

CCL: POWERGRID/TRUE UP/SR/SRSS IX/

दिनांक: 29.07.2024

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 truing up of Transmission tariff for 2019-24 and determination of transmission tariff for 2024-29 tariff block for Hassan-Mysore 400 kV D/C transmission line and extension of 400/220 kV Hassan & Mysore Sub-station under **System Strengthening-IX** 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.

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 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	1602.44	176400	0.11%	176268.4	176300	-100
		2020-21	1559.04	171600	0.11%	171494.4	171500	-100
		2021-22	1516.02	167100	0.11%	166762.2	166800	-300
		2022-23	1475.02	162600	0.11%	162252.2	162300	-300
		2023-24	1434.07	158100	0.11%	157747.7	157700	-400
	2024-29	2024-25	919.54	158100	0.11%	101149.4	101100	-57000
Total	Filing fee payable							-58200*

*Excess filing fee paid shall be adjusted in the next financial year annual filing fee.

Page 1 of 2



केन्द्रीय कार्यालय : "सौदामिनी" प्लॉट सं. 2, सेक्टर-29, गुरुग्राम-122001 (हरियाणा), दूरभाष : 0124-2822000, 2823000
 Corporate Office : "Saudamini", Plot No. 2, Sector-29, Gurugram-122001, (Haryana) Tel. : 0124-2822000, 2823000

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

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,


(मोहम्मद मोहसिन)

मुख्य महाप्रबंधक
(वाणिज्यिक व विनियामक प्रकोष्ठ)



Mukesh Bhakar (मुकेश भाकर)

From: Mukesh Bhakar (मुकेश भाकर)
Sent: Monday, July 29, 2024 17:56
To: cfcreg@tnebnnet.org; trac@kseb.in; cecommercial@rediffmail.com; ptc.hescom@gmail.com; eeptcgescom@gmail.com; kamaluddinalikhan@gmail.com; gmpp work; cee-elec.goa@nic.in; seccesc; seecoml; se3ped.pon@nic.in; cgmlgalaptransco@gmail.com; cgmpaepdcl@gmail.com; cgmir@tsnpdcl.in; chairman; cmdkseb; se1ped@py.gov.in; cee-elec.goa@nic.in; cmd.cpdcl@apcpdcl.in; cmd; cmd@apspdcl.in; cmd; cmd; md; md; md.hescom.kn@gmail.com; md@mesco.in; mdmescom; md@cescmysore.org; mdgesco@gmail.com; mdmescom; mdmescom@gmail.com; csecytangedco@tnebnnet.org; cmdkseb; cmd; cmd@apspdcl.in; prameela.ranics@gmail.com; cs@tssouthernpower.com; cs@tsnpdcl.in; csbescom@gmail.com; csgescom@gmail.com; cs.hescom@gmail.com; mdmescom; cscesc@cescmysore.org
Cc: Mohd Mohsin (मोहम्मद मोहसिन); Arjun Malhotra (अर्जुन मल्होत्रा)
Subject: Truing up petition
Attachments: SRSS III Scanned pet.pdf; SRSS IX scanned pet.pdf; SRSS IV Scanned pet.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:**

“Neelamangala-Somanahally 400 kV D/C line along with bays & Gooty-Raichur 400 kV D/C transmission line with bays under SRSS III Project” (Reference number on CERC e-filing portal 490/2024)

“Hassan-Mysore 400 kV D/C transmission line and extension of 400/220 kV Hassan & Mysore Sub-station under System Strengthening-IX” (Reference number on CERC e-filing portal 492/2024)

“Combined assets under System Strengthening-IV” (Reference number on CERC e-filing portal 489/2024)

It is informed that petition is also accessible on e-filing portal of Hon’ble CERC. 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: - Petition for truing up of Transmission tariff for 2019-24 and determination of transmission tariff for 2024-29 tariff block for Hassan-Mysore 400 kV D/C transmission line and extension of 400/220 kV Hassan & Mysore Sub-station under **System Strengthening-IX** 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:26.07.2024

Petitioner

(Mohd. Mohsin)

Chief General Manager (Commercial)



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

PETITION NO.:

IN THE MATTER OF: Petition for truing up of Transmission tariff for 2019-24 and determination of transmission tariff for 2024-29 tariff block Hassan-Mysore 400 kV D/C transmission line and extension of 400/220 kV Hassan & Mysore Sub-station under **System Strengthening-IX** 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.

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Tamil Nadu Generation and Distribution Corporation Ltd

----- RESPONDENTS

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Chennai – 600 002
Represented by its Chairman & Managing Director
And others

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FILED BY

POWER GRID CORPORATION OF INDIA LTD.

GURGAON

REPRESENTED BY

DATED:26.07.2024


(Mohd. Mohsin)

Chief General Manager (Commercial)



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

PETITION NO.:

IN THE MATTER OF: Petition for truing up of Transmission tariff for 2019-24 and determination of transmission tariff for 2024-29 tariff block for Hassan-Mysore 400 kV D/C transmission line and extension of 400/220 kV Hassan & Mysore Sub-station under **System Strengthening-IX** 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.

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--- **PETITIONER**

Tamil Nadu Generation and Distribution Corporation Ltd

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

Represented by its Chairman & 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:26.07.2024

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: Petition for truing up of Transmission tariff for 2019-24 and determination of transmission tariff for 2024-29 tariff block for Hassan-Mysore 400 kV D/C transmission line and extension of 400/220 kV Hassan & Mysore Sub-station under **System Strengthening-IX** 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.

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Tamil Nadu Generation and Distribution Corporation Ltd
NPKRR Maaligai, 800, Anna Salai,
Chennai – 600 002
Represented by its Chairman & Managing Director
And others

----- RESPONDENTS

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

GURGAON

DATED:26.07.2024

PETITIONER
POWER GRID CORPORATION OF INDIA LTD.
REPRESENTED BY


(Mohd. Mohsin)

Chief General Manager (Commercial)



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

IN THE MATTER OF: Petition for truing up of Transmission tariff for 2019-24 and determination of transmission tariff for 2024-29 tariff block for Hassan-Mysore 400 kV D/C transmission line and extension of 400/220 kV Hassan & Mysore Sub-station under **System Strengthening-IX** 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.

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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 26th day of July 2024.

PETITIONER
POWER GRID CORPORATION OF INDIA LTD.

GURGAON
DATED:26.07.2024


Mohd. Mohsin
Chief General Manager (Commercial)



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

PETITION NO.:

IN THE MATTER OF: Petition for truing up of Transmission tariff for 2019-24 and determination of transmission tariff for 2024-29 tariff block for Hassan-Mysore 400 kV D/C transmission line and extension of 400/220 kV Hassan & Mysore Sub-station under **System Strengthening-IX** 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.

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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 "**System Strengthening-III**" for the following:

Asset No	Asset Name	DOCO
Asset-I	Hassan-Mysore 400 kV D/C transmission line and extension of 400/220 kV Hassan & Mysore Sub-station	01.07.2011

(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/DOCO 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	
Combined Asset	12062.00	10246.53	No add cap	10246.53

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	
Combined Asset	12062.00	10246.53	No add cap	10246.53

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
Asset-1	AFC approved	1603.38	1560.02	1518.85	1477.89	1437.05
	Revised AFC based on truing up	1602.44	1559.04	1516.02	1475.02	1434.07

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	919.54	920.91	922.54	926.66	936.57



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	Hassan-Mysore 400 kV D/C transmission line and extension of 400/220 kV Hassan & Mysore Sub-station	01.07.2011	Earlier covered under petition no. 58/TT/2020 now covered under instant petition

10. Cost detail:

The capital cost of Rs. 10246.53 Lakhs for subject Asset has been admitted by Hon'ble commission vide order dated 17.08.2020 in petition no. 58/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	1603.38	1560.02	1518.85	1477.89	1437.05
	Revised AFC based on truing up	1602.44	1559.04	1516.02	1475.02	1434.07

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	919.54	920.91	922.54	926.66	936.57

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

14. The asset will complete 12 Yrs during the tariff block 2019-24 and thus depreciation till 2023-24 has been calculated based on the straight-line method and at rate specified in Appendix-I as per clause 33 (5) of the CERC Tariff regulations 2024. Further, for tariff block 2024-29 depreciation has been calculated based on remaining depreciable value to be recovered in the balance useful life. 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 also be available shortly on our website www.powergridindia.in.

18. The transmission charges at para-20 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 Expenses:



In this regard, it is submitted that a separate petition shall be filed for truing up of security expenses from 01.04.2019 to 31.03.2024 under the Regulation 35 (3) (C) of Central Electricity Regulatory Commission (Terms and Condition of Tariff Regulations) 2019 and recovery of security expenses from 01.04.2024 to 31.03.2029 under the Regulation 36 (3) (d) of Central Electricity Regulatory Commission (Terms and Condition of Tariff Regulations) 2024.

Insurance:

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

Capital Spare:

With regard to Capital Spares, the Petitioner has filed a separate Petition bearing No 45/MP/2024 for claiming the capital spares under Tariff 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 Newspapers 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 12 & 13 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, 2010 & 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 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.**

A. 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.
- 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 security expenses and consequential IOWC on that security expenses as mentioned at para 19 above.
- h) 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.
- i) 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.
- 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:26.07.2024

**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: Petition for truing up of Transmission tariff for 2019-24 and determination of transmission tariff for 2024-29 tariff block for Hassan-Mysore 400 kV D/C transmission line and extension of 400/220 kV Hassan & Mysore Sub-station under **System Strengthening-IX** 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 26th 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)



ATTESTED

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



28/07/2024

पावर ग्रिड कॉर्पोरेशन ऑफ इंडिया लिमिटेड
केन्द्रीय वाणिज्यिक विभाग

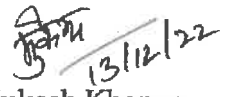
Ref: CC/Commercial/2022

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. 58/TT/2020

Coram:

Shri I. S. Jha, Member
Shri Arun Goyal, Member

Date of Order : 17.08.2020

In the Matter of:

Approval under Regulation 86 of Central Electricity Regulatory Commission (Conduct of Business) Regulations, 1999 and truing up of transmission tariff of the 2014-19 period under Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2014 and determination of transmission tariff of the 2019-24 period under Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2019 in respect of Hassan-Mysore 400 kV D/C transmission line and extension of 400/220 kV Hassan & Mysore Sub-station under System Strengthening-IX in the Southern Region.

And in the Matter of:

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

.....Petitioner

Vs

1. Karnataka Power Transmission Corporation Ltd., (KPTCL),
Kaveri Bhavan,
Bangalore-560009.
2. Transmission Corporation of Andhra Pradesh Ltd., (APTRANSCO),
Vidyut Soudha,
Hyderabad-500082.
3. Kerala State Electricity Board (KSEB),
Vaidyuthi Bhavanam, Pattom,
Thiruvananthapuram-695004.
4. Tamil Nadu Generation and Distribution Corporation Ltd.,
(Formerly Tamil Nadu Electricity Board -TNEB),



Order in Petition No. 58/TT/2020

सादर



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NPKRR Maaligai, 800, Anna Salai,
Chennai-600002.

