.61
Allowed after true-up in this order	32.49	30.09	27.54	27.54	27.61

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

57. O&M Expenses as claimed by the Petitioner are within the norms specified under the 2014 Tariff Regulations. The allowable O&M Expenses are as follows:

Particulars	(₹ in lakh)				
	2014-15	2015-16	2016-17	2017-18	2018-19
<b>AC Lines</b>					
LILO of one circuit of Neyveli-Trichy 400 kV D/C line at Neyveli TS-I Expansion Switchyard	11.012	11.012	11.012	11.012	11.012
<b>Norm (₹ lakh/km)</b>					
Double Circuit (Twin/ Triple Conductor)	0.707	0.731	0.755	0.780	0.806
<b>Total Transmission Line</b>	<b>7.79</b>	<b>8.05</b>	<b>8.31</b>	<b>8.59</b>	<b>8.88</b>
<b>Total O&amp;M Expenses</b>	<b>7.79</b>	<b>8.05</b>	<b>8.31</b>	<b>8.59</b>	<b>8.88</b>



58. The details of O&M Expenses approved vide order dated 6.11.2015 in Petition No. 144/TT/2014, as claimed in the instant petition and trued up O&M Expenses allowed in respect of the transmission asset are as follows:

Particulars	(₹ in lakh)				
	2014-15	2015-16	2016-17	2017-18	2018-19
Approved vide order dated 6.11.2015 in Petition No. 144/TT/2014	7.79	8.05	8.31	8.59	8.88
As claimed by the Petitioner in the instant petition	7.79	8.05	8.31	8.59	8.88
Allowed after true-up in this order	7.79	8.05	8.31	8.59	8.88

#### **Interest on Working Capital ("IWC")**

59. The Petitioner is entitled to IWC as per Regulation 28 of the 2014 Tariff Regulations. IWC allowed in respect of the transmission asset is as follows:

Particulars	(₹ in lakh)				
	2014-15	2015-16	2016-17	2017-18	2018-19
Working Capital for O&M Expenses (O&M Expenses for one Month)	0.65	0.67	0.69	0.72	0.74
Working Capital for Maintenance Spares (15% of O&M)	1.17	1.21	1.25	1.29	1.33
Working Capital for Receivables (Equivalent to two months of annual transmission charges)	12.48	11.76	10.20	10.08	9.98
<b>Total Working Capital</b>	<b>14.29</b>	<b>13.64</b>	<b>12.14</b>	<b>12.09</b>	<b>12.05</b>
Rate of Interest on Working Capital (%)	13.50	13.50	13.50	13.50	13.50
<b>Interest of working capital</b>	<b>1.93</b>	<b>1.84</b>	<b>1.64</b>	<b>1.63</b>	<b>1.63</b>

60. Accordingly, IWC approved vide order dated 6.11.2015 in Petition No. 144/TT/2014, IWC claimed in the instant petition and trued up IWC allowed in respect of the transmission asset is as follows:

Particulars	(₹ in lakh)				
	2014-15	2015-16	2016-17	2017-18	2018-19
Approved vide order dated 6.11.2015 in Petition No. 144/TT/2014	1.93	1.91	1.87	1.85	1.84
Claimed by the Petitioner in the instant petition	1.93	1.84	1.64	1.63	1.63

 Order in Petition No. 133/TT/2020

Allowed after true-up in this order	1.93	1.84	1.64	1.63	1.63
-------------------------------------	------	------	------	------	------

### **Approved Annual Fixed Charges for 2014-19 Tariff Period**

61. Accordingly, AFC allowed after truing up in respect of the transmission asset for 2014-19 tariff period are as follows:

Particulars	(₹ in lakh)				
	2014-15	2015-16	2016-17	2017-18	2018-19
Depreciation	11.79	13.01	9.80	9.80	9.80
Interest on Loan	20.87	17.58	13.89	12.93	11.97
Return on Equity	32.49	30.09	27.54	27.54	27.61
O&M Expenses	7.79	8.05	8.31	8.59	8.88
Interest on Working Capital	1.93	1.84	1.64	1.63	1.63
<b>Total</b>	<b>74.86</b>	<b>70.57</b>	<b>61.18</b>	<b>60.49</b>	<b>59.88</b>

62. The details of AFC approved vide order dated 6.11.2015 in Petition No. 144/TT/2014, as claimed in the instant petition and trued up AFC allowed in respect of the transmission asset are as follows:

Particulars	(₹ in lakh)				
	2014-15	2015-16	2016-17	2017-18	2018-19
Allowed earlier in order dated 6.11.2015 in Petition No. 144/TT/2014	74.86	73.43	71.27	70.38	69.51
Claimed by the Petitioner in the instant petition	74.89	70.59	61.18	60.49	59.89
Allowed after true-up in this order	74.86	70.57	61.18	60.49	59.88

### **DETERMINATION OF ANNUAL FIXED CHARGES FOR 2019-24 TARIFF PERIOD**

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

Particulars	(₹ in lakh)				
	2019-20	2020-21	2021-22	2022-23	2023-24
Depreciation	9.80	9.80	9.80	9.80	9.80
Interest on Loan	11.01	10.06	9.10	8.14	7.18
Return on equity	26.25	26.25	26.25	26.25	26.25
O&M Expenses	9.70	10.04	10.40	10.76	11.13
Interest on Working Capital	1.13	1.13	1.14	1.14	1.14
<b>Total</b>	<b>57.89</b>	<b>57.28</b>	<b>56.69</b>	<b>56.09</b>	<b>55.50</b>

64. The details of IWC claimed by the Petitioner in respect of the transmission asset for 2019-24 period are as follows:

Particulars	(₹ in lakh)				
	2019-20	2020-21	2021-22	2022-23	2023-24
O&M Expenses	0.81	0.84	0.87	0.90	0.93
Maintenance Spares	1.46	1.51	1.56	1.61	1.67
Receivables	7.12	7.06	6.99	6.91	6.82
<b>Total Working Capital</b>	<b>9.39</b>	<b>9.41</b>	<b>9.42</b>	<b>9.42</b>	<b>9.42</b>
Rate of Interest on Working Capital (%)	12.05	12.05	12.05	12.05	12.05
<b>Interest of working capital</b>	<b>1.13</b>	<b>1.13</b>	<b>1.14</b>	<b>1.14</b>	<b>1.14</b>

### Capital Cost

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

*“(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 up to the receiving end of the generating station but does not include the transportation cost and any other appurtenant cost paid to the railway;*

*(k) Capital expenditure on account of biomass handling equipment and facilities, for co-firing;*



(l) Capital expenditure on account of emission control system necessary to meet the revised emission standards and sewage treatment plant;  
(m) Expenditure on account of 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.”

66. The capital cost of ₹807.78 lakh has been considered by the Commission in respect of the transmission asset as on 31.3.2019. Therefore, capital cost of ₹807.78 lakh as on 31.3.2019 has been considered as the opening capital cost as on 1.4.2019 for the purpose of determination of transmission tariff for 2019-24 period in accordance with Regulation 19 of the 2019 Tariff Regulations.

67. The Petitioner has not claimed any ACE for 2019-24 tariff period in respect of the transmission assets in the instant petition.

### **Debt-Equity Ratio**

68. Regulation 18 of the 2019 Tariff Regulations provide 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.”

69. Debt-equity ratio for 2019-24 period is allowed as per Regulation 18(3) of the 2019 Tariff Regulations. The details of debt-equity ratio considered for the purpose of tariff for 2019-24 tariff period are as follows:

Funding	Capital cost as on 1.4.2019 (₹ in lakh)	(in %)	Total cost as on 31.3.2024 (₹ in lakh)	(in %)
Debt	668.04	82.70	668.04	82.70
Equity	139.74	17.30	139.74	17.30
<b>Total</b>	<b>807.78</b>	<b>100.00</b>	<b>807.78</b>	<b>100.00</b>

### Depreciation

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

**“33. Depreciation:** (1) Depreciation shall be computed from the date of commercial operation of a generating station or unit thereof or a transmission system or element thereof including communication system. In case of the tariff of all the units of a generating station or all elements of a transmission system including



*communication system for which a single tariff needs to be determined, the depreciation shall be computed from the effective date of commercial operation of the generating station or the transmission system taking into consideration the depreciation of individual units:*

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

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

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

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

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

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

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

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

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

*Provided that the remaining depreciable value as on 31st March of the year closing after a period of 12 years from the effective date of commercial operation of the station shall be spread over the balance useful life of the asset.*

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

*(7) The generating company or the transmission licensee, as the case may be, shall submit the details of proposed capital expenditure five years before the completion*



of useful life of the project along with justification and proposed life extension. The Commission based on prudence check of such submissions shall approve the depreciation on capital expenditure.