5. Electricity Department,
Govt of Pondicherry,
Pondicherry-605001.
6. Eastern Power Distribution Company of Andhra Pradesh Limited (APEPDCL)
APEPDCL, P&T Colony,
Seethmmadhara, Vishakhapatnam, Andhra Pradesh.
7. Southern Power Distribution Company of Andhra Pradesh Limited (APSPDCL)
Srinivasasa Kalyana Mandapam Backside,
Tiruchanoor Road, Kesavayana Gunta,
Tirupati-517501.
8. Central Power Distribution Company of Andhra Pradesh limited (APCPDCL)
Corporate Office, Mint Compound,
Hyderabad-500063,
Telangana.
9. Northern Power Distribution Company of Andhra Pradesh Limited (APNPDCL)
Opp. NIT Petrol Pump, Chaitanyapuri, Kazipet,
Warangal-506004,
Telangana
10. Bangalore Electricity Supply Company Ltd., (BESCOM),
Corporate Office, K. R. Circle
Bangalore-560001,
Karnataka.
11. Gulbarga Electricity Supply Company Ltd., (GESCOM)
Station Main Road, Gulbarga,
Karnataka.
12. Hubli Electricity Supply Company Ltd., (HESCOM)
Navanagar, PB Road, Hubli,
Karnataka.
13. MESCOM Corporate Office,
Paradigm Plaza, AB Shetty Circle
Mangalore-575001,
Karnataka.
14. Chamundeswari Electricity Supply Corporation Ltd., (CESC)
927, L J Avenue, Ground Floor, New Kantharaj Urs Road



Order in Petition No. 58/TT/2020



Saraswatipuram, Mysore-570009,
Karnataka.

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

16. Transmission Corporation of Telangana Limited,
Vidhyut Sudha, Khairatabad,
Hyderabad-500082

17. Tamil Nadu Transmission Corporation,
NPKRR Maaligai, 800, Anna Salai,
Chennai-600002

..Respondents

For Petitioner : Shri S S Raju, PGCIL
Shri A K Verma, PGCIL
Shri B. Dash, PGCIL

For Respondent : None

ORDER

The instant petition has been filed by Power Grid Corporation of India Limited (hereinafter referred to as "the Petitioner"), a deemed transmission licensee, for truing up of the tariff for the period from 1.4.2014 to 31.3.2019 under 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 Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2019 (hereinafter referred to as "the 2019 Tariff Regulations") in respect of Hassan-Mysore 400 kV D/C transmission line and extension of 400/220 kV Hassan & Mysore Sub-station



Order in Petition No. 58/TT/2020



(hereinafter referred to as "the transmission asset") under "System Strengthening-IX in the Southern Region" (hereinafter referred to as the "transmission project").

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

"i. 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 10.1 and 11.0 above.

ii. Approve the Completion cost and additional capitalization incurred during 2014-19 on account of payment of compensation against court order, though earlier it was confirmed there is no outstanding liability to be discharged during true up of 2009-14.

iii. 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 10.1 and 11.0 above for respective block.

iv. 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.

v. 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.

vi. 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.

vii. 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 11.6 above.

viii. Allow the petitioner to claim the capital spares at the end of tariff block as per actual.

ix. 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 the Commission deems fit and appropriate under the circumstances of the case and in the interest of justice."

Background

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



Order in Petition No. 58/TT/2020



a) The Investment Approval for the System Strengthening-IX in the Southern Region”and expenditure sanction was accorded by Board of Directors of the Petitioner Company vide Memorandum No. C/CP/SR-IX dated 16.2.2009 with an estimated cost of ₹12062 lakh including IDC of ₹956 lakh. The scope of work covered under “System Strengthening-IX in the Southern Region” is as under: -

Transmission line

- i. Hassan-Mysore 400 kV D/C transmission line

Sub-station:

- ii. Extension of 400/220 kV Hassan & Mysore Sub-station

b) The instant petition covers the entire scope of the transmission project and the instant asset was put into commercial operation on 1.7.2011 and there is no time over-run in case of the instant asset.

c) The transmission tariff from the date of commercial operation to 31.3.2014 for instant asset was allowed vide order dated 11.3.2013 in Petition No.190/TT/2011.

d) The transmission tariff of the instant asset from the COD to 31.3.2014 was trued up and tariff for the 2014-19 tariff period was approved vide order dated 18.2.2016 in Petition No. 492/TT/2014.

e) The Petitioner has claimed the following trued up tariff for the instant asset for the 2014-19 tariff period:

		(₹ in lakh)				
Asset	Particulars	2014-15	2015-16	2016-17	2017-18	2018-19
Asset	Annual Fixed Charges (AFC) approved vide order dated 18.2.2016 in Petition No. 492/TT/2014	1983.36	1945.23	1907.18	1869.47	1832.11
	AFC claimed by the Petitioner based on truing up in the instant petition	1987.01	1951.99	1913.76	1876.10	1840.45



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

5. The Petitioner has served the petition on the Respondents and notice of this petition has been published in the newspaper in accordance with Section 64 of the Electricity Act, 2003. No comments/ objections have been received from the general public in response to the aforesaid notice published in the newspaper in the Petitioner. None of the Respondents have filed reply to the petition.

6. This order is issued after considering the submissions made in the Petition and affidavit dated 20.4.2020.

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

Truing up of Annual Fixed Charges for 2014-19 Tariff Period

8. The details of the transmission charges claimed by the Petitioner in respect of the instant asset are as under:

	(₹ in lakh)				
Particulars	2014-15	2015-16	2016-17	2017-18	2018-19
Depreciation	543.21	543.39	543.52	543.64	543.76
Interest on Loan	493.21	445.27	397.01	348.65	300.30
Return on Equity	587.17	590.07	589.91	590.04	591.77
Interest on Working Capital	54.44	53.98	53.45	52.95	52.50
O & M Expenses	308.98	319.28	329.87	340.82	352.12
Total	1987.01	1951.99	1913.76	1876.10	1840.45

9. The details of the Interest on Working Capital (IWC) claimed by the Petitioner in respect of the instant asset are as under: -

	(₹ in lakh)				
Particulars	2014-15	2015-16	2016-17	2017-18	2018-19
O&M Expenses	25.75	26.61	27.49	28.40	29.34



Particulars	2014-15	2015-16	2016-17	2017-18	2018-19
Maintenance Spares	46.35	47.89	49.48	51.12	52.82
Receivables	331.17	325.33	318.96	312.68	306.74
Total Working Capital	403.27	399.83	395.93	392.20	388.90
Rate of Interest (%)	13.50	13.50	13.50	13.50	13.50
Interest on Working Capital	54.44	53.98	53.45	52.95	52.50

Capital Cost

10. The capital cost of the transmission project has been calculated in accordance with the Regulation 9(3) and Regulation 9(6) of 2014 Tariff Regulations. The Commission vide order dated 18.2.2016 in Petition No. 492/TT/2014 had approved the transmission tariff for the Asset for the 2014-19 period based on admitted capital cost of ₹10230.67 lakh as on 31.3.2014.

Additional Capital Expenditure (ACE)

11. The Petitioner did not claim any ACE for the instant asset during the 2014-19 tariff period in Petition No.492/TT/2014. Accordingly, no ACE was considered for the purpose of tariff computation during the 2014-19 period in order dated 18.2.2016 in Petition No.492/TT/2014.

However, the Petitioner has now claimed following ACE based on actual expenditure during 2014-19 tariff period and has also submitted Auditor Certificate dated 31.7.2019 regarding the same.

(₹ in lakh)

Apportioned approved cost as per FR	Expenditure up to 31.3.2014	ACE 2014-2019 (as per Auditor Certificate)					Cost as on 31.3.2019
		2014-15	2015-16	2016-17	2017-18	2018-19	
12062.00	10230.67	6.27	0.56	4.44	0.00	4.59	10246.53

12. The Petitioner has submitted that ACE claimed is on account of undischarged liability towards final payment/ withheld payment due to contractual exigencies for works executed within the cut-off date. ACE for the year 2014-19 asset has been



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claimed on account of compensation paid against court order under Regulation 14(3)(i) of the 2014 Tariff Regulations.

13. We have considered the submissions of the Petitioner. The instant asset was put into commercial operation on 1.7.2011 and, therefore, the cut-off date in case of the instant asset was 31.3.2014. Therefore, ACE claimed for the instant asset during the 2014-19 tariff period is beyond the cut-off date. The Petitioner has submitted that ACE claimed is on account of undischarged liability towards final payment/ withheld payment due to contractual exigencies for works executed within the cut-off date and payment made after cut-off date. The same is covered under Regulation 14(3)(i) of the 2014 Tariff Regulations and, therefore, is approved.

14. The total capital cost allowed as on 31.3.2019 based on approved ACE is as under:-

Capital Cost as on COD	Approved ACE					(₹ in lakh)
	2014-15	2015-16	2016-17	2017-18	2018-19	Total Capital Cost as on 31.3.2019
10230.67	6.27	0.56	4.44	0.00	4.59	10246.53

Debt-Equity ratio

15. The Petitioner has claimed debt-equity ratio as on 31.3.2014 as approved by the Commission in its order in Petition No.492/TT/2014. The same has been considered as opening debt-equity ratio as on 1.4.2014. The details of the debt-equity ratio considered by the Commission are as under:

Particulars	Amount (in Rs. lakh)	(%)
Debt	7239.65	70.76
Equity	2991.02	29.24
Total	10230.67	100.00



16. The debt-equity ratio of 70:30 has been considered for ACE allowed during 2014-19 in accordance to Regulation 19(3) of the 2014 Tariff Regulations. The details of the debt and equity as on 1.4.2014 and 31.3.2019 considered for the purpose of tariff for the 2014-19 tariff period are as under:

Particulars	Capital Cost as on 1.4.2014 (in ₹ lakh)	(%)	ACE during 2014-19 (in ₹ lakh)	(%)	Total cost as on 31.3.2019 (in ₹ lakh)	(%)
Debt	7239.65	70.76	11.10	70.00	7250.75	70.76
Equity	2991.02	29.24	4.76	30.00	2995.78	29.24
Total	10230.67	100.00	15.86	100.00	10246.53	100.00

Interest on Loan (IoL)

17. The Petitioner has claimed the weighted average rate of IoL based on its actual loan portfolio and rate of interest. Accordingly, IoL has been calculated based on actual interest rate submitted by the Petitioner, in accordance with the Regulation 26 of the 2014 Tariff Regulations. IoL worked out is as under:

Particulars	(₹ in lakh)				
	2014-15	2015-16	2016-17	2017-18	2018-19
Gross Normative Loan	7239.65	7244.04	7244.43	7247.54	7247.54
Cumulative Repayments up to Previous Year	1447.05	1987.66	2528.45	3069.37	3610.41
Net Loan-Opening	5792.60	5256.38	4715.98	4178.17	3637.13
Additions	4.39	0.39	3.11	0.00	3.21
Repayment during the year	540.61	540.79	540.92	541.04	541.16
Net Loan-Closing	5256.38	4715.98	4178.17	3637.13	3099.18
Average Loan	5524.49	4986.18	4447.07	3907.65	3368.15
Weighted Average Rate of Interest on Loan (%)	8.930	8.937	8.941	8.943	8.947
Interest on Loan	493.32	445.61	397.59	349.47	301.35

18. The details of IoL approved earlier, claimed by the Petitioner in the instant petitioner and trued up in the instant order are shown in the table below:

Particular	(₹ in lakh)				
	2014-15	2015-16	2016-17	2017-18	2018-19
Approved vide order dated 18.2.2016	493.12	445.21	397.11	348.94	300.77
Claimed by the Petitioner in the instant petition	493.21	445.27	397.01	348.65	300.30



Allowed after true-up in this order	493.32	445.61	397.59	349.47	301.35
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Return on Equity (RoE)

19. The Petitioner is entitled for Return on Equity for the instant asset in terms of Regulation 24 and 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 the 2014-19 tariff period:

Year	Claimed effective tax rate (in %)	Grossed up ROE (Base Rate/1-t) (in %)
2014-15	21.018	19.625
2015-16	21.382	19.716
2016-17	21.338	19.705
2017-18	21.337	19.704
2018-19	21.549	19.758

20. The Commission in order dated 27.4.2020 in Petition No. 274/TT/2019 has arrived at the effective tax rate for the Petitioner based on the notified MAT rates. The relevant portion of the order dated 27.4.2020 is as under:-

"26. We are conscious that the entities covered under MAT regime are paying Income Tax as per MAT rate notified for respective financial year under IT Act, 1961, which is levied on the book profit of the entity computed as per the Section 115JB of the IT Act, 1961. The Section 115JB(2) defines book profit as net profit in the statement of Profit & Loss prepared in accordance with Schedule-III of the Companies Act, 2013, subject to some additions and deductions as mentioned in the IT Act, 1961. Since the Petitioner has been paying income tax on income computed under Section 115JB of the IT Act, 1961 as per the MAT rates of the respective financial year, the notified MAT rate for respective financial year shall be considered as effective tax rate for the purpose of grossing up of RoE for truing up of the tariff of the 2014-19 tariff period in terms of the provisions of the 2014 Tariff Regulations. Interest imposed on any additional income tax demand as per the Assessment Order of the Income Tax authorities shall be considered on actual payment. However, penalty (for default on the part of the Assessee) if any imposed shall not be taken into account for the purpose of grossing up of rate of return on equity. 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 transmission customers/ DICs as the case may be on year to year basis.