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

71. We have considered the submissions of the Petitioner. The weighted average rate of depreciation (WAROD) has been worked out after taking into account the depreciation rates specified in the 2019 Tariff Regulations. Depreciation has been worked out considering the admitted capital expenditure of ₹807.78 as on 31.3.2019 and accumulated depreciation up to 31.3.2019. The transmission asset has already completed 12 years of life as on 31.3.2014. The remaining depreciable value of ₹271.11 lakh has been spread across the balance useful life of 23 years in accordance with Regulation 33(5) of the 2019 Tariff Regulations. Depreciation allowed in respect of the transmission asset for 2019-24 tariff period is as follows:

(₹ in lakh)					
Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
Opening Gross Block	807.78	807.78	807.78	807.78	807.78
Addition during 2019-24 due to projected ACE	0.00	0.00	0.00	0.00	0.00
Closing Gross Block	807.78	807.78	807.78	807.78	807.78
Average Gross Block	807.78	807.78	807.78	807.78	807.78
Balance useful life at the beginning of the year (Year)	18.00	17.00	16.00	15.00	14.00
Depreciable Value	176.33	166.54	156.74	146.94	137.15
Rate of Depreciation (%)	1.21	1.21	1.21	1.21	1.21
<b>Depreciation during the year</b>	<b>9.80</b>	<b>9.80</b>	<b>9.80</b>	<b>9.80</b>	<b>9.80</b>
Cumulative Aggregate Depreciation at the end of the year	560.47	570.26	580.06	589.85	599.65
Remaining Aggregate Depreciable Value at the end of the year	166.54	156.74	146.94	137.15	127.35



## Interest on Loan ("IoL")

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

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

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

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

(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.*

(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".*

73. The weighted average rate of IoL has been considered on the basis of the rates prevailing as on 1.4.2019. The Petitioner has prayed that the change in interest rate due to floating rates of interest applicable, if any, during 2019-24 tariff period will be adjusted. Accordingly, the floating rate of interest, if any, shall be considered at the time of true up. In view of above, IoL has been worked out in accordance with Regulation 32 of the 2019 Tariff Regulations. IoL allowed in respect of the transmission asset for 2019-24 tariff period is as follows:

Particulars	(₹ in lakh)				
	2019-20	2020-21	2021-22	2022-23	2023-24
Gross Normative Loan	668.04	668.04	668.04	668.04	668.04
Cumulative Repayments up to Previous Year	550.67	560.47	570.26	580.06	589.85
Net Loan-Opening	117.37	107.57	97.78	87.98	78.19
Addition due to ACE	0.00	0.00	0.00	0.00	0.00
Repayment during the year	9.80	9.80	9.80	9.80	9.80
Net Loan-Closing	107.57	97.78	87.98	78.19	68.39
Average Loan	112.47	102.68	92.88	83.08	73.29
Weighted Average Rate of Interest on Loan (%)	9.794	9.794	9.794	9.794	9.794
<b>Interest on Loan</b>	<b>11.02</b>	<b>10.06</b>	<b>9.10</b>	<b>8.14</b>	<b>7.18</b>

#### **Return on Equity ("RoE")**

74. Regulations 30 and Regulation 31 of the 2019 Tariff Regulations specify 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 cut-off date beyond the original scope excluding additional capitalization due to Change in Law, shall be computed at the weighted average rate of interest on actual loan portfolio of the generating station or the transmission system;

*Provided further that:*

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

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

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

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

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

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

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

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

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

*Where "t" is the effective tax rate in accordance with clause (1) of this Regulation and shall be calculated at the beginning of every financial year based on the estimated profit and tax to be paid estimated in line with the provisions of the relevant Finance Act applicable for that financial year to the company on pro-rata basis by excluding the income of non-generation or non-transmission business, as the case may be, and the corresponding tax thereon. In case of generating company or transmission licensee paying Minimum Alternate Tax (MAT), "t" shall be considered as MAT rate including surcharge and cess.*

**Illustration-**

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

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 trueing up, shall be recovered or refunded to beneficiaries or the long term customers, as the case may be, on year to year basis."

75. The Petitioner has submitted that MAT rate is applicable to the Petitioner's Company. Accordingly, the MAT rate applicable in 2019-20 has been considered for the purpose of RoE, which shall be trueed up with actual tax rate in accordance with Regulation 31(3) of the 2019 Tariff Regulations. RoE allowed in respect of the transmission asset under Regulation 30 of the 2019 Tariff Regulations is as follows:

(₹ in lakh)					
Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
Opening Equity	139.74	139.74	139.74	139.74	139.74
Additions	0.00	0.00	0.00	0.00	0.00
Closing Equity	139.74	139.74	139.74	139.74	139.74
Average Equity	139.74	139.74	139.74	139.74	139.74
Return on Equity (Base Rate) (%)	15.50	15.50	15.50	15.50	15.50
MAT Rate for respective year (%)	17.47	17.47	17.47	17.47	17.47
Rate of Return on Equity (%)	18.78	18.78	18.78	18.78	18.78
<b>Return on Equity</b>	<b>26.25</b>	<b>26.25</b>	<b>26.25</b>	<b>26.25</b>	<b>26.25</b>



**Operation & Maintenance Expenses (“O&M Expenses”)**

76. Regulation 35(3)(a) and Regulation 35(4) of the 2019 Tariff Regulations specify the norms for O&M Expenses for the transmission system and the same are as follows:

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

Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
<b>Norms for sub-station Bays (₹ Lakh per bay)</b>					
765 kV	45.01	46.60	48.23	49.93	51.68
400 kV	32.15	33.28	34.45	35.66	36.91
220 kV	22.51	23.30	24.12	24.96	25.84
132 kV and below	16.08	16.64	17.23	17.83	18.46
<b>Norms for Transformers (₹ Lakh per MVA)</b>					
765 kV	0.491	0.508	0.526	0.545	0.564
400 kV	0.358	0.371	0.384	0.398	0.411
220 kV	0.245	0.254	0.263	0.272	0.282
132 kV and below	0.245	0.254	0.263	0.272	0.282
<b>Norms for AC and HVDC lines (₹ Lakh per km)</b>					
Single Circuit (Bundled Conductor with six or more sub-conductors)	0.881	0.912	0.944	0.977	1.011
Single Circuit (Bundled conductor with four sub-conductors)	0.755	0.781	0.809	0.837	0.867
Single Circuit (Twin & Triple Conductor)	0.503	0.521	0.539	0.558	0.578
Single Circuit (Single Conductor)	0.252	0.260	0.270	0.279	0.289
Double Circuit (Bundled conductor with four or more sub-conductors)	1.322	1.368	1.416	1.466	1.517
Double Circuit (Twin & Triple Conductor)	0.881	0.912	0.944	0.977	1.011
Double Circuit (Single Conductor)	0.377	0.391	0.404	0.419	0.433
Multi Circuit (Bundled Conductor with four or more sub-conductor)	2.319	2.401	2.485	2.572	2.662
Multi Circuit (Twin & Triple Conductor)	1.544	1.598	1.654	1.713	1.773
<b>Norms for HVDC stations</b>					
HVDC Back-to-Back stations (Rs Lakh per 500 MW) (Except Gazuwaka BTB)	834	864	894	925	958
Gazuwaka HVDC Back-to-Back station (₹ Lakh per 500 MW)	1,666	1,725	1,785	1,848	1,913
500 kV Rihand-Dadri HVDC bipole scheme (Rs Lakh) (1500 MW)	2,252	2,331	2,413	2,498	2,586
±500 kV Talcher- Kolar HVDC bipole scheme (Rs Lakh) (2000 MW)	2,468	2,555	2,645	2,738	2,834
±500 kV Bhiwadi-Balia HVDC bipole scheme (Rs Lakh) (2500 MW)	1,696	1,756	1,817	1,881	1,947



±800 kV, Bishwanath-Agra HVDC bipole scheme (Rs Lakh) (3000 MW)	2,563	2,653	2,746	2,842	2,942
---	-------	-------	-------	-------	-------

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

Provided further that:

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

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

77. O&M Expenses claimed by the Petitioner in respect of the transmission asset are as follows:

Particulars	(₹ in lakh)				
	2019-20	2020-21	2021-22	2022-23	2023-24
<b>AC Lines</b>					
LILO of one circuit of Neyveli-Trichy 400 kV D/C line at Neyveli TS-I Expansion Switchyard (km)	11.012	11.012	11.012	11.012	11.012
<b>Norm (₹ lakh/km)</b>					
Double Circuit (Twin/ Triple Conductor)	0.881	0.912	0.944	0.977	1.011
<b>Total Transmission Line</b>	<b>9.70</b>	<b>10.04</b>	<b>10.40</b>	<b>10.76</b>	<b>11.13</b>
<b>Total O&amp;M Expenses</b>	<b>9.70</b>	<b>10.04</b>	<b>10.40</b>	<b>10.76</b>	<b>11.13</b>

78. O&M Expenses approved in respect of the transmission asset for 2019-24 tariff period are as follows:

Particulars	(₹ in lakh)				
	2019-20	2020-21	2021-22	2022-23	2023-24
<b>AC Lines</b>					
LILO of one circuit of Neyveli-Trichy 400 kV D/C line at Neyveli TS-I Expansion Switchyard (km)	11.012	11.012	11.012	11.012	11.012
<b>Norm (₹ lakh/km)</b>					
Double Circuit (Twin/ Triple Conductor)	0.881	0.912	0.944	0.977	1.011
<b>Total Transmission Line</b>	<b>9.70</b>	<b>10.04</b>	<b>10.40</b>	<b>10.76</b>	<b>11.13</b>
<b>Total O&amp;M Expenses</b>	<b>9.70</b>	<b>10.04</b>	<b>10.40</b>	<b>10.76</b>	<b>11.13</b>

#### **Interest on Working Capital ("IWC")**

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

**"34. Interest on Working Capital  
(1)...**



Order in Petition No. 133/TT/2020



**(c) For Hydro Generating Station (including Pumped Storage Hydro Generating Station) and Transmission System:**

- i. Receivables equivalent to 45 days of 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 ...

(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;”

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

	(₹ in lakh)				
Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
Working Capital for O&M Expenses	0.81	0.84	0.87	0.90	0.93





(O&M Expenses for one Month)					
Working Capital for Maintenance Spares (15% of O&M)	1.46	1.51	1.56	1.61	1.67
Working Capital for Receivables (Equivalent to 45 months of annual transmission charges)	7.12	7.05	6.97	6.89	6.80
<b>Total Working Capital</b>	<b>8.57</b>	<b>8.56</b>	<b>8.53</b>	<b>8.51</b>	<b>8.47</b>
Rate of Interest on Working Capital(%)	12.05	11.25	10.50	10.50	10.50
<b>Interest of working capital</b>	<b>1.13</b>	<b>1.06</b>	<b>0.99</b>	<b>0.99</b>	<b>0.99</b>

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

81. The transmission charges allowed in respect of the transmission asset for 2019-24 period are as follows:

	(₹ in lakh)				
<b>Particulars</b>	<b>2019-20</b>	<b>2020-21</b>	<b>2021-22</b>	<b>2022-23</b>	<b>2023-24</b>
Depreciation	9.80	9.80	9.80	9.80	9.80
Interest on Loan	11.02	10.06	9.10	8.14	7.18
Return on Equity	26.25	26.25	26.25	26.25	26.25
O&M Expenses	9.70	10.04	10.40	10.76	11.13
Interest on Working Capital	1.13	1.06	0.99	0.99	0.99
<b>Total</b>	<b>57.89</b>	<b>57.20</b>	<b>56.52</b>	<b>55.93</b>	<b>55.34</b>

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

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

### **Licence Fee & RLDC Fees and Charges**

83. The Petitioner has requested to allow the Petitioner to bill and recover License fee and RLDC fees and charges, separately from the Respondents in accordance with 2019 Tariff Regulations.

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

### **Goods and Services Tax**

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

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

### **Security Expenses**

87. The Petitioner has submitted that security expenses in respect of the transmission asset are not claimed in the instant petition and it would file a separate petition for claiming the overall security expenses and the consequential IWC.

88. We have considered the submissions of the Petitioner. The Petitioner has claimed consolidated security expenses for all the transmission assets owned by it on projected basis for the 2019-24 tariff period on the basis of actual security expenses incurred in 2018-19 in Petition No. 260/MP/2020. The Commission vide order dated 3.8.2021 in Petition No. 260/MP/2020 approved security expenses from 1.4.2019 to



31.3.2024. Therefore, security expenses will be shared in terms of the order dated 3.8.2021 in Petition No. 260/MP/2020. 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**

89. The Petitioner has sought reimbursement of capital spares at the end of 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**

90. TANGEDCO has submitted that the trued up capital cost for 2014-2019 tariff period has to be shared among the beneficiaries as per the earlier Sharing Regulations notified in 2010. However, the new Sharing Regulations has been notified on 4.5.2020 and came into force with effect from 1.11.2020. Under these circumstances, it is essential to segregate the additional cost and tariff liability up to 31.10.2020 and from 1.11.2020 so as to allocate the charges based on the earlier Sharing Regulations of 2010 and the new Sharing Regulations of 2020.

91. We have considered the submissions of the Petitioner and TANGEDCO. During 2004-09 and 2009-14 tariff periods (upto 30.6.2011), the transmission charges for inter-State transmission systems were being shared in accordance with the Tariff Regulations for the respective tariff periods. With effect from 1.7.2011, sharing of transmission charges for inter-State transmission system was governed by the Central Electricity Regulatory Commission (Sharing of Transmission Charges and Losses) Regulations, 2010 (2010 Sharing Regulations). With effect from 1.11.2020, sharing of



transmission charges is governed by the Central Electricity Regulatory Commission (Sharing of Transmission Charges and Losses) Regulations, 2020 (2020 Sharing Regulations). Accordingly, the liabilities of the DICs for arrears of transmission charges determined through this order shall be computed DIC wise in accordance with the provisions of respective Tariff Regulations and Sharing Regulation and shall be recovered from the concerned DICs through Bills under Regulation 15(2)(b) of the 2020 Sharing Regulations. For subsequent period, the billing, collection and disbursement of the transmission charges approved in this order shall be governed by the provisions of the 2020 Sharing Regulations as provided in Regulation 57 of the 2019 Tariff Regulations.

92. To summarise:

- a) The revised AFC allowed in respect of the transmission asset for 2001-04 tariff period as per the APTEL's judgments are as follows:

Particulars	(₹ in lakh)		
	2001-02 (Pro-rata for 2 months)	2002-03	2003-04
AFC	19.81	137.28*	137.06*

\* In addition to above, Return on Equity of ₹8.02 lakh and ₹9.16 lakh has been allowed in 2002-03 and 2003-04 respectively as per order dated 17.1.2006 in Petition No.36/2005 on account of additional equity of ₹50.13 lakh and ₹57.27 lakh for the year 2002-03 and 2003-04 respectively.

- b) The revised AFC allowed in respect of the transmission asset for 2004-09 tariff period as per the APTEL's judgments are as follows:

Particulars	(₹ in lakh)				
	2004-05	2005-06	2006-07	2007-08	2008-09
AFC	133.48	162.27	164.86	157.93	151.07

- c) The consequential revision of AFC allowed in respect of the transmission asset for 2009-14 tariff period are as follows:

Particulars	(₹ in lakh)				
	2009-10	2010-11	2011-12	2012-13	2013-14
AFC	135.58	132.35	129.03	123.68	118.69

d) The trued-up AFC allowed in respect of the transmission asset for 2014-19 tariff period are as follows:

Particulars	(₹ in lakh)				
	2014-15	2015-16	2016-17	2017-18	2018-19
AFC	74.86	70.57	61.18	60.49	59.88

e) AFC allowed in respect of the transmission asset for 2019-24 tariff period in this order are as follows:

Particulars	(₹ in lakh)				
	2019-20	2020-21	2021-22	2022-23	2023-24
AFC	57.89	57.20	56.52	55.93	55.34