27. Accordingly, following effective tax rates based on notified MAT rates are considered for the purpose of grossing up of rate of return on equity:



Year	Notified MAT rates (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

”

21. The same MAT rates as above are considered for the purpose of grossing up of rate of RoE for truing up of the tariff of the 2014-19 tariff period in terms of the provisions of the 2014 Tariff Regulations.

Year	Notified MAT rates (inclusive of surcharge & cess) (in %)	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

22. The Petitioner has claimed RoE for the 2014-19 period after grossing up the ROE of 15.50% with Effective Tax rates (based on MAT rates) for each year as per 2014 Tariff Regulations. RoE is trued up on the basis of the MAT rate applicable in the respective years and is allowed as under:

Particulars	(₹ in lakh)				
	2014-15	2015-16	2016-17	2017-18	2018-19
Opening Equity	2991.02	2992.90	2993.07	2994.40	2994.40
Additions	1.88	0.17	1.33	0.00	1.38
Closing Equity	2992.90	2993.07	2994.40	2994.40	2995.78
Average Equity	2991.96	2992.99	2993.74	2994.40	2995.09
Return on Equity (Base Rate) (%)	15.500	15.500	15.500	15.500	15.500
MAT Rate for respective year (%)	20.961	21.342	21.342	21.342	21.549
Rate of Return on Equity (%)	19.610	19.705	19.705	19.705	19.758
Return on Equity	586.74	589.78	589.93	590.06	591.75



23. The details of RoE approved earlier, claimed by the Petitioner in the instant petition and trued up in the instant order is shown in the table under:

Particular	(₹ in lakh)				
	2014-15	2015-16	2016-17	2017-18	2018-19
Approved vide order dated 18.2.2016	586.54	586.54	586.54	586.54	586.54
Claimed by the Petitioner in the instant petition	587.17	590.07	589.91	590.04	591.77
Allowed after true-up in this order	586.74	589.78	589.93	590.06	591.75

Depreciation

24. The Petitioner's claim towards depreciation in this petition was found to be higher than the depreciation allowed for the instant asset in order dated 18.2.2016 in Petition No. 492/TT/2014. The Petitioner has neither given any justification for claiming higher depreciation than that was allowed earlier in order dated 18.2.2016 nor made any specific prayer for allowing higher depreciation in this petition. Similar matter had come up for consideration of the Commission in Petition No. 19/TT/2020 wherein the Commission vide order dated 9.5.2020 decided as under:

"31. We have considered the submissions of the Petitioner. The instant assets were put into commercial operation during the 2009-14 period and the tariff from the respective CODs to 31.3.2014 was allowed vide orders dated 30.8.2012 and 9.5.2013 in Petition No.343/2010 and Petition No. 147/TT/2011 respectively. Further, the tariff of the 2009-14 period was trued up and tariff for the 2014-19 period was allowed vide order dated 25.2.2016 in Petition No.10/TT/2015. The Petitioner did not claim any capital expenditure towards "IT Equipment" in the above said three petitions where tariff for the instant assets for the 2009-14 period was allowed, tariff of the 2009-14 period was trued up and tariff for 2014-19 period was allowed even though there was a clear provision in the 2009 Tariff Regulations and 2014 Tariff Regulations providing depreciation @15% for IT Equipment. Having failed to make a claim as per the 2009 Tariff Regulations(the period during which COD of assets was achieved), the Petitioner has now, at the time of truing up of the tariff allowed for the 2014-19 period has apportioned a part of the capital expenditure to "IT Equipment". The Petitioner has adopted similar methodology not only in this but in some of the other petitions listed along with the instant petition on 26.2.2020. It is observed that the Petitioner has for the first time apportioned a part of the capital expenditure towards IT Equipment and has claimed depreciation under the head "IT Equipment" @15% at the time of truing up of the tariff of 2014-19 period. Regulation 8(1) of the 2014 Tariff Regulations provides for truing up of the capital expenditure including the additional capital expenditure, incurred upto 31.3.2019, admitted by the Commission after prudence check. We are of the view that scope of truing up exercise is restricted to truing up of the capital expenditure already admitted



and apportionment or reapportionment of the capital expenditure cannot be allowed at the time of truing up. Therefore, we are not inclined to consider the Petitioner's prayer for apportionment of capital expenditure towards IT Equipment and allowing depreciation @ 15% from 1.4.2014 onwards. Accordingly, the depreciation @ 5.28% has been considered for IT Equipment as part of the sub-station upto 31.3.2019 while truing up the capital expenditure for the 2014-19 period. During the 2019-24 tariff period, the IT Equipment has been considered separately and depreciation has been allowed @ 15% for the balance depreciable value of IT Equipment in accordance with Regulation 33 read with Sr. No. (p) of the Appendix-I (Depreciation Schedule) of the 2019 Tariff Regulations."

25. In line with above order of the Commission, the Gross Block during the tariff period 2014-19 has been depreciated at weighted average rate of depreciation (WAROD) (Annexure-I). WAROD has been worked out after taking into account the depreciation rates of the asset as prescribed in the 2014 Tariff Regulations and depreciation allowed during the 2014-19 period is as under:

(₹ in lakh)					
Particulars	2014-15	2015-16	2016-17	2017-18	2018-19
Opening Gross Block	10230.67	10236.94	10237.50	10241.94	10241.94
Additional Capitalisation	6.27	0.56	4.44	0.00	4.59
Closing Gross Block	10236.94	10237.50	10241.94	10241.94	10246.53
Average Gross Block	10233.81	10237.22	10239.72	10241.94	10244.24
Weighted Average Rate of Depreciation (WAROD) (%)	5.28	5.28	5.28	5.28	5.28
Balance useful life of the asset	32	31	30	29	28
Elapsed life	2	3	4	5	6
Aggregate Depreciable value	9210.42	9213.50	9215.75	9217.75	9219.81
Depreciation during the year	540.61	540.79	540.92	541.04	541.16
Aggregate Cumulative Depreciation	1987.66	2528.45	3069.37	3610.41	4151.57
Remaining Depreciable Value	7222.76	6685.05	6146.38	5607.34	5068.24

26. The details of the depreciation approved earlier, claimed by the Petitioner in the instant petition and trued up in the instant order are shown in the table below:

(₹ in lakh)					
Particulars	2014-15	2015-16	2016-17	2017-18	2018-19
Approved vide order dated 18.2.2016	540.37	540.37	540.37	540.37	540.37
Claimed by the Petitioner in the instant petition	543.21	543.39	543.52	543.64	543.76
Allowed after true-up in this order	540.61	540.79	540.92	541.04	541.16



Operation & Maintenance Expenses (O&M Expenses)

27. The O&M Expenses claimed by the Petitioner for the instant asset are as under:

Particulars	2014-15	2015-16	2016-17	2017-18	2018-19
O&M Expenses					
400 kV					
No. of bays	4	4	4	4	4
Norms (₹ lakh/Bay)	60.3	62.3	64.37	66.51	68.71
Transmission line					
D/C Twin/Triple Conductor	95.88	95.88	95.88	95.88	95.88
Norms (₹ lakh/km)	0.707	0.731	0.755	0.78	0.806
Total O&M expense (₹ in lakh)	308.98	319.28	329.87	340.82	352.12

28. Regulation 29(3) of the 2014 Tariff Regulations specifies the norms for O&M Expenses for the transmission system. Norms specified in respect of the elements covered in the instant asset are as under:

Particulars	2014-15	2015-16	2016-17	2017-18	2018-19
O&M Expenses					
400 kV					
No. of bays	4	4	4	4	4
Norms (₹ lakh/Bay)	60.3	62.3	64.37	66.51	68.71
Transmission line					
D/C Twin/Triple Conductor	95.88	95.88	95.88	95.88	95.88
Norms (₹ lakh/km)	0.707	0.731	0.755	0.78	0.806

29. We have considered the submission of the Petitioner. The O&M Expenses are allowed for the instant asset as per the norms specified in the 2014 Tariff Regulations and are as under:

Particulars	2014-15	2015-16	2016-17	2017-18	2018-19
O&M Expenses					
400 kV					
No. of bays	4	4	4	4	4
Norms (₹ lakh/Bay)	60.3	62.3	64.37	66.51	68.71
Transmission line					
D/C Twin/Triple Conductor	95.88	95.88	95.88	95.88	95.88
Norms (₹ lakh/km)	0.707	0.731	0.755	0.78	0.806
Total O&M expenses (₹ in lakh)	308.98	319.28	329.87	340.82	352.12

30. The details of the O&M Expenses approved earlier, claimed by the Petitioner in the instant petition and tried up in the instant order are shown in the table below:



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(₹ in lakh)					
Particulars	2014-15	2015-16	2016-17	2017-18	2018-19
Approved vide order dated 18.2.2016	308.98	319.28	329.87	340.82	352.12
Claimed by the Petitioner in the instant petition	308.98	319.28	329.87	340.82	352.12
Allowed after true-up in this order	308.98	319.28	329.87	340.82	352.12

Interest on Working Capital (IWC)

31. IWC has been worked out as per the methodology provided in the Regulation 28 of the 2014 Tariff Regulations and is allowed as under:

(₹ in lakh)					
Particulars	2014-15	2015-16	2016-17	2017-18	2018-19
O&M Expenses	25.75	26.61	27.49	28.40	29.34
Maintenance Spares	46.35	47.89	49.48	51.12	52.82
Receivables	330.67	324.90	318.62	312.38	306.47
Total Working Capital	402.77	399.40	395.59	391.91	388.63
Rate of Interest (%)	13.50	13.50	13.50	13.50	13.50
Interest on Working Capital	54.37	53.92	53.40	52.91	52.47

32. The details of IWC approved earlier, IWC claimed by the Petitioner in the instant petition and true up in the instant order for the 2014-19 period is shown as under: -

(₹ in lakh)					
Particulars	2014-15	2015-16	2016-17	2017-18	2018-19
Approved vide order dated 18.2.2016	54.36	53.88	53.30	52.80	52.31
Claimed by the Petitioner in the instant petition	54.44	53.98	53.45	52.95	52.50
Allowed after true-up in this order	54.37	53.92	53.40	52.91	52.47

Annual Transmission Charges allowed for 2014-19 Tariff Period

33. Accordingly, the annual transmission charges allowed for the instant transmission asset after true-up of the 2014-19 tariff period are as under:

(₹ in lakh)					
Particulars	2014-15	2015-16	2016-17	2017-18	2018-19
Depreciation	540.61	540.79	540.92	541.04	541.16
Interest on Loan	493.32	445.61	397.59	349.47	301.35
Return on Equity	586.74	589.78	589.93	590.06	591.75
Interest on Working Capital	54.37	53.92	53.40	52.91	52.47



O & M Expenses	308.98	319.28	329.87	340.82	352.12
Total	1984.03	1949.39	1911.71	1874.29	1838.85

34. Accordingly, the Annual Transmission Charges approved earlier, claimed by the Petitioner in the instant petition and approved after truing up in the instant order is shown as under:

(₹ in lakh)					
Particulars	2014-15	2015-16	2016-17	2017-18	2018-19
Approved earlier vide order dated 18.2.2016 in Petition No. 492/TT/2014	1983.36	1945.23	1907.18	1869.47	1832.11
Claimed by the Petitioner in the instant petition	1987.01	1951.99	1913.76	1876.10	1840.45
Allowed after true-up in this order	1984.03	1949.39	1911.71	1874.29	1838.85

Determination of Annual Fixed Charges for 2019-24 Tariff Period

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

(₹ in lakh)					
Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
Depreciation	542.76	539.87	539.87	539.87	539.87
Interest on Loan	252.00	203.72	155.53	107.30	58.96
Return on Equity	562.66	562.66	562.66	562.66	562.66
Interest on Working Capital	29.74	29.36	28.97	28.59	28.16
O&M Expenses	213.98	221.47	229.22	237.22	245.48
Total	1601.14	1557.08	1516.25	1475.64	1435.13

36. The details of IWC claimed by the Petitioner in respect of the instant asset for the 2019-24 tariff period are as under:

(₹ in lakh)					
Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
O&M Expenses	17.83	18.46	19.10	19.77	20.46
Maintenance Spares	32.10	33.22	34.38	35.58	36.82
Receivables	196.86	191.97	186.93	181.93	176.45
Total Working Capital	246.79	243.65	240.41	237.28	233.73
Rate of Interest (%)	12.05	12.05	12.05	12.05	12.05
Interest on Working Capital	29.74	29.36	28.97	28.59	28.16



Capital Cost

37. Regulation 19 of the 2019 Tariff Regulations provide as under:

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

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

- (a) *The expenditure incurred or projected to be incurred up to the date of commercial operation of the project;*
- (b) *Interest during construction and financing charges, on the loans (i) being equal to 70% of the funds deployed, in the event of the actual equity in excess of 30% of the funds deployed, by treating the excess equity as normative loan, or (ii) being equal to the actual amount of loan in the event of the actual equity less than 30% of the funds deployed;*
- (c) *Any gain or loss on account of foreign exchange risk variation pertaining to the loan amount availed during the construction period;*
- (d) *Interest during construction and incidental expenditure during construction as computed in accordance with these regulations;*
- (e) *Capitalised initial spares subject to the ceiling rates in accordance with these regulations;*
- (f) *Expenditure on account of additional capitalization and de-capitalisation determined in accordance with these regulations;*
- (g) *Adjustment of revenue due to sale of infirm power in excess of fuel cost prior to the date of commercial operation as specified under Regulation 7 of these regulations;*
- (h) *Adjustment of revenue earned by the transmission licensee by using the assets before the date of commercial operation;*
- (i) *Capital expenditure on account of ash disposal and utilization including handling and transportation facility;*
- (j) *Capital expenditure incurred towards railway infrastructure and its augmentation for transportation of coal upto the receiving end of the generating station but does not include the transportation cost and any other appurtenant cost paid to the railway;*
- (k) *Capital expenditure on account of biomass handling equipment and facilities, for co-firing;*
- (l) *Capital expenditure on account of emission control system necessary to meet the revised emission standards and sewage treatment plant;*
- (m) *Expenditure on account of fulfilment of any conditions for obtaining environment clearance for the project;*
- (n) *Expenditure on account of change in law and force majeure events; and*
- (o) *Capital cost incurred or projected to be incurred by a thermal generating station, on account of implementation of the norms under Perform, Achieve and Trade (PAT) scheme of Government of India shall be considered by the Commission subject to sharing of benefits accrued under the PAT scheme with the beneficiaries.*

(3) *The Capital cost of an existing project shall include the following:*

- (a) *Capital cost admitted by the Commission prior to 1.4.2019 duly trued up by excluding liability, if any, as on 1.4.2019;*



- (b) *Additional capitalization and de-capitalization for the respective year of tariff as determined in accordance with these regulations;*
 - (c) *Capital expenditure on account of renovation and modernisation as admitted by this Commission in accordance with these regulations;*
 - (d) *Capital expenditure on account of ash disposal and utilization including handling and transportation facility;*
 - (e) *Capital expenditure incurred towards railway infrastructure and its augmentation for transportation of coal upto the receiving end of generating station but does not include the transportation cost and any other appurtenant cost paid to the railway; and*
 - (f) *Capital cost incurred or projected to be incurred by a thermal generating station, on account of implementation of the norms under Perform, Achieve and Trade (PAT) scheme of Government of India shall be considered by the Commission subject to sharing of benefits accrued under the PAT scheme with the beneficiaries.*
- (4) *The capital cost in case of existing or new hydro generating station shall also include:*
- (a) *cost of approved rehabilitation and resettlement (R&R) plan of the project in conformity with National R&R Policy and R&R package as approved; and*
 - (b) *cost of the developer's 10% contribution towards Rajiv Gandhi Grameen Vidyutikaran Yojana (RGGVY) and Deendayal Upadhyaya Gram Jyoti Yojana (DDUGJY) project in the affected area.*
- (5) *The following shall be excluded from the capital cost of the existing and new projects:*
- (a) *The assets forming part of the project, but not in use, as declared in the tariff petition;*
 - (b) *De-capitalised Assets after the date of commercial operation on account of replacement or removal on account of obsolescence or shifting from one project to another project:*

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

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

- (c) *In case of hydro generating stations, any expenditure incurred or committed to be incurred by a project developer for getting the project site allotted by the State Government by following a transparent process;*
- (d) *Proportionate cost of land of the existing project which is being used for generating power from generating station based on renewable energy; and*
- (e) *Any grant received from the Central or State Government or any statutory body or authority for the execution of the project which does not carry any liability of repayment."*

38. The Petitioner has claimed capital cost of ₹10246.53 lakh as on 31.3.2019 for the Asset. The Commission has worked out capital cost of ₹10246.53 lakh as on 31.3.2019 and, the same has been approved and considered as the opening capital



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cost as on 1.4.2019 for determination of tariff in accordance with Regulation 19 of the 2019 Tariff Regulations.

Additional Capital Expenditure (ACE)

39. Regulations 24 and Regulation 25 of the 2019 Tariff Regulations provide as under:

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

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

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

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

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

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

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

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



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

- (a) The useful life of the assets is not commensurate with the useful life of the project and such assets have been fully depreciated in accordance with the provisions of these regulations;
- (b) The replacement of the asset or equipment is necessary on account of change in law or Force Majeure conditions;
- (c) The replacement of such asset or equipment is necessary on account of obsolescence of technology; and
- (d) The replacement of such asset or equipment has otherwise been allowed by the Commission."

40. The Petitioner has not claimed/ projected any ACE during the 2019-24 tariff block. Accordingly, the capital cost considered as on 1.4.2019 and 31.3.2014 is ₹10246.53 as under:

(₹ in lakh)		
Capital cost as on 1.4.2019	ACE claimed 2019-24	Total Capital Cost as on 31.3.2024
10246.53	Nil	10246.53

Debt-Equity ratio

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

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

Provided that:

- i. where equity actually deployed is less than 30% of the capital cost, actual equity shall be considered for determination of tariff;
- ii. the equity invested in foreign currency shall be designated in Indian rupees on the date of each investment;
- iii. any grant obtained for the execution of the project shall not be considered as a part of capital structure for the purpose of debt: equity ratio.

Explanation-The premium, if any, raised by the generating company or the transmission licensee, as the case may be, while issuing share capital and investment of internal resources created out of its free reserve, for the funding of the project, shall be reckoned as paid up capital for the purpose of computing return on equity, only if such premium amount and internal resources are actually utilised for meeting the capital expenditure of the generating station or the transmission system.

(2) The generating company or the transmission licensee, as the case may be, shall submit the resolution of the Board of the company or approval of the competent authority in other cases regarding infusion of funds from internal resources in support of the utilization made or proposed to be made to meet the capital expenditure of the



generating station or the transmission system including communication system, as the case may be.

(3) In case of the generating station and the transmission system including communication system declared under commercial operation prior to 1.4.2019, debt: equity ratio allowed by the Commission for determination of tariff for the period ending 31.3.2019 shall be considered:

Provided that in case of a generating station or a transmission system including communication system which has completed its useful life as on or after 1.4.2019, if the equity actually deployed as on 1.4.2019 is more than 30% of the capital cost, equity in excess of 30% shall not be taken into account for tariff computation;

Provided further that in case of projects owned by Damodar Valley Corporation, the debt: equity ratio shall be governed as per sub-clause (ii) of clause (2) of Regulation 72 of these regulations.

(4) In case of the generating station and the transmission system including communication system declared under commercial operation prior to 1.4.2019, but where debt: equity ratio has not been determined by the Commission for determination of tariff for the period ending 31.3.2019, the Commission shall approve the debt: equity ratio in accordance with clause (1) of this Regulation.

(5) Any expenditure incurred or projected to be incurred on or after 1.4.2019 as may be admitted by the Commission as additional capital expenditure for determination of tariff, and renovation and modernisation expenditure for life extension shall be serviced in the manner specified in clause (1) of this Regulation.”

42. The debt-equity considered for the purpose of tariff for 2019-24 tariff period is as under:

Particulars	Capital Cost as on 1.4.2019 (₹ in lakh)	%	ACE for 2019-24	%	Capital Cost as on 31.3.2024 (₹ in lakh)	%
Debt	7250.75	70.76	Nil	70.00	7250.75	70.76
Equity	2995.78	29.24	Nil	30.00	2995.78	29.24
Total	10246.53	100.00	Nil	100.00	10246.53	100.00

Return on Equity (RoE)

43. Regulations 30 and Regulation 31 of the 2019 Tariff Regulations provide as under:-

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

(2) Return on equity shall be computed at the base rate of 15.50% for thermal generating station, transmission system including communication system and run-of-river hydro generating station, and at the base rate of 16.50% for the storage type hydro generating stations including pumped storage hydro generating stations and run-of-river



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generating station with pondage:

Provided that return on equity in respect of additional capitalization after cut-off date beyond the original scope shall be computed at the weighted average rate of interest on actual loan portfolio of the generating station or the transmission system

Provided further that:

- i. In case of a new project, the rate of return on equity shall be reduced by 1.00% for such period as may be decided by the Commission, if the generating station or transmission system is found to be declared under commercial operation without commissioning of any of the Restricted Governor Mode Operation (RGMO) or Free Governor Mode Operation (FGMO), data telemetry, communication system up to load dispatch centre or protection system based on the report submitted by the respective RLDC;
- ii. in case of existing generating station, as and when any of the requirements under (i) above of this Regulation are found lacking based on the report submitted by the concerned RLDC, rate of return on equity shall be reduced by 1.00% for the period for which the deficiency continues;
- iii. in case of a thermal generating station, with effect from 1.4.2020:
 - a) rate of return on equity shall be reduced by 0.25% in case of failure to achieve the ramp rate of 1% per minute;
 - b) an additional rate of return on equity of 0.25% shall be allowed for every incremental ramp rate of 1% per minute achieved over and above the ramp rate of 1% per minute, subject to ceiling of additional rate of return on equity of 1.00%:

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

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

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

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

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



Illustration-

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

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

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

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

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

(c) Effective Tax Rate for the year 2019-20 = Rs 240 Crore / Rs 1000 Crore = 24%;

(d) Rate of return on equity = $15.50 / (1 - 0.24) = 20.395\%$.

(3) The generating company or the transmission licensee, as the case may be, shall true up the grossed up rate of return on equity at the end of every financial year based on actual tax paid together with any additional tax demand including interest thereon, duly adjusted for any refund of tax including interest received from the income tax authorities pertaining to the tariff period 2019-24 on actual gross income of any financial year. However, penalty, if any, arising on account of delay in deposit or short deposit of tax amount shall not be claimed by the generating company or the transmission licensee, as the case may be. Any under-recovery or over-recovery of grossed up rate on return on equity after truing up, shall be recovered or refunded to beneficiaries or the long term customers, as the case may be, on year to year basis."