93. This order disposes of Petition No. 133/TT/2020 in terms of the above discussions and findings.

**sd/-**  
**(P.K. Singh)**  
**Member**

**sd/-**  
**(Arun Goyal)**  
**Member**

**sd/-**  
**(I.S. Jha)**  
**Member**

**Summary of Tariff**

Form No. - 1

Name of the Transmission Licensee:	Power Grid Corporation of India Limited		
Project	Transmission System associated with the Neyveli TS-I in Southern Region		
Element Description	LILO of one circuit of existing Neyveli - Trichy 400 kV D/C line at Neyveli- TS-I expansion switchyard		
Region	Southern Region	DOC Date	Feb 1, 2002

(Amount in Rs. Lakh)

Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
Year Days	366.00	365.00	365.00	365.00	366.00
Tariff Days	366.00	365.00	365.00	365.00	366.00
Depreciation-Form No. 10A	9.80	9.80	9.80	9.80	9.80
Interest on Loan-Form No. 9E	11.01	10.06	9.10	8.14	7.18
Return on Equity-Form No. 8	26.25	26.25	26.25	26.25	26.25
Int. on Working capital-Form No.11	1.13	1.06	0.99	0.99	1.13
Op. and maintenance-Form No.2	9.70	10.04	10.40	10.76	11.13
Total AFC	57.89	57.21	56.54	55.94	55.49



Name of the Transmission Licensee		Power Grid Corporation of India Limited	
Project	Transmission System associated with the Neyveli TS-I in Southern Region		
Element Description	LILO of one circuit of existing Neyveli - Trichy 400 kV D/C line at Neyveli- TS-I expansion switchyard		
Region	Southern Region	DOC Date	Feb 1, 2002

**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.
LILO OF ONE CIRCUIT OF NEYVELI-TRICHY 400 KV D/C LINE AT NEYVELI TS-I EXPANSION SWITCHYARD	AC	DC	2	400 KV	0.000	0.000	11.012	Feb 1, 2002	Y	

**Summary:**

O&M Expenses For the Transmission Lines Covered in the instant petition	2019-20	2020-21	2021-22	2022-23	2023-24
<b>DOUBLE CIRCUIT (TWIN CONDUCTOR)</b>					
Normative Rate of O&M as per Regulation	0.881	0.912	0.944	0.977	1.011
No. of Units - ( Length in KM )	11.012	11.012	11.012	11.012	11.012
O&M Claimed	9.70	10.04	10.40	10.76	11.13



**Summary of O&M Expenses claim**

(Amount in Rs. Lakh)

Particular	2019-20	2020-21	2021-22	2022-23	2023-24
<b>A) Normative O&amp;M</b>					
Transmission Line	9.70	10.04	10.40	10.76	11.13
Substation	0.00	0.00	0.00	0.00	0.00
Communication System	0.00	0.00	0.00	0.00	0.00
<b>Total Normative O&amp;M</b>	<b>9.70</b>	<b>10.04</b>	<b>10.40</b>	<b>10.76</b>	<b>11.13</b>
<b>B) O&amp;M Claimed under Regulation 35 (3)(C) (* The same is not being claimed and will be claimed through as separate Petition )</b>					
*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
<b>Total O&amp;M</b>	<b>9.70</b>	<b>10.04</b>	<b>10.40</b>	<b>10.76</b>	<b>11.13</b>

(Petitioner)





**Normative parameters considered for tariff computations**

Form No. - 3

Name of the Transmission Licensee	Power Grid Corporation of India Limited		
Project	Transmission System associated with the Neyveli TS-I in Southern Region		
Element Description	LILO of one circuit of existing Neyveli - Trichy 400 kV D/C line at Neyveli- TS-I expansion switchyard		
Region	Southern Region	DOC Date	Feb 1, 2002

(Amount in Rs. Lakh)

Particulars	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
<b>Base Rate of Return of Equity (in %)</b>						
Tax Rate (in %)	21.55	17.472	17.472	17.472	17.472	17.472
<b>Effective tax rate (in %)</b>						
Grossed up Rate of ROE (in %)	19.758	18.782	18.782	18.782	18.782	18.782
Target availability - AC System (in %)	98.00	98.00	98.00	98.00	98.00	98.00
Target availability - HVDC System (in %)	96.00	96.00	96.00	96.00	96.00	96.00
<b>Norms for sub-station Bays (Rs Lakh per bay)</b>						
765 kV	96.20	45.01	46.60	48.23	49.93	51.68
400 kV	68.71	32.15	33.28	34.45	35.66	36.91
220 kV	48.10	22.51	23.30	24.12	24.96	25.84
132 kV and below	34.36	16.08	16.64	17.23	17.83	18.46
<b>Norms for Transformers (Rs Lakh per MVA)</b>						
765 kV	0.00	0.491	0.508	0.526	0.545	0.564
400 kV	0.00	0.358	0.371	0.384	0.398	0.411
220 kV	0.00	0.245	0.254	0.263	0.272	0.282
132 kV and below	0.00	0.245	0.254	0.263	0.272	0.282
<b>Norms for AC and HVDC lines (Rs Lakh per km)</b>						
Single Circuit (Bundled Conductor with six or more sub-conductors)	0.806	0.881	0.912	0.944	0.977	1.011
Single Circuit (Bundled conductor with four sub-conductors)	0.691	0.755	0.781	0.809	0.837	0.867
Single Circuit (Twin & Triple Conductor)	0.461	0.503	0.521	0.539	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



## Calculation of ROE

Form No. - 8

Name of the Transmission Licensee	Power Grid Corporation of India Limited		
Project	Transmission System associated with the Neyveli TS-I in Southern Region		
Element Description	LILO of one circuit of existing Neyveli - Trichy 400 kV D/C line at Neyveli- TS-I expansion switchyard		
Region	Southern Region	DOC Date	Feb 1, 2002

(Amount in Rs. Lakh)

Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
No. of Days in the year	366.00	365.00	365.00	365.00	366.00
No. of days for which tariff claimed	366.00	365.00	365.00	365.00	366.00
Opening Normative Equity	139.74	139.74	139.74	139.74	139.74
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)	139.74	139.74	139.74	139.74	139.74
Add: Increase in Equity due to addition during the year / period	0.00	0.00	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	0.00	0.00	0.00	0.00	0.00
Closing Normative Equity	139.74	139.74	139.74	139.74	139.74
Average Normative Equity	139.74	139.74	139.74	139.74	139.74
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 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	26.25	26.25	26.25	26.25	26.25
Pro rata return on Equity	26.25	26.25	26.25	26.25	26.25



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

Form No. - 9C

Name of the Transmission Licensee	Power Grid Corporation of India Limited		
Project	Transmission System associated with the Neyveli TS-I in Southern Region		
Element Description	LILO of one circuit of existing Neyveli - Trichy 400 kV D/C line at Neyveli- TS-I expansion switchyard		
Region	Southern Region	DOC Date	Feb 1, 2002

(Amount in Rs. Lakh)

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

<b>BOND X -DOC</b>					
Gross Loan- Opening	270.00	270.00	270.00	270.00	270.00
Cumulative repayments of Loans upto previous year	270.00	270.00	270.00	270.00	270.00
Net loan-Opening	0.00	0.00	0.00	0.00	0.00
Add: Drawl(s) during the year	0.00	0.00	0.00	0.00	0.00
Less: Repayment(s) of loan during the year	0.00	0.00	0.00	0.00	0.00
Net Loan-Closing	0.00	0.00	0.00	0.00	0.00



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

<b>BOND XI-OPTION- I -DOCO</b>					
Gross Loan- Opening	186.00	186.00	186.00	186.00	186.00
Cumulative repayments of Loans upto previous year	186.00	186.00	186.00	186.00	186.00
Net loan-Opening	0.00	0.00	0.00	0.00	0.00
Add: Drawl(s) during the year	0.00	0.00	0.00	0.00	0.00
Less: Repayment(s) of loan during the year	0.00	0.00	0.00	0.00	0.00
Net Loan-Closing	0.00	0.00	0.00	0.00	0.00
Average Net Loan	0.00	0.00	0.00	0.00	0.00
Rate of Interest on Loan on Annual Basis	9.80	9.80	9.80	9.80	9.80
Interest on loan	0.00	0.00	0.00	0.00	0.00