44. 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 trued up with actual tax rate in accordance with Regulation 31(3) of the 2019 Tariff Regulations. RoE allowed is as under:

Particulars	(₹ in lakh)				
	2019-20	2020-21	2021-22	2022-23	2023-24
Opening Equity	2995.78	2995.78	2995.78	2995.78	2995.78
Additions	0.00	0.00	0.00	0.00	0.00
Closing Equity	2995.78	2995.78	2995.78	2995.78	2995.78
Average Equity	2995.78	2995.78	2995.78	2995.78	2995.78
Return on Equity (Base Rate) (%)	15.50	15.50	15.50	15.50	15.50
MAT Rate for respective year (%)	17.472	17.472	17.472	17.472	17.472
Rate of Return on Equity (%)	18.782	18.782	18.782	18.782	18.782
Return on Equity	562.65	562.65	562.65	562.65	562.65

Interest on Loan (IoL)

45. Regulation 32 of the 2019 Tariff Regulations provides that:



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

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

(3) The repayment for each of the year of the tariff period 2019-24 shall be deemed to be equal to the depreciation allowed for the corresponding year/period. In case of de-capitalization of assets, the repayment shall be adjusted by taking into account cumulative repayment on a pro rata basis and the adjustment should not exceed cumulative depreciation recovered upto the date of de-capitalisation of such asset.

(4) Notwithstanding any moratorium period availed by the generating company or the transmission licensee, as the case may be, the repayment of loan shall be considered from the first year of commercial operation of the project and shall be equal to the depreciation allowed for the year or part of the year.

(5) The rate of interest shall be the weighted average rate of interest calculated on the basis of the actual loan portfolio after providing appropriate accounting adjustment for interest capitalized:

Provided that if there is no actual loan for a particular year but normative loan is still outstanding, the last available weighted average rate of interest shall be considered;

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

(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.”

46. The weighted average rate of IoL has been considered on the basis of rate prevailing as on 1.4.2019. The Petitioner has prayed that the change in interest rate due to floating rate 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. Therefore, IoL has been allowed in accordance with Regulation 32 of the 2019 Tariff Regulations. IoL allowed for the instant asset is as under:

(₹ in lakh)

Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
Gross Normative Loan	7250.75	7250.75	7250.75	7250.75	7250.75



Cumulative Repayments upto Previous Year	4151.57	4695.45	5239.33	5783.21	6327.09
Net Loan-Opening	3099.18	2555.3	2011.42	1467.54	923.67
Additions	0.00	0.00	0.00	0.00	0.00
Repayment during the year	543.88	543.88	543.88	543.88	543.88
Net Loan-Closing	2555.3	2011.42	1467.54	923.67	379.79
Average Loan	2827.24	2283.36	1739.48	1195.61	651.73
Weighted Average Rate of Interest on Loan (%)	8.952	8.959	8.969	8.984	9.010
Interest on Loan	253.11	204.57	156.01	107.41	58.72

Depreciation

47. Regulation 33 of the 2019 Tariff Regulations provides that:

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

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

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

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

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

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

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

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



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

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

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

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

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

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

48. IT equipment has been taken as a part of the Gross Block and depreciated using Weighted Average Rate of Depreciation (WAROD) (as placed in Annexure-II). The WAROD has been worked out after taking into account the depreciation rates of IT and non-IT assets as prescribed in the 2019 Tariff Regulations. The salvage value of IT equipment has been considered nil, i.e. IT asset has been considered as 100 percent depreciable. The calculation of WAROD for the 2019-24 period is placed in Annexure-II. The depreciation has been worked out considering the admitted capital expenditure as on 31.3.2019 and accumulated depreciation up to 31.3.2019. The depreciation worked out for the instant asset is as under:

(₹ in lakh)

Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
Opening Gross Block	10246.53	10246.53	10246.53	10246.53	10246.53



Additional Capitalisation	0.00	0.00	0.00	0.00	0.00
Closing Gross Block	10246.53	10246.53	10246.53	10246.53	10246.53
Average Gross Block	10246.53	10246.53	10246.53	10246.53	10246.53
Weighted Average Rate of Depreciation (WAROD) (%)	5.31	5.31	5.31	5.31	5.31
Balance useful life of the asset	27	26	25	24	23
Elapsed life	7	8	9	10	11
Aggregate Depreciable value	9224.55	9224.55	9224.55	9224.55	9224.55
Depreciation during the year	543.88	543.88	543.88	543.88	543.88
Aggregate Cumulative Depreciation	4695.45	5239.33	5783.21	6327.09	6870.96
Remaining Depreciable Value	4529.10	3985.22	3441.34	2897.46	2353.58

Operation & Maintenance Expenses (O&M Expenses)

49. The O&M Expenses claimed by the Petitioner for the instant asset for the 2019-24 period are as under:

(₹ in lakh)					
Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
O&M Expenses					
400 kV					
No. of bays	4	4	4	4	4
Norms (₹ lakh/Bay)	32.15	33.28	34.45	35.66	36.91
Transmission line					
D/C Twin/Triple Conductor	95.88	95.88	95.88	95.88	95.88
Norms (₹ lakh/km)	0.881	0.912	0.944	0.977	1.011
PLCC					
Cost	45.54	45.54	45.54	45.54	45.54
Norms (₹ lakh)	2% on Original Capital Cost				
Total O&M expense (₹ in lakh)	213.98	221.47	229.22	237.22	245.48

50. Regulations 35(3) and (4) of the 2019 Tariff Regulations provide that:

“35. Operation and Maintenance Expenses:

....
(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
Norms for sub-station Bays (Rs Lakh per bay)					
765 kV	45.01	46.60	48.23	49.93	51.68
400 kV	32.15	33.28	34.45	35.66	36.91
220 kV	22.51	23.30	24.12	24.96	25.84



132 kV and below	16.08	16.64	17.23	17.83	18.46
Norms for Transformers (Rs Lakh per MVA)					
765 kV	0.491	0.508	0.526	0.545	0.564
400 kV	0.358	0.371	0.384	0.398	0.411
220 kV	0.245	0.254	0.263	0.272	0.282
132 kV and below	0.245	0.254	0.263	0.272	0.282
Norms for AC and HVDC lines (Rs Lakh per km)					
Single Circuit (Bundled Conductor with six or more sub-conductors)	0.881	0.912	0.944	0.977	1.011
Single Circuit (Bundled conductor with four sub-conductors)	0.755	0.781	0.809	0.837	0.867
Single Circuit (Twin & Triple Conductor)	0.503	0.521	0.539	0.558	0.578
Single Circuit (Single Conductor)	0.252	0.260	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
Norms for HVDC stations					
HVDC Back-to-Back stations (Rs Lakh per 500 MW) (Except Gazuwaka BTB)	834	864	894	925	958
Gazuwaka HVDC Back-to-Back station (Rs. Lakh per 500 MW)	1,666	1,725	1,785	1,848	1,913
500 kV Rihand-Dadri HVDC bipole scheme (Rs Lakh) (1500 MW)	2,252	2,331	2,413	2,498	2,586
±500 kV Talchar- 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 (2500 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);



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- 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."

51. We have considered the submission of the Petitioner. The O&M Expenses have been worked out for the instant asset as per the norms specified in the 2019 Tariff Regulations and are as under:

	(₹ in lakh)				
Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
O&M Expenses					
400 kV					
No. of bays	4	4	4	4	4
Norms (₹ lakh/Bay)	32.15	33.28	34.45	35.66	36.91
Transmission line					
D/C Twin/Triple Conductor	95.88	95.88	95.88	95.88	95.88
Norms (₹ lakh/km)	0.881	0.912	0.944	0.977	1.011
PLCC					



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Cost	45.54	45.54	45.54	45.54	45.54
Norms (₹ lakh)	2% on Original Capital Cost				
Total O&M expense (₹ in lakh)	213.98	221.47	229.22	237.22	245.48

Interest on Working Capital (IWC)

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

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

.....

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

- (i) Receivables equivalent to 45 days of annual fixed cost;
- (ii) Maintenance spares @ 15% of operation and maintenance expenses including security expenses; and
- (iii) Operation and maintenance expenses, including security expenses for one month.

.....

(3) Rate of interest on working capital shall be on normative basis and shall be considered as the bank rate as on 1.4.2019 or as on 1st April of the year during the tariff period 2019-24 in which the generating station or a unit thereof or the transmission system including communication system or element thereof, as the case may be, is declared under commercial operation, whichever is later:

Provided that in case of truing-up, the rate of interest on working capital shall be considered at bank rate as on 1st April of each of the financial year during the tariff period 2019-24.

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

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

.....

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

53. The Petitioner has submitted that it has computed IWC for the 2019-24 period considering the SBI Base Rate plus 350 basis points as on 1.4.2019. The Petitioner has considered the rate of interest on working capital as 12.05%.

54. IWC is worked out in accordance with Regulation 34 of the 2019 Tariff Regulations. The Rate of Interest (ROI) considered is 12.05% (SBI 1-year MCLR applicable as on 1.4.2019 of 8.55% plus 350 basis points) for 2019-20, whereas, ROI



for 2020-21 onwards has been considered as 11.25% (SBI 1-year MCLR applicable as on 1.4.2020 of 7.75% plus 350 basis points). The components of the working capital and interest thereon allowed is as under:

(₹ in lakh)					
Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
O & M Expenses	17.83	18.46	19.10	19.77	20.46
Maintenance Spares	32.10	33.22	34.38	35.58	36.82
Receivables	197.14	192.33	187.25	182.21	176.69
Total Working Capital	247.07	244.01	240.74	237.56	233.97
Rate of Interest (%)	12.05	11.25	11.25	11.25	11.25
Interest on Working Capital	29.77	27.45	27.08	26.73	26.32

Annual Fixed Charges for the 2019-24 Tariff Period

55. The transmission charges allowed for the instant transmission asset for the 2019-24 period are summarised as under:

(₹ in lakh)					
Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
Depreciation	543.88	543.88	543.88	543.88	543.88
Interest on Loan	253.11	204.57	156.01	107.41	58.72
Return on Equity	562.65	562.65	562.65	562.65	562.65
Interest on Working Capital	29.77	27.45	27.08	26.73	26.32
O & M Expenses	213.98	221.47	229.22	237.22	245.48
Total	1603.38	1560.02	1518.85	1477.89	1437.05

Filing Fee and the Publication Expenses

56. 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

57. 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 Regulations 70(3) of the 2019 Tariff Regulations for 2019-24 period.

Security Expenses

58. The Petitioner has submitted that security expenses for the instant 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. The Petitioner has requested to consider the actual security expenses incurred during 2018-19 for claiming estimated security expenses for 2019-20 which shall be subject to true up at the end of the year based on the actuals. The Petitioner has submitted that similar petition for security expenses for 2020-21, 2021-22, 2022-23 and 2023-24 will be filed on a yearly basis on the basis of the actual expenses of previous year subject to true up at the end of the year on actual expenses. The Petitioner has submitted that the difference, if any, between the estimated security expenses and actual security expenses as the audited accounts may be allowed to be recovered from the beneficiaries on a yearly basis.

59. We have considered the submissions of the Petitioner. We are of the view that Petitioner should claim security expenses for all the transmission assets in one petition. It is observed that the Petitioner has already filed the Petition No. 260/MP/2020 claiming consolidated security expenses on projected basis for the 2019-24 tariff period on the basis of actual security expenses incurred in 2018-19. Therefore, security expenses will be dealt with Petition No. 260/MP/2020 in accordance with the appropriate provisions of the 2019 Tariff Regulations.

Goods and Services Tax

60. 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 & 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.