<b>BOND XII -DOCO</b>					
Gross Loan- Opening	13.00	13.00	13.00	13.00	13.00
Cumulative repayments of Loans upto previous year	13.00	13.00	13.00	13.00	13.00
Net loan-Opening	0.00	0.00	0.00	0.00	0.00
Add: Drawl(s) during the year	0.00	0.00	0.00	0.00	0.00
Less: Repayment(s) of loan during the year	0.00	0.00	0.00	0.00	0.00
Net Loan-Closing	0.00	0.00	0.00	0.00	0.00
Average Net Loan	0.00	0.00	0.00	0.00	0.00
Rate of Interest on Loan on Annual Basis	9.70	9.70	9.70	9.70	9.70
Interest on loan	0.00	0.00	0.00	0.00	0.00



**ORIENTAL BANK OF COMMERCE -DOCO**

Gross Loan- Opening	86.00	86.00	86.00	86.00	86.00
Cumulative repayments of Loans upto previous year	86.00	86.00	86.00	86.00	86.00
Net loan-Opening	0.00	0.00	0.00	0.00	0.00
Add: Drawl(s) during the year	0.00	0.00	0.00	0.00	0.00
Less: Repayment(s) of loan during the year	0.00	0.00	0.00	0.00	0.00
Net Loan-Closing	0.00	0.00	0.00	0.00	0.00
Average Net Loan	0.00	0.00	0.00	0.00	0.00
Rate of Interest on Loan on Annual Basis	0.00	0.00	0.00	0.00	0.00
Interest on loan	0.00	0.00	0.00	0.00	0.00

**PUNJAB NATIONAL BANK- II -DOCO**

Gross Loan- Opening	103.00	103.00	103.00	103.00	103.00
Cumulative repayments of Loans upto previous year	103.00	103.00	103.00	103.00	103.00
Net loan-Opening	0.00	0.00	0.00	0.00	0.00
Add: Drawl(s) during the year	0.00	0.00	0.00	0.00	0.00
Less: Repayment(s) of loan during the year	0.00	0.00	0.00	0.00	0.00
Net Loan-Closing	0.00	0.00	0.00	0.00	0.00
Average Net Loan	0.00	0.00	0.00	0.00	0.00
Rate of Interest on Loan on Annual Basis	0.00	0.00	0.00	0.00	0.00
Interest on loan	0.00	0.00	0.00	0.00	0.00

**Summary**

Gross Loan- Opening	792.00	792.00	792.00	792.00	792.00
Cumulative repayments of Loans upto previous year	792.00	792.00	792.00	792.00	792.00



Net loan-Opening	0.00	0.00	0.00	0.00	0.00
Add: Drawl(s) during the year	0.00	0.00	0.00	0.00	0.00
Less: Repayment(s) of loan during the year	0.00	0.00	0.00	0.00	0.00
Net Loan-Closing	0.00	0.00	0.00	0.00	0.00
Average Net Loan	0.00	0.00	0.00	0.00	0.00
Rate of Interest on Loan on Annual Basis	9.7937	9.7937	9.7937	9.7937	9.7937
Interest on loan	0.00	0.00	0.00	0.00	0.00

(Petitioner)



**Calculation of interest on Normative loan**

Form No. - 9E

Name of the Transmission Licensee		Power Grid Corporation of India Limited	
Project	Transmission System associated with the Neyveli TS-I in Southern Region		
Element Description	LILO of one circuit of existing Neyveli - Trichy 400 kV D/C line at Neyveli- TS-I expansion switchyard		
Region	Southern Region	DOC Date	Feb 1, 2002

(Amount in Rs. Lakh)

Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
No. of Days in the Year	366.00	365.00	365.00	365.00	366.00
No. of days for which Tariff claimed	366.00	365.00	365.00	365.00	366.00
Gross normative loan-Opening	668.04	668.04	668.04	668.04	668.04
Cumulative repayments of Normative loan upto previous year	550.67	560.47	570.27	580.07	589.87
Net normative loan-Opening	117.37	107.57	97.77	87.97	78.17
Addition in normative loan towards the ACE	0.00	0.00	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	9.80	9.80	9.80	9.80	9.80
Adjustment of cumulative repayment pertaining to the decapitalised asset	0.00	0.00	0.00	0.00	0.00
Net normative loan - closing	107.57	97.77	87.97	78.17	68.37
Average normative loan	112.47	102.67	92.87	83.07	73.27
Weighted Average Rate of interest on actual loan	9.7937	9.7937	9.7937	9.7937	9.7937
Interest on normative loan	11.01	10.06	9.10	8.14	7.18
Pro rata interest on normative loan	11.01	10.06	9.10	8.14	7.18





**Calculation of Depreciation Rate on Original Project Cost**

Form No. - 10

Name of the Transmission Licensee	Power Grid Corporation of India Limited		
Project	Transmission System associated with the Neyveli TS-I in Southern Region		
Element Description	LILO of one circuit of existing Neyveli - Trichy 400 kV D/C line at Neyveli- TS-I expansion switchyard		
Region	Southern Region	DOC Date	Feb 1, 2002

(Amount in Rs. Lakh)

Name of Assets	Gross block at the beginning of the year	Add Cap during the year	Gross block at the end of the year	Average Gross Block	Depreciation Rate as per CERC's Depreciation Rate Schedule	Depreciation Amount for each year upto 31.03.2024
<b>2019-20</b>						
Land(Freehold)	0.00	0.00	0.00	0.00	0.00	0.00
Civil & Building	0.00	0.00	0.00	0.00	3.34	0.00
Transmission Line	807.78	0.00	807.78	807.78	5.28	9.80
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
<b>TOTAL</b>	<b>807.78</b>	<b>0.00</b>	<b>807.78</b>	<b>807.78</b>	<b>0.00</b>	<b>9.80</b>
<b>Weighted Average Rate of Depreciation(%)</b>					<b>1.213202</b>	

<b>2020-21</b>						
Land(Freehold)	0.00	0.00	0.00	0.00	0.00	0.00



Civil & Building	0.00	0.00	0.00	0.00	3.34	0.00
Transmission Line	807.78	0.00	807.78	807.78	5.28	9.80
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/URTDISM/SCADA,etc	0.00	0.00	0.00	0.00	15.00	0.00
Batteries	0.00	0.00	0.00	0.00	5.28	0.00
Fiber Optic/OPGW	0.00	0.00	0.00	0.00	6.33	0.00
<b>TOTAL</b>	<b>807.78</b>	<b>0.00</b>	<b>807.78</b>	<b>807.78</b>	<b>0.00</b>	<b>9.80</b>
<b>Weighted Average Rate of Depreciation(%)</b>					<b>1.213202</b>	

<b>2021-22</b>						
Land(Freehold)	0.00	0.00	0.00	0.00	0.00	0.00
Civil & Building	0.00	0.00	0.00	0.00	3.34	0.00
Transmission Line	807.78	0.00	807.78	807.78	5.28	9.80
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/URTDISM/SCADA,etc	0.00	0.00	0.00	0.00	15.00	0.00
Batteries	0.00	0.00	0.00	0.00	5.28	0.00
Fiber Optic/OPGW	0.00	0.00	0.00	0.00	6.33	0.00
<b>TOTAL</b>	<b>807.78</b>	<b>0.00</b>	<b>807.78</b>	<b>807.78</b>	<b>0.00</b>	<b>9.80</b>
<b>Weighted Average Rate of Depreciation(%)</b>					<b>1.213202</b>	



2022-23						
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	807.78	0.00	807.78	807.78	5.28	9.80
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
<b>TOTAL</b>	<b>807.78</b>	<b>0.00</b>	<b>807.78</b>	<b>807.78</b>	<b>0.00</b>	<b>9.80</b>
<b>Weighted Average Rate of Depreciation(%)</b>					<b>1.213202</b>	

2023-24						
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	807.78	0.00	807.78	807.78	5.28	9.80
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
<b>TOTAL</b>	<b>807.78</b>	<b>0.00</b>	<b>807.78</b>	<b>807.78</b>	<b>0.00</b>	<b>9.80</b>



Weighted Average Rate of Depreciation(%)					1.213202	
--	--	--	--	--	----------	--

  
(Petitioner)



## Statement of Depreciation

Form No. - 10A

Name of the Transmission Licensee	Power Grid Corporation of India Limited		
Project	Transmission System associated with the Neyveli TS-I in Southern Region		
Element Description	LILO of one circuit of existing Neyveli - Trichy 400 kV D/C line at Neyveli- TS-I expansion switchyard		
Region	Southern Region	DOC Date	Feb 1, 2002

(Amount in Rs. Lakh)

Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
No of Days in the year	366.00	365.00	365.00	365.00	366.00
No of days for which tariff claimed	366.00	365.00	365.00	365.00	366.00
<b>Life at the beginning of the year</b>					
1.1 Weighted Average useful life of the Asset/ Project	0.00	0.00	0.00	0.00	0.00
1.2 Lapsed Weighted Average useful life of the Asset/Project(in completed no. of year)	17.00	18.00	19.00	20.00	21.00
1.3 Balance Weighted Average useful life of the Asset/Project(in completed no. of year)	0.00	0.00	0.00	0.00	0.00
<b>Capital Base</b>					
1.4 Opening capital cost	807.78	807.78	807.78	807.78	807.78
1.5 Additional Capital Expenditure dr. the year	0.00	0.00	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	807.78	807.78	807.78	807.78	807.78
1.8 Average capital cost	807.78	807.78	807.78	807.78	807.78
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	0.00	0.00
1.11 Asset having 10% salvage value included in 1.8	807.78	807.78	807.78	807.78	807.78
1.12 Depreciable Value(1.10+90% of 1.11)	727.00	727.00	727.00	727.00	727.00
<b>Depreciation for the period and Cum. Depreciation</b>					
1.13 Weighted Average Rate of depreciation	1.213202	1.213202	1.213202	1.213202	1.213202



1.14 Depreciation(for the period)	9.80	9.80	9.80	9.80	9.80
1.15 Depreciation(Annualised)	9.80	9.80	9.80	9.80	9.80
Unrecovered Depreciation for DECAP	0.00	0.00	0.00	0.00	0.00
1.16 Cumulative depreciation at the beginning of the period	550.67	560.47	570.27	580.07	589.87
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	560.47	570.27	580.07	589.87	599.67

  
 (Petitioner)



**Calculation of interest on working Capital**

Form No. - 11

Name of the Transmission Licensee	Power Grid Corporation of India Limited		
Project	Transmission System associated with the Neyveli TS-I in Southern Region		
Element Description	LILO of one circuit of existing Neyveli - Trichy 400 kV D/C line at Neyveli- TS-I expansion switchyard		
Region	Southern Region	DOCOC Date	Feb 1, 2002

(Amount in Rs. Lakh)

Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
No of Days in the year	366.00	365.00	365.00	365.00	366.00
No of days for which tariff claimed	366.00	365.00	365.00	365.00	366.00
O&M Expenses-one month	0.81	0.84	0.87	0.90	0.93
Maintenance spares 15% of O&M Expenses	1.46	1.51	1.56	1.61	1.67
Receivables equivalent to 45 days of AFC	7.12	7.05	6.97	6.90	6.82
Total Working capital	9.39	9.40	9.40	9.41	9.42
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	1.13	1.06	0.99	0.99	1.13
Pro rata interest on working capital	1.13	1.06	0.99	0.99	1.13



**Summary of Tariff**

Form No. - 1

Name of the Transmission Licensee:	Power Grid Corporation of India Limited		
Project	Transmission System associated with the Neyveli TS-I in Southern Region		
Element Description	LILO of one circuit of existing Neyveli - Trichy 400 kV D/C line at Neyveli- TS-I expansion switchyard		
Region	Southern Region	DOCOC Date	Feb 1, 2002

(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	9.79	9.80	9.79	9.80	9.79
Interest on Loan-Form No. 9E	6.22	5.26	4.30	3.34	2.38
Return on Equity-Form No. 8	26.25	26.25	26.25	26.25	26.25
Int. on Working capital-Form No.11	1.04	1.04	1.05	1.06	1.07
Op. and maintenance-Form No.2	9.48	9.98	10.49	11.05	11.63
Total AFC	52.78	52.33	51.88	51.50	51.12

  
(Petitioner)





Name of the Transmission Licensee	Power Grid Corporation of India Limited	
Project	Transmission System associated with the Neyveli TS-I in Southern Region	
Element Description	LILO of one circuit of existing Neyveli - Trichy 400 KV D/C line at Neyveli- TS-I expansion switchyard	
Region	Southern Region	DOCO Date   Feb 1, 2002

**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.
LILO OF ONE CIRCUIT OF NEYVELI-TRICHY 400 KV D/C LINE AT NEYVELI TS-I EXPANSION SWITCHYARD	AC	DC	2	400 KV	0.000	0.000	11.012	Feb 1, 2002	Y	

**Summary:**

O&M Expenses For the Transmission Lines Covered in the instant petition	2024-25	2025-26	2026-27	2027-28	2028-29
<b>DOUBLE CIRCUIT (TWIN CONDUCTOR)</b>					
Normative Rate of O&M as per Regulation	0.861	0.906	0.953	1.003	1.056
No. of Units - ( Length in KM )	11.012	11.012	11.012	11.012	11.012
O&M Claimed	9.48	9.98	10.49	11.05	11.63



Summary of O&M Expenses claim

(Amount in Rs. Lakh)

Particular	2024-25	2025-26	2026-27	2027-28	2028-29
<b>A) Normative O&amp;M</b>					
Transmission Line	9.48	9.98	10.49	11.05	11.63
Substation	0.00	0.00	0.00	0.00	0.00
Communication System	0.00	0.00	0.00	0.00	0.00
<b>Total Normative O&amp;M</b>	<b>9.48</b>	<b>9.98</b>	<b>10.49</b>	<b>11.05</b>	<b>11.63</b>
<b>B) O&amp;M Claimed under Regulation 35 (3)(C) (* The same is not being claimed and will be claimed through as separate Petition )</b>					
*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
<b>Total O&amp;M</b>	<b>9.48</b>	<b>9.98</b>	<b>10.49</b>	<b>11.05</b>	<b>11.63</b>



## Normative parameters considered for tariff computations

Form No. - 3

Name of the Transmission Licensee	Power Grid Corporation of India Limited		
Project	Transmission System associated with the Neyveli TS-I in Southern Region		
Element Description	LILO of one circuit of existing Neyveli - Trichy 400 kV D/C line at Neyveli- TS-I expansion switchyard		
Region	Southern Region	DOCOC Date	Feb 1, 2002

(Amount in Rs. Lakh)

Particulars	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29
<b>Base Rate of Return of Equity (in %)</b>						
Tax Rate (in %)	17.472	17.472	17.472	17.472	17.472	17.472
<b>Effective tax rate (in %)</b>						
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
<b>Norms for sub-station Bays (Rs Lakh per bay)</b>						
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
<b>Norms for Transformers (Rs Lakh per MVA)</b>						
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
<b>Norms for Reactor (Rs Lakh per MVAR)</b>						
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
<b>Norms for AC and HVDC lines (Rs Lakh per km)</b>						
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
<b>Norms for HVDC stations (Rs Lakh/MW)</b>						
HVDC bipole scheme (Rs Lakh/MW)	0.00	1.04	1.10	1.16	1.22	1.28
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

(Petitioner)



**Calculation of ROE**

Form No. - 8

Name of the Transmission Licensee	Power Grid Corporation of India Limited		
Project	Transmission System associated with the Neyveli TS-I in Southern Region		
Element Description	LILO of one circuit of existing Neyveli - Trichy 400 kV D/C line at Neyveli- TS-I expansion switchyard		
Region	Southern Region	DOC Date	Feb 1, 2002

(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	139.74	139.74	139.74	139.74	139.74
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)	139.74	139.74	139.74	139.74	139.74
Add: Increase in Equity due to addition during the year / period	0.00	0.00	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	0.00	0.00	0.00	0.00	0.00
Closing Normative Equity	139.74	139.74	139.74	139.74	139.74
Average Normative Equity	139.74	139.74	139.74	139.74	139.74
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 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
Pro rata return on Equity	26.25	26.25	26.25	26.25	26.25
Return on Equity	26.25	26.25	26.25	26.25	26.25



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

Form No. - 9C

Name of the Transmission Licensee		Power Grid Corporation of India Limited			
Project	Transmission System associated with the Neyveli TS-I in Southern Region				
Element Description	LILO of one circuit of existing Neyveli - Trichy 400 kV D/C line at Neyveli- TS-I expansion switchyard				
Region	Southern Region	DOC Date	Feb 1, 2002		

(Amount in Rs. Lakh)