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

Capital Spares

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

Sharing of Transmission Charges

63. The billing, collection and disbursement of the transmission charges approved shall be governed by the provisions of Central Electricity Regulatory Commission (Sharing of Inter-State Transmission Charges and Losses) Regulations, 2010, as amended from time to time as provided in Regulation 43 of 2014 Tariff Regulations for the 2014-19 tariff period and Regulation 57 of the 2019 Tariff Regulations for the 2019-24 tariff period.

64. To summarise, the trued-up Annual Fixed Charges allowed for the instant asset after true-up for the 2014-19 tariff period are as under:

	(₹ in lakh)				
Particulars	2014-15	2015-16	2016-17	2017-18	2018-19
Annual Fixed Charges	1984.03	1949.39	1911.71	1874.29	1838.85



65. The Annual Fixed Charges allowed for the 2019-24 tariff period in this order are as under:

Particulars	(₹ in lakh)				
	2019-20	2020-21	2021-22	2022-23	2023-24
Annual Fixed Charges	1603.38	1560.02	1518.85	1477.89	1437.05

66. This order disposes of Petition No. 58/TT/2020.

sd/-
(Arun Goyal)
Member

sd/-
(I.S. Jha)
Member



ANNEXURE-1

2019-24 Capital Expenditure	Combined Admitted Capital Cost as on 1.4.2014 / COD (₹ in lakh)	Additional Capitalization (₹ in lakh)				Admitted Capital Cost as on 31.3.2019 (₹ in lakh)	Rate of Depreciation as per Regulations	Annual Depreciation as per Regulations (₹ in lakh)								
		2014-15	2015-16	2016-17	2017-18			2018-19	2014-15	2015-16	2016-17	2017-18	2018-19			
Land - Freehold	0.00	0.00	0.00	0.00	0.00	0.00	-	0.00	0.00	0.00	0.00	0.00	0.00			
Land - Leasehold	0.00	0.00	0.00	0.00	0.00	0.00	3.34	0.00	0.00	0.00	0.00	0.00	0.00			
Building Civil Works & Colony	11.00	0.00	0.00	0.00	0.00	11.00	3.34	0.37	0.37	0.37	0.37	0.37	0.37			
Transmission Line	8912.50	6.27	0.56	4.44	0.00	8928.36	5.28	470.75	470.93	471.06	471.18	471.30				
Sub Station	1234.91	0.00	0.00	0.00	0.00	1234.91	5.28	65.20	65.20	65.20	65.20	65.20				
PLCC	45.54	0.00	0.00	0.00	0.00	45.54	6.33	2.88	2.88	2.88	2.88	2.88				
IT Equipment (Incl. Software)	26.72	0.00	0.00	0.00	0.00	26.72	5.28	1.41	1.41	1.41	1.41	1.41				
Total	10230.67	6.27	0.56	4.44	0.00	10246.53	Total	540.61	540.79	540.92	541.04	541.16				
Average Gross Block (₹ in lakh)												10233.81	10237.22	10239.72	10241.94	10244.24
Weighted Average Rate of Depreciation												5.28%	5.28%	5.28%	5.28%	5.28%



ANNEXURE-2

2019-24	Combined Admitted Capital Cost as on 1.4.2019 / COD (₹ in lakh)	Additional Capitalization (₹ in lakh)					Admitted Capital Cost as on 31.3.2024 (₹ in lakh)	Rate of Depreciation as per Regulations	Annual Depreciation as per Regulations (₹ in lakh)												
		2019-20	2020-21	2021-22	2022-23	2023-24			2019-20	2020-21	2021-22	2022-23	2023-24								
Capital Expenditure																					
Land - Freehold	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Land - Leasehold	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3.34	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Building Civil Works & Colony	11.00	0.00	0.00	0.00	0.00	0.00	11.00	3.34	0.37	0.37	0.37	0.37	0.37	0.37	0.37	0.37	0.37	0.37	0.37	0.37	
Transmission Line	8928.36	0.00	0.00	0.00	0.00	0.00	8928.36	5.28	471.42	471.42	471.42	471.42	471.42	471.42	471.42	471.42	471.42	471.42	471.42	471.42	
Sub Station	1234.91	0.00	0.00	0.00	0.00	0.00	1234.91	5.28	65.20	65.20	65.20	65.20	65.20	65.20	65.20	65.20	65.20	65.20	65.20	65.20	
PLCC	45.54	0.00	0.00	0.00	0.00	0.00	45.54	6.33	2.88	2.88	2.88	2.88	2.88	2.88	2.88	2.88	2.88	2.88	2.88	2.88	
IT Equipment (Incl. Software)	26.72	0.00	0.00	0.00	0.00	0.00	26.72	15.00	4.01	4.01	4.01	4.01	4.01	4.01	4.01	4.01	4.01	4.01	4.01	4.01	
Total	10246.53	0.00	0.00	0.00	0.00	0.00	10246.53	Total	543.88	543.88	543.88	543.88	543.88	543.88	543.88	543.88	543.88	543.88	543.88	543.88	
		Average Gross Block (₹ in lakh)								10246.53	10246.53	10246.53	10246.53	10246.53	10246.53	10246.53	10246.53	10246.53	10246.53	10246.53	10246.53
		Weighted Average Rate of Depreciation								5.31%	5.31%	5.31%	5.31%	5.31%	5.31%	5.31%	5.31%	5.31%	5.31%	5.31%	5.31%




Summary of Tariff

Form No. - 1

Name of the Transmission Licensee:	Power Grid Corporation of India Limited		
Project	SR SS 9		
Element Description	Hassan Mysore 400 kV D/C Line and extension of 400/220 kV Mysore & Hassan sub stations		
Region	Southern Region	DOC Date	Jul 1, 2011

(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	543.88	543.88	543.88	543.73	539.87
Interest on Loan-Form No. 9E	253.10	204.53	155.99	107.44	58.96
Return on Equity-Form No. 8	562.66	562.66	562.66	562.66	562.66
Int. on Working capital-Form No.11	29.73	27.41	25.22	24.88	28.01
Op. and maintenance-Form No.2	213.07	220.56	228.31	236.31	244.57
Total AFC	1,602.44	1,559.04	1,516.06	1,475.02	1,434.07

(Petitioner)



Name of the Transmission Licensee		Power Grid Corporation of India Limited	
Project	SR SS 9		
Element Description	Hassan Mysore 400 kV D/C Line and extension of 400/220 kV Mysore & Hassan sub stations		
Region	Southern Region	DOCO Date	Jul 1, 2011

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.
HASSAN - MYSORE	AC	DC	2	400 KV	0.000	0.000	95.875	Jul 1, 2011	Y	

Summary:

O&M Expenses For the Transmission Lines Covered in the instant petition	2019-20	2020-21	2021-22	2022-23	2023-24
DOUBLE CIRCUIT (TWIN CONDUCTOR)					
Normative Rate of O&M as per Regulation	0.881	0.912	0.944	0.977	1.011
No. of Units - (Length in KM)	95.875	95.875	95.875	95.875	95.875
O&M Claimed	84.47	87.44	90.51	93.67	96.93



2. Sub Station

Name of Sub-station	Type of Substation	Voltage Level KV	No. of Transfomers/ Reactor/ SVC etc. (with capacity)	No. of Bays				MVA/MVAR Capacity				Date of Comm. operation	Covered in the present petition
				765 KV	400 KV	220 KV	132 KV	765 KV	400 KV	220 KV	132 KV		
Hassan:MYSORE BAY - I	Conventional	400 KV		1.000									Y
Hassan:MYSORE BAY - II	Conventional	400 KV		1.000									Y
Mysore:HASSAN BAY - I	Conventional	400 KV		1.000									Y
Mysore:HASSAN BAY - II	Conventional	400 KV		1.000									Y

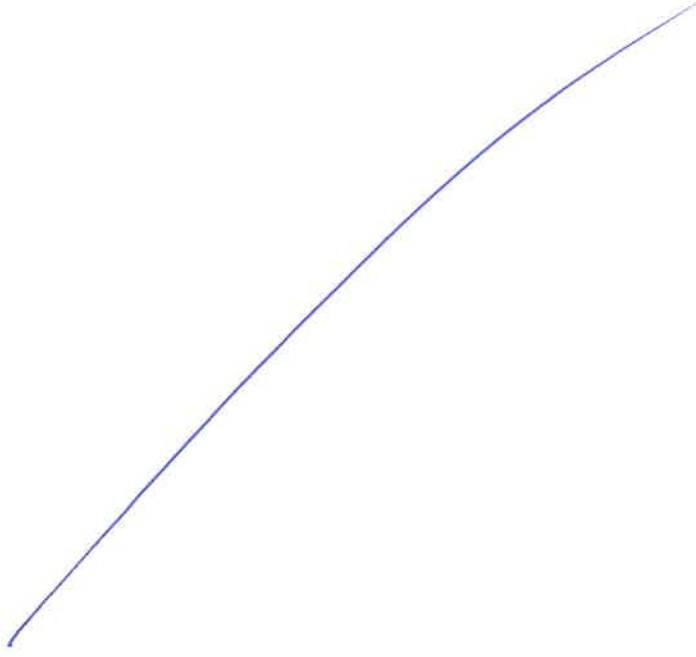
Summary:

O&M Expenses For Substations Covered in the instant petition	2019-20	2020-21	2021-22	2022-23	2023-24
400KV SUB-STATION					
Normative Rate of O&M as per Regulation	32.15	33.28	34.45	35.66	36.91
No. of Units	4.00	4.00	4.00	4.00	4.00
O&M Claimed	128.60	133.12	137.80	142.64	147.64



3. Communication System

Summary:



Summary of O&M Expenses claim

(Amount in Rs. Lakh)

Particular	2019-20	2020-21	2021-22	2022-23	2023-24
A) Normative O&M					
Transmission Line	84.47	87.44	90.51	93.67	96.93
Substation	128.60	133.12	137.80	142.64	147.64
Communication System	0.00	0.00	0.00	0.00	0.00
Total Normative O&M	213.07	220.56	228.31	236.31	244.57
B) O&M Claimed under Regulation 35 (3)(C) (* The same is not being claimed and will be claimed through separate Petition)					
*Security Expenses	0.00	0.00	0.00	0.00	0.00
*Actual Capital Spare consumed	0.00	0.00	0.00	0.00	0.00
*Insurance Premium Paid	0.00	0.00	0.00	0.00	0.00
Total O&M	213.07	220.56	228.31	236.31	244.57

(Petitioner)



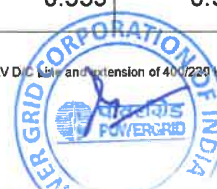
Normative parameters considered for tariff computations

Form No. - 3

Name of the Transmission Licensee	Power Grid Corporation of India Limited		
Project	SR SS 9		
Element Description	Hassan Mysore 400 kV D/C Line and extension of 400/220 kV Mysore & Hassan sub stations		
Region	Southern Region	DOC Date	Jul 1, 2011

(Amount in Rs. Lakh)

Particulars	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
Base Rate of Return of Equity (in %)						
Tax Rate (in %)	21.55	17.472	17.472	17.472	17.472	17.472
Effective tax rate (in %)						
Grossed up Rate of ROE (in %)	19.758	18.782	18.782	18.782	18.782	18.782
Target availability - AC System (in %)	98.00	98.00	98.00	98.00	98.00	98.00
Target availability - HVDC System (in %)	96.00	96.00	96.00	96.00	96.00	96.00
Norms for sub-station Bays (Rs Lakh per bay)						
765 kV	96.20	45.01	46.60	48.23	49.93	51.68
400 kV	68.71	32.15	33.28	34.45	35.66	36.91
220 kV	48.10	22.51	23.30	24.12	24.96	25.84
132 kV and below	34.36	16.08	16.64	17.23	17.83	18.46
Norms for Transformers (Rs Lakh per MVA)						
765 kV	0.00	0.491	0.508	0.526	0.545	0.564
400 kV	0.00	0.358	0.371	0.384	0.398	0.411
220 kV	0.00	0.245	0.254	0.263	0.272	0.282
132 kV and below	0.00	0.245	0.254	0.263	0.272	0.282
Norms for AC and HVDC lines (Rs Lakh per km)						
Single Circuit (Bundled Conductor with six or more sub-conductors)	0.806	0.881	0.912	0.944	0.977	1.011
Single Circuit (Bundled conductor with four sub-conductors)	0.691	0.755	0.781	0.809	0.837	0.867
Single Circuit (Twin & Triple Conductor)	0.461	0.503	0.521	0.539	0.558	0.578



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

(Petitioner)



Calculation of ROE

Form No. - 8

Name of the Transmission Licensee		Power Grid Corporation of India Limited			
Project	SR SS 9				
Element Description	Hassan Mysore 400 kV D/C Line and extension of 400/220 kV Mysore & Hassan sub stations				
Region	Southern Region	DOC Date	Jul 1, 2011		

(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	2,995.76	2,995.76	2,995.76	2,995.76	2,995.76
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)	2,995.76	2,995.76	2,995.76	2,995.76	2,995.76
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	2,995.76	2,995.76	2,995.76	2,995.76	2,995.76
Average Normative Equity	2,995.76	2,995.76	2,995.76	2,995.76	2,995.76
Rate of return on Equity (%)	18.782	18.782	18.782	18.782	18.782
Reduced rate of 1% decided by commission under Regulation 30(2) (if any)	0.00	0.00	0.00	0.00	0.00
Effective rate of ROE	15.50	15.50	15.50	15.50	15.50
MAT/Corporate Rate	17.472	17.472	17.472	17.472	17.472
Grossed up rate of ROE	18.782	18.782	18.782	18.782	18.782
Return on Equity	562.66	562.66	562.66	562.66	562.66
Pro rata return on Equity	562.66	562.66	562.66	562.66	562.66



Calculation of WAR of interest on actual loan

Form No. - 9C

Name of the Transmission Licensee	Power Grid Corporation of India Limited				
Project	SR SS 9				
Element Description	Hassan Mysore 400 kV D/C Line and extension of 400/220 kV Mysore & Hassan sub stations				
Region	Southern Region	DOC Date	Jul 1, 2011		

(Amount in Rs. Lakh)

Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
BOND XXX -DOC O DRAWL ON 29-SEP					
Gross Loan- Opening	474.00	474.00	474.00	474.00	474.00
Cumulative repayments of Loans upto previous year	237.00	276.50	316.00	355.50	395.00
Net loan-Opening	237.00	197.50	158.00	118.50	79.00
Add: Drawl(s) during the year	0.00	0.00	0.00	0.00	0.00
Less: Repayment(s) of loan during the year	39.50	39.50	39.50	39.50	39.50
Net Loan-Closing	197.50	158.00	118.50	79.00	39.50
Average Net Loan	217.25	177.75	138.25	98.75	59.25
Rate of Interest on Loan on Annual Basis	8.80	8.80	8.80	8.80	8.80
Interest on loan	19.118	15.642	12.166	8.69	5.214

BOND XXXI -DOC O DRAWL ON 25-FEB					
Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
Gross Loan- Opening	2,551.00	2,551.00	2,551.00	2,551.00	2,551.00
Cumulative repayments of Loans upto previous year	1,275.50	1,488.08	1,700.67	1,913.25	2,125.83
Net loan-Opening	1,275.50	1,062.92	850.33	637.75	425.17
Add: Drawl(s) during the year	0.00	0.00	0.00	0.00	0.00
Less: Repayment(s) of loan during the year	212.58	212.58	212.58	212.58	212.58
Net Loan-Closing	1,062.92	850.34	637.75	425.17	212.59



Average Net Loan	1,169.21	956.63	744.04	531.46	318.88
Rate of Interest on Loan on Annual Basis	8.90	8.90	8.90	8.90	8.90
Interest on loan	104.0597	85.1401	66.2196	47.2999	28.3803

BOND XXXIII -DOCO DRAWL ON 08-JUL

Gross Loan- Opening	1,855.00	1,855.00	1,855.00	1,855.00	1,855.00
Cumulative repayments of Loans upto previous year	772.92	927.50	1,082.08	1,236.67	1,391.25
Net loan-Opening	1,082.08	927.50	772.92	618.33	463.75
Add: Drawl(s) during the year	0.00	0.00	0.00	0.00	0.00
Less: Repayment(s) of loan during the year	154.58	154.58	154.58	154.58	154.58
Net Loan-Closing	927.50	772.92	618.34	463.75	309.17
Average Net Loan	1,004.79	850.21	695.63	541.04	386.46
Rate of Interest on Loan on Annual Basis	8.64	8.64	8.64	8.64	8.64
Interest on loan	86.8139	73.4581	60.1024	46.7459	33.3901

BOND-XXXIV -DOCO DRAWL ON 21-OCT

Gross Loan- Opening	834.00	834.00	834.00	834.00	834.00
Cumulative repayments of Loans upto previous year	347.50	417.00	486.50	556.00	625.50
Net loan-Opening	486.50	417.00	347.50	278.00	208.50
Add: Drawl(s) during the year	0.00	0.00	0.00	0.00	0.00
Less: Repayment(s) of loan during the year	69.50	69.50	69.50	69.50	69.50
Net Loan-Closing	417.00	347.50	278.00	208.50	139.00
Average Net Loan	451.75	382.25	312.75	243.25	173.75
Rate of Interest on Loan on Annual Basis	8.84	8.84	8.84	8.84	8.84
Interest on loan	39.9347	33.7909	27.6471	21.5033	15.3595



BOND-XXXV -ADDCAP FOR 2011-2012					
Gross Loan- Opening	78.25	78.25	78.25	78.25	78.25
Cumulative repayments of Loans upto previous year	26.08	32.60	39.13	45.65	52.17
Net loan-Opening	52.17	45.65	39.12	32.60	26.08
Add: Drawl(s) during the year	0.00	0.00	0.00	0.00	0.00
Less: Repayment(s) of loan during the year	6.52	6.52	6.52	6.52	6.52
Net Loan-Closing	45.65	39.13	32.60	26.08	19.56
Average Net Loan	48.91	42.39	35.86	29.34	22.82
Rate of Interest on Loan on Annual Basis	9.64	9.64	9.64	9.64	9.64
Interest on loan	4.7149	4.0864	3.4569	2.8284	2.1998

BOND-XXXV -DOCO DRAWL ON 31-MAY					
Gross Loan- Opening	404.75	404.75	404.75	404.75	404.75
Cumulative repayments of Loans upto previous year	134.92	168.65	202.38	236.10	269.83
Net loan-Opening	269.83	236.10	202.37	168.65	134.92
Add: Drawl(s) during the year	0.00	0.00	0.00	0.00	0.00
Less: Repayment(s) of loan during the year	33.73	33.73	33.73	33.73	33.73
Net Loan-Closing	236.10	202.37	168.64	134.92	101.19
Average Net Loan	252.97	219.24	185.51	151.79	118.06
Rate of Interest on Loan on Annual Basis	9.64	9.64	9.64	9.64	9.64
Interest on loan	24.3863	21.1347	17.8832	14.6326	11.381

BOND XXXVI -ADDCAP FOR 2011-2012					
Gross Loan- Opening	418.00	418.00	418.00	418.00	418.00
Cumulative repayments of Loans upto previous year	83.60	111.47	139.33	167.20	195.07
Net loan-Opening	334.40	306.53	278.67	250.80	222.93



Add: Drawl(s) during the year	0.00	0.00	0.00	0.00	0.00
Less: Repayment(s) of loan during the year	27.87	27.87	27.87	27.87	27.87
Net Loan-Closing	306.53	278.66	250.80	222.93	195.06
Average Net Loan	320.47	292.60	264.74	236.87	209.00
Rate of Interest on Loan on Annual Basis	9.35	9.35	9.35	9.35	9.35
Interest on loan	29.9639	27.3581	24.7532	22.1473	19.5415

BOND XXXVII -ADDCAP FOR 2011-2012

Gross Loan- Opening	313.00	313.00	313.00	313.00	313.00
Cumulative repayments of Loans upto previous year	104.33	130.42	156.50	182.58	208.67
Net loan-Opening	208.67	182.58	156.50	130.42	104.33
Add: Drawl(s) during the year	0.00	0.00	0.00	0.00	0.00
Less: Repayment(s) of loan during the year	26.08	26.08	26.08	26.08	26.08
Net Loan-Closing	182.59	156.50	130.42	104.34	78.25
Average Net Loan	195.63	169.54	143.46	117.38	91.29
Rate of Interest on Loan on Annual Basis	9.25	9.25	9.25	9.25	9.25
Interest on loan	18.0958	15.6825	13.2701	10.8577	8.4443

BOND XXXVIII -ADDCAP FOR 2011-2012

Gross Loan- Opening	187.40	187.40	187.40	187.40	187.40
Cumulative repayments of Loans upto previous year	0.00	0.00	0.00	0.00	0.00
Net loan-Opening	187.40	187.40	187.40	187.40	187.40
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	187.40	187.40	187.40	187.40	187.40
Average Net Loan	187.40	187.40	187.40	187.40	187.40



Rate of Interest on Loan on Annual Basis	9.25	9.25	9.25	9.25	9.25
Interest on loan	17.3345	17.3345	17.3345	17.3345	17.3345

BOND XXXVIII -ADDCAP FOR 2012-2013

Gross Loan- Opening	23.60	23.60	23.60	23.60	23.60
Cumulative repayments of Loans upto previous year	0.00	0.00	0.00	0.00	0.00
Net loan-Opening	23.60	23.60	23.60	23.60	23.60
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	23.60	23.60	23.60	23.60	23.60
Average Net Loan	23.60	23.60	23.60	23.60	23.60
Rate of Interest on Loan on Annual Basis	9.25	9.25	9.25	9.25	9.25
Interest on loan	2.183	2.183	2.183	2.183	2.183

BOND XL -ADDCAP FOR 2012-2013

Gross Loan- Opening	11.00	11.00	11.00	11.00	11.00
Cumulative repayments of Loans upto previous year	2.75	3.67	4.58	5.50	6.42
Net loan-Opening	8.25	7.33	6.42	5.50	4.58
Add: Drawl(s) during the year	0.00	0.00	0.00	0.00	0.00
Less: Repayment(s) of loan during the year	0.92	0.92	0.92	0.92	0.92
Net Loan-Closing	7.33	6.41	5.50	4.58	3.66
Average Net Loan	7.79	6.87	5.96	5.04	4.12
Rate of Interest on Loan on Annual Basis	9.30	9.30	9.30	9.30	9.30
Interest on loan	0.7245	0.6389	0.5543	0.4687	0.3832

BOND - XLI -ADDCAP FOR 2012-2013



Gross Loan- Opening	63.00	63.00	63.00	63.00	63.00
Cumulative repayments of Loans upto previous year	15.75	21.00	26.25	31.50	36.75
Net loan-Opening	47.25	42.00	36.75	31.50	26.25
Add: Drawl(s) during the year	0.00	0.00	0.00	0.00	0.00
Less: Repayment(s) of loan during the year	5.25	5.25	5.25	5.25	5.25
Net Loan-Closing	42.00	36.75	31.50	26.25	21.00
Average Net Loan	44.63	39.38	34.13	28.88	23.63
Rate of Interest on Loan on Annual Basis	8.85	8.85	8.85	8.85	8.85
Interest on loan	3.9498	3.4851	3.0205	2.5559	2.0913

BOND - XLV -ADDCAP FOR 2013-2014

Gross Loan- Opening	26.00	26.00	26.00	26.00	26.00
Cumulative repayments of Loans upto previous year	4.33	6.50	8.67	10.83	13.00
Net loan-Opening	21.67	19.50	17.33	15.17	13.00
Add: Drawl(s) during the year	0.00	0.00	0.00	0.00	0.00
Less: Repayment(s) of loan during the year	2.17	2.17	2.17	2.17	2.17
Net Loan-Closing	19.50	17.33	15.16	13.00	10.83
Average Net Loan	20.59	18.42	16.25	14.09	11.92
Rate of Interest on Loan on Annual Basis	9.65	9.65	9.65	9.65	9.65
Interest on loan	1.9869	1.7775	1.5681	1.3597	1.1503