Particulars	2024-25	2025-26	2026-27	2027-28	2028-29
<b>BOND IX -DOCO</b>					
Gross Loan- Opening	134.00	134.00	134.00	134.00	134.00
Cumulative repayments of Loans upto previous year	134.00	134.00	134.00	134.00	134.00
Net loan-Opening	0.00	0.00	0.00	0.00	0.00
Add: Drawl(s) during the year	0.00	0.00	0.00	0.00	0.00
Less: Repayment(s) of loan during the year	0.00	0.00	0.00	0.00	0.00
Net Loan-Closing	0.00	0.00	0.00	0.00	0.00
Average Net Loan	0.00	0.00	0.00	0.00	0.00
Rate of Interest on Loan on Annual Basis	12.25	12.25	12.25	12.25	12.25
Interest on loan	0.00	0.00	0.00	0.00	0.00

<b>BOND X -DOCO</b>					
Particulars	2024-25	2025-26	2026-27	2027-28	2028-29
Gross Loan- Opening	270.00	270.00	270.00	270.00	270.00
Cumulative repayments of Loans upto previous year	270.00	270.00	270.00	270.00	270.00
Net loan-Opening	0.00	0.00	0.00	0.00	0.00
Add: Drawl(s) during the year	0.00	0.00	0.00	0.00	0.00
Less: Repayment(s) of loan during the year	0.00	0.00	0.00	0.00	0.00
Net Loan-Closing	0.00	0.00	0.00	0.00	0.00



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

<b>BOND XI-OPTION- I -DOCO</b>					
Gross Loan- Opening	186.00	186.00	186.00	186.00	186.00
Cumulative repayments of Loans upto previous year	186.00	186.00	186.00	186.00	186.00
Net loan-Opening	0.00	0.00	0.00	0.00	0.00
Add: Drawl(s) during the year	0.00	0.00	0.00	0.00	0.00
Less: Repayment(s) of loan during the year	0.00	0.00	0.00	0.00	0.00
Net Loan-Closing	0.00	0.00	0.00	0.00	0.00
Average Net Loan	0.00	0.00	0.00	0.00	0.00
Rate of Interest on Loan on Annual Basis	9.80	9.80	9.80	9.80	9.80
Interest on loan	0.00	0.00	0.00	0.00	0.00

<b>BOND XII -DOCO</b>					
Gross Loan- Opening	13.00	13.00	13.00	13.00	13.00
Cumulative repayments of Loans upto previous year	13.00	13.00	13.00	13.00	13.00
Net loan-Opening	0.00	0.00	0.00	0.00	0.00
Add: Drawl(s) during the year	0.00	0.00	0.00	0.00	0.00
Less: Repayment(s) of loan during the year	0.00	0.00	0.00	0.00	0.00
Net Loan-Closing	0.00	0.00	0.00	0.00	0.00
Average Net Loan	0.00	0.00	0.00	0.00	0.00
Rate of Interest on Loan on Annual Basis	9.70	9.70	9.70	9.70	9.70
Interest on loan	0.00	0.00	0.00	0.00	0.00



**ORIENTAL BANK OF COMMERCE -DOCO**

Gross Loan- Opening	86.00	86.00	86.00	86.00	86.00
Cumulative repayments of Loans upto previous year	86.00	86.00	86.00	86.00	86.00
Net loan-Opening	0.00	0.00	0.00	0.00	0.00
Add: Drawl(s) during the year	0.00	0.00	0.00	0.00	0.00
Less: Repayment(s) of loan during the year	0.00	0.00	0.00	0.00	0.00
Net Loan-Closing	0.00	0.00	0.00	0.00	0.00
Average Net Loan	0.00	0.00	0.00	0.00	0.00
Rate of Interest on Loan on Annual Basis	0.00	0.00	0.00	0.00	0.00
Interest on loan	0.00	0.00	0.00	0.00	0.00

**PUNJAB NATIONAL BANK- II -DOCO**

Gross Loan- Opening	103.00	103.00	103.00	103.00	103.00
Cumulative repayments of Loans upto previous year	103.00	103.00	103.00	103.00	103.00
Net loan-Opening	0.00	0.00	0.00	0.00	0.00
Add: Drawl(s) during the year	0.00	0.00	0.00	0.00	0.00
Less: Repayment(s) of loan during the year	0.00	0.00	0.00	0.00	0.00
Net Loan-Closing	0.00	0.00	0.00	0.00	0.00
Average Net Loan	0.00	0.00	0.00	0.00	0.00
Rate of Interest on Loan on Annual Basis	0.00	0.00	0.00	0.00	0.00
Interest on loan	0.00	0.00	0.00	0.00	0.00

**Summary**

Gross Loan- Opening	792.00	792.00	792.00	792.00	792.00
Cumulative repayments of Loans upto previous year	792.00	792.00	792.00	792.00	792.00





Net loan-Opening	0.00	0.00	0.00	0.00	0.00
Add: Drawl(s) during the year	0.00	0.00	0.00	0.00	0.00
Less: Repayment(s) of loan during the year	0.00	0.00	0.00	0.00	0.00
Net Loan-Closing	0.00	0.00	0.00	0.00	0.00
Average Net Loan	0.00	0.00	0.00	0.00	0.00
Rate of Interest on Loan on Annual Basis	9.7937	9.7937	9.7937	9.7937	9.7937
Interest on loan	0.00	0.00	0.00	0.00	0.00

  
(Petitioner)



**Calculation of interest on Normative loan**

Form No. - 9E

Name of the Transmission Licensee		Power Grid Corporation of India Limited	
Project	Transmission System associated with the Neyveli TS-I in Southern Region		
Element Description	LILO of one circuit of existing Neyveli - Trichy 400 kV D/C line at Neyveli- TS-I expansion switchyard		
Region	Southern Region	DOCOC Date	Feb 1, 2002

(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	668.04	668.04	668.04	668.04	668.04
Cumulative repayments of Normative loan upto previous year	599.67	609.46	619.26	629.05	638.85
Net normative loan-Opening	68.37	58.58	48.78	38.99	29.19
Addition in normative loan towards the ACE	0.00	0.00	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	9.79	9.80	9.79	9.80	9.79
Adjustment of cumulative repayment pertaining to the decapitalised asset	0.00	0.00	0.00	0.00	0.00
Net normative loan - closing	58.58	48.78	38.99	29.19	19.40
Average normative loan	63.48	53.68	43.89	34.09	24.30
Weighted Average Rate of interest on actual loan	9.7937	9.7937	9.7937	9.7937	9.7937
Interest on normative loan	6.22	5.26	4.30	3.34	2.38
Pro rata interest on normative loan	6.22	5.26	4.30	3.34	2.38



**Calculation of Depreciation Rate on Original Project Cost**

Form No. - 10

Name of the Transmission Licensee	Power Grid Corporation of India Limited		
Project	Transmission System associated with the Neyveli TS-I in Southern Region		
Element Description	LILO of one circuit of existing Neyveli - Trichy 400 kV D/C line at Neyveli- TS-I expansion switchyard		
Region	Southern Region	DOC Date	Feb 1, 2002

(Amount in Rs. Lakh)

Name of Assets	Gross block at the beginning of the year	Add Cap during the year	Gross block at the end of the year	Average Gross Block	Depreciation Rate as per CERC's Depreciation Rate Schedule	Depreciation Amount for each year upto 31.03.2029
<b>2024-25</b>						
Land(Freehold)	0.00	0.00	0.00	0.00	0.00	0.00
Civil & Building	0.00	0.00	0.00	0.00	3.34	0.00
Transmission Line	807.78	0.00	807.78	807.78	5.28	9.79
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	15.00	0.00
Leasehold Land	0.00	0.00	0.00	0.00	3.34	0.00
IT/Software/UNMS/URTDISM/SCADA,etc	0.00	0.00	0.00	0.00	15.00	0.00
Batteries	0.00	0.00	0.00	0.00	9.50	0.00
Fiber Optic/OPGW	0.00	0.00	0.00	0.00	6.33	0.00
<b>TOTAL</b>	<b>807.78</b>	<b>0.00</b>	<b>807.78</b>	<b>807.78</b>	<b>0.00</b>	<b>9.79</b>
<b>Weighted Average Rate of Depreciation(%)</b>					<b>1.211964</b>	

<b>2025-26</b>						
Land(Freehold)	0.00	0.00	0.00	0.00	0.00	0.00



Civil & Building	0.00	0.00	0.00	0.00	3.34	0.00
Transmission Line	807.78	0.00	807.78	807.78	5.28	9.80
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	15.00	0.00
Leasehold Land	0.00	0.00	0.00	0.00	3.34	0.00
IT/Software/UNMS/URTDISM/SCADA,etc	0.00	0.00	0.00	0.00	15.00	0.00
Batteries	0.00	0.00	0.00	0.00	9.50	0.00
Fiber Optic/OPGW	0.00	0.00	0.00	0.00	6.33	0.00
<b>TOTAL</b>	<b>807.78</b>	<b>0.00</b>	<b>807.78</b>	<b>807.78</b>	<b>0.00</b>	<b>9.80</b>
<b>Weighted Average Rate of Depreciation(%)</b>					<b>1.213202</b>	

<b>2026-27</b>						
Land(Freehold)	0.00	0.00	0.00	0.00	0.00	0.00
Civil & Building	0.00	0.00	0.00	0.00	3.34	0.00
Transmission Line	807.78	0.00	807.78	807.78	5.28	9.79
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	15.00	0.00
Leasehold Land	0.00	0.00	0.00	0.00	3.34	0.00
IT/Software/UNMS/URTDISM/SCADA,etc	0.00	0.00	0.00	0.00	15.00	0.00
Batteries	0.00	0.00	0.00	0.00	9.50	0.00
Fiber Optic/OPGW	0.00	0.00	0.00	0.00	6.33	0.00
<b>TOTAL</b>	<b>807.78</b>	<b>0.00</b>	<b>807.78</b>	<b>807.78</b>	<b>0.00</b>	<b>9.79</b>
<b>Weighted Average Rate of Depreciation(%)</b>					<b>1.211964</b>	



**2027-28**

Sub Station	0.00	0.00	0.00	0.00	5.28	0.00
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	807.78	0.00	807.78	807.78	5.28	9.80
Comm. Sys. excluding Fiber Optic	0.00	0.00	0.00	0.00	15.00	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	9.50	0.00
Fiber Optic/OPGW	0.00	0.00	0.00	0.00	6.33	0.00
<b>TOTAL</b>	<b>807.78</b>	<b>0.00</b>	<b>807.78</b>	<b>807.78</b>	<b>0.00</b>	<b>9.80</b>
<b>Weighted Average Rate of Depreciation(%)</b>					<b>1.213202</b>	

**2028-29**

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	807.78	0.00	807.78	807.78	5.28	9.79
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	15.00	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	9.50	0.00
Fiber Optic/OPGW	0.00	0.00	0.00	0.00	6.33	0.00
<b>TOTAL</b>	<b>807.78</b>	<b>0.00</b>	<b>807.78</b>	<b>807.78</b>	<b>0.00</b>	<b>9.79</b>



<b>Weighted Average Rate of Depreciation(%)</b>					1.211964	
---	--	--	--	--	----------	--



**Statement of Depreciation**

Form No. - 10A

Name of the Transmission Licensee	Power Grid Corporation of India Limited				
Project	Transmission System associated with the Neyveli TS-I in Southern Region				
Element Description	LILO of one circuit of existing Neyveli - Trichy 400 kV D/C line at Neyveli- TS-I expansion switchyard				
Region	Southern Region	DOC Date	Feb 1, 2002		

(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
<b>Life at the beginning of the year</b>					
1.1 Weighted Average useful life of the Asset/ Project	0.00	0.00	0.00	0.00	0.00
1.2 Lapsed Weighted Average useful life of the Asset/Project(in completed no. of year)	22.00	23.00	24.00	25.00	26.00
1.3 Balance Weighted Average useful life of the Asset/Project(in completed no. of year)	0.00	0.00	0.00	0.00	0.00
<b>Capital Base</b>					
1.4 Opening capital cost	807.78	807.78	807.78	807.78	807.78
1.5 Additional Capital Expenditure dr. the year	0.00	0.00	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	807.78	807.78	807.78	807.78	807.78
1.8 Average capital cost	807.78	807.78	807.78	807.78	807.78
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	0.00	0.00
1.11 Asset having 10% salvage value included in 1.8	807.78	807.78	807.78	807.78	807.78
1.12 Depreciable Value(1.10+90% of 1.11)	727.00	727.00	727.00	727.00	727.00
<b>Depreciation for the period and Cum. Depreciation</b>					
1.13 Weighted Average Rate of depreciation	1.211964	1.213202	1.211964	1.213202	1.211964



1.14 Depreciation(for the period)	9.79	9.80	9.79	9.80	9.79
1.15 Depreciation(Annualised)	9.79	9.80	9.79	9.80	9.79
Unrecovered Depreciation for DECAP	0.00	0.00	0.00	0.00	0.00
1.16 Cumulative depreciation at the beginning of the period	599.67	609.46	619.26	629.05	638.85
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	609.46	619.26	629.05	638.85	648.64





**Calculation of interest on working Capital**

Form No. - 11

Name of the Transmission Licensee	Power Grid Corporation of India Limited		
Project	Transmission System associated with the Neyveli TS-I in Southern Region		
Element Description	LILO of one circuit of existing Neyveli - Trichy 400 kV D/C line at Neyveli- TS-I expansion switchyard		
Region	Southern Region	DOC Date	Feb 1, 2002

(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	0.79	0.83	0.87	0.92	0.97
Maintenance spares 15% of O&M Expenses	1.42	1.50	1.57	1.66	1.74
Receivables equivalent to 45 days of AFC	6.51	6.45	6.40	6.33	6.30
Total Working capital	8.72	8.78	8.84	8.91	9.01
Bank Rate as on 01.04.2019 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	1.04	1.04	1.05	1.06	1.07
Pro rata interest on working capital	1.04	1.04	1.05	1.06	1.07

(Petitioner)



## INDEX

## 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	N.A.
FORM-2	Details of Transmission Lines and Substations and Communication System covered in the project scope and O&M for instant asset	✓
FORM-3	Normative parameters considered for tariff computations	✓
FORM- 4	Abstract of existing transmission assets/elements under project, Determination of Effective COD and Weighted Average Life for single AFC for the project as whole.	N.A.
FORM- 4A	Statement of Capital cost	N.A.
FORM- 4B	Statement of Capital Works in Progress	N.A.
FORM- 4C	Abstract of Capital Cost Estimates and Schedule of Commissioning for the New Project/Element	N.A.
FORM-5	Element wise Break-up of Project/Asset/Element Cost for Transmission System or Communication System	N.A.
FORM-5A	Break-up of Construction/Supply/Service packages	N.A.
FORM-5B	Details of all the assets covered in the project	N.A.
FORM- 6	Actual Cash Expenditure and Financial Package up to COD	N.A.
FORM- 7	Statement of Additional Capitalisation after COD	N.A.
FORM- 7A	Financing of Additional Capitalisation	N.A.
FORM- 7B	Statement of Additional Capitalisation during five year before the end of the useful life of the project.	N.A.
FORM- 8	Calculation of Return on Equity	✓
FORM-8A	Details of Foreign Equity	N.A.
FORM-9	Details of Allocation of corporate loans to various transmission elements	N.A.
FORM-9A	Details of Project Specific Loans	N.A.
FORM-9B	Details of Foreign loans	N.A.
FORM-9C	Calculation of Weighted Average Rate of Interest on Actual Loans	✓
FORM-9D	Loans in Foreign Currency	N.A.
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	N.A.
FORM- 11	Calculation of Interest on Working Capital	✓
FORM- 12	Details of time over run	N.A.
FORM- 12A	Incidental Expenditure during Construction	N.A.
FORM- 12B	Calculation of IDC & Financing Charges	N.A.
FORM- 13	Details of Initial spares	N.A.
FORM- 14	Non-Tariff Income	N.A.
FORM- 15	Summary of issue involved in the petition	N.A.
FORM A	Summary of Capital Cost & Annual Fixed Cost (AFC) Claimed for ALL	N.A.
<b>Other Information/ Documents</b>		



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)	N.A.
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.	N.A.
3	Copies of relevant loan Agreements	N.A.
4	Copies of the approval of Competent Authority for the Capital Cost and Financial package.	N.A.
5	Copies of the Equity participation agreements and necessary approval for the foreign equity.	N.A.
6	Copies of the BPTA/TSA/PPA with the beneficiaries, if any	N.A.
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	N.A.
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.	N.A.
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.	N.A.
10.	Any other relevant information, (Please specify)	N.A.
<p><b>Note 1:</b> Electronic copy of the petition (in words format) and detailed calculation as per these formats (in excel format) and any other information submitted has to be uploaded in the e-filing website and shall also be furnished in pen drive/flash drive.</p>		