SBI (2014-15) -ADDCAP 14-15

Gross Loan- Opening	4.39	4.39	4.39	4.39	4.39
Cumulative repayments of Loans upto previous year	0.00	0.44	0.88	1.32	1.76
Net loan-Opening	4.39	3.95	3.51	3.07	2.63
Add: Drawl(s) during the year	0.00	0.00	0.00	0.00	0.00



Less: Repayment(s) of loan during the year	0.44	0.44	0.44	0.44	0.44
Net Loan-Closing	3.95	3.51	3.07	2.63	2.19
Average Net Loan	4.17	3.73	3.29	2.85	2.41
Rate of Interest on Loan on Annual Basis	7.993319	6.894349	6.65	7.243625	8.135644
Interest on loan	0.3333	0.2572	0.2188	0.2064	0.1961

SBI (2014-15) -ADDCAP 15-16

Gross Loan- Opening	0.40	0.40	0.40	0.40	0.40
Cumulative repayments of Loans upto previous year	0.00	0.04	0.08	0.12	0.16
Net loan-Opening	0.40	0.36	0.32	0.28	0.24
Add: Drawl(s) during the year	0.00	0.00	0.00	0.00	0.00
Less: Repayment(s) of loan during the year	0.04	0.04	0.04	0.04	0.04
Net Loan-Closing	0.36	0.32	0.28	0.24	0.20
Average Net Loan	0.38	0.34	0.30	0.26	0.22
Rate of Interest on Loan on Annual Basis	7.993319	6.894349	6.65	7.243625	8.135644
Interest on loan	0.0304	0.0234	0.02	0.0188	0.0179

BOND LIV -ADDCAP 16-17

Gross Loan- Opening	3.11	3.11	3.11	3.11	3.11
Cumulative repayments of Loans upto previous year	0.00	0.00	0.00	1.04	1.04
Net loan-Opening	3.11	3.11	3.11	2.07	2.07
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	1.04	0.00	0.00
Net Loan-Closing	3.11	3.11	2.07	2.07	2.07
Average Net Loan	3.11	3.11	2.59	2.07	2.07
Rate of Interest on Loan on Annual Basis	7.97	7.97	7.97	7.97	7.97



Interest on loan	0.2479	0.2479	0.2064	0.165	0.165
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SBI-04 -ADDCAP 18-19					
Gross Loan- Opening	3.22	3.22	3.22	3.22	3.22
Cumulative repayments of Loans upto previous year	0.00	0.00	0.29	0.30	0.30
Net loan-Opening	3.22	3.22	2.93	2.92	2.92
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	0.29	0.01	0.00	0.32
Net Loan-Closing	3.22	2.93	2.92	2.92	2.60
Average Net Loan	3.22	3.08	2.93	2.92	2.76
Rate of Interest on Loan on Annual Basis	8.027596	6.902593	6.65	7.225616	8.126549
Interest on loan	0.2585	0.2126	0.1948	0.211	0.2243

Summary

Gross Loan- Opening	7,250.12	7,250.12	7,250.12	7,250.12	7,250.12
Cumulative repayments of Loans upto previous year	3,004.68	3,583.87	4,163.34	4,743.56	5,322.75
Net loan-Opening	4,245.44	3,666.25	3,086.78	2,506.56	1,927.37
Add: Drawl(s) during the year	0.00	0.00	0.00	0.00	0.00
Less: Repayment(s) of loan during the year	579.18	579.47	580.23	579.18	579.50
Net Loan-Closing	3,666.26	3,086.78	2,506.55	1,927.38	1,347.87
Average Net Loan	3,955.87	3,376.54	2,796.69	2,216.99	1,637.64
Rate of Interest on Loan on Annual Basis	8.9522	8.9575	8.9677	8.9855	9.0164
Interest on loan	354.136	302.4529	250.7989	199.2081	147.6561



Calculation of interest on Normative loan

Form No. - 9E

Name of the Transmission Licensee	Power Grid Corporation of India Limited				
Project	SR SS 9				
Element Description	Hassan Mysore 400 kV D/C Line and extension of 400/220 kV Mysore & Hassan sub stations				
Region	Southern Region	DOC Date	Jul 1, 2011		

(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	7,250.77	7,250.77	7,250.77	7,250.77	7,250.77
Cumulative repayments of Normative loan upto previous year	4,151.57	4,695.45	5,239.33	5,783.21	6,326.94
Net normative loan-Opening	3,099.20	2,555.32	2,011.44	1,467.56	923.83
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	543.88	543.88	543.88	543.73	539.87
Adjustment of cumulative repayment pertaining to the decapitalised asset	0.00	0.00	0.00	0.00	0.00
Net normative loan - closing	2,555.32	2,011.44	1,467.56	923.83	383.96
Average normative loan	2,827.26	2,283.38	1,739.50	1,195.70	653.90
Weighted Average Rate of interest on actual loan	8.9522	8.9575	8.9677	8.9855	9.0164
Interest on normative loan	253.10	204.53	155.99	107.44	58.96
Pro rata interest on normative loan	253.10	204.53	155.99	107.44	58.96



Calculation of Depreciation Rate on Original Project Cost

Form No. - 10

Name of the Transmission Licensee	Power Grid Corporation of India Limited		
Project	SR SS 9		
Element Description	Hassan Mysore 400 kV D/C Line and extension of 400/220 kV Mysore & Hassan sub stations		
Region	Southern Region	DOCU Date	Jul 1, 2011

(Amount in Rs. Lakh)

Name of Assets	Gross block at the beginning of the year	Add Cap during the year	Gross block at the end of the year	Average Gross Block	Depreciation Rate as per CERC's Depreciation Rate Schedule	Depreciation Amount for each year upto 31.03.2024
2019-20						
Land(Freehold)	0.00	0.00	0.00	0.00	0.00	0.00
Civil & Building	11.00	0.00	11.00	11.00	3.34	0.37
Transmission Line	8,928.36	0.00	8,928.36	8,928.36	5.28	471.42
Sub Station	1,234.91	0.00	1,234.91	1,234.91	5.28	65.20
Comm. Sys. excluding Fiber Optic	45.54	0.00	45.54	45.54	6.33	2.88
Leasehold Land	0.00	0.00	0.00	0.00	3.34	0.00
IT/Software/UNMS/URTDMS/SCADA,etc	26.72	0.00	26.72	26.72	15.00	4.01
Batteries	0.00	0.00	0.00	0.00	5.28	0.00
Fiber Optic/OPGW	0.00	0.00	0.00	0.00	6.33	0.00
TOTAL	10,246.53	0.00	10,246.53	10,246.53	0.00	543.88
Weighted Average Rate of Depreciation(%)					5.307943	



2020-21						
Land(Freehold)	0.00	0.00	0.00	0.00	0.00	0.00

Civil & Building	11.00	0.00	11.00	11.00	3.34	0.37
Transmission Line	8,928.36	0.00	8,928.36	8,928.36	5.28	471.42
Sub Station	1,234.91	0.00	1,234.91	1,234.91	5.28	65.20
Comm. Sys. excluding Fiber Optic	45.54	0.00	45.54	45.54	6.33	2.88
Leasehold Land	0.00	0.00	0.00	0.00	3.34	0.00
IT/Software/UNMS/URTDISM/SCADA,etc	26.72	0.00	26.72	26.72	15.00	4.01
Batteries	0.00	0.00	0.00	0.00	5.28	0.00
Fiber Optic/OPGW	0.00	0.00	0.00	0.00	6.33	0.00
TOTAL	10,246.53	0.00	10,246.53	10,246.53	0.00	543.88
Weighted Average Rate of Depreciation(%)					5.307943	

2021-22						
Land(Freehold)	0.00	0.00	0.00	0.00	0.00	0.00
Civil & Building	11.00	0.00	11.00	11.00	3.34	0.37
Transmission Line	8,928.36	0.00	8,928.36	8,928.36	5.28	471.42
Sub Station	1,234.91	0.00	1,234.91	1,234.91	5.28	65.20
Comm. Sys. excluding Fiber Optic	45.54	0.00	45.54	45.54	6.33	2.88
Leasehold Land	0.00	0.00	0.00	0.00	3.34	0.00
IT/Software/UNMS/URTDISM/SCADA,etc	26.72	0.00	26.72	26.72	15.00	4.01
Batteries	0.00	0.00	0.00	0.00	5.28	0.00
Fiber Optic/OPGW	0.00	0.00	0.00	0.00	6.33	0.00
TOTAL	10,246.53	0.00	10,246.53	10,246.53	0.00	543.88
Weighted Average Rate of Depreciation(%)					5.307943	



2022-23						
Land(Freehold)	0.00	0.00	0.00	0.00	0.00	0.00
Civil & Building	11.00	0.00	11.00	11.00	3.34	0.37
Transmission Line	8,928.36	0.00	8,928.36	8,928.36	5.28	471.42
Sub Station	1,234.91	0.00	1,234.91	1,234.91	5.28	65.20
Comm. Sys. excluding Fiber Optic	45.54	0.00	45.54	45.54	6.33	2.88
Leasehold Land	0.00	0.00	0.00	0.00	3.34	0.00
IT/Software/UNMS/URTDSM/SCADA,etc	26.72	0.00	26.72	26.72	15.00	3.86
Batteries	0.00	0.00	0.00	0.00	5.28	0.00
Fiber Optic/OPGW	0.00	0.00	0.00	0.00	6.33	0.00
TOTAL	10,246.53	0.00	10,246.53	10,246.53	0.00	543.73
Weighted Average Rate of Depreciation(%)					5.306479	

2023-24						
Land(Freehold)	0.00	0.00	0.00	0.00	0.00	0.00
Civil & Building	11.00	0.00	11.00	11.00	3.34	0.37
Transmission Line	8,928.36	0.00	8,928.36	8,928.36	5.28	471.42
Sub Station	1,234.91	0.00	1,234.91	1,234.91	5.28	65.20
Comm. Sys. excluding Fiber Optic	45.54	0.00	45.54	45.54	6.33	2.88
Leasehold Land	0.00	0.00	0.00	0.00	3.34	0.00
IT/Software/UNMS/URTDSM/SCADA,etc	26.72	0.00	26.72	26.72	15.00	0.00
Batteries	0.00	0.00	0.00	0.00	5.28	0.00
Fiber Optic/OPGW	0.00	0.00	0.00	0.00	6.33	0.00
TOTAL	10,246.53	0.00	10,246.53	10,246.53	0.00	539.87



Weighted Average Rate of Depreciation(%)					5.268808	
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(Petitioner)



Statement of Depreciation

Form No. - 10A

Name of the Transmission Licensee	Power Grid Corporation of India Limited		
Project	SR SS 9		
Element Description	Hassan Mysore 400 kV D/C Line and extension of 400/220 kV Mysore & Hassan sub stations		
Region	Southern Region	DOC Date	Jul 1, 2011

(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
Life at the beginning of the year					
1.1 Weighted Average useful life of the Asset/ Project	34.00	34.00	34.00	34.00	34.00
1.2 Lapsed Weighted Average useful life of the Asset/Project(in completed no. of year)	7.00	8.00	9.00	10.00	11.00
1.3 Balance Weighted Average useful life of the Asset/Project(in completed no. of year)	27.00	26.00	25.00	24.00	23.00
Capital Base					
1.4 Opening capital cost	10,246.53	10,246.53	10,246.53	10,246.53	10,246.53
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	10,246.53	10,246.53	10,246.53	10,246.53	10,246.53
1.8 Average capital cost	10,246.53	10,246.53	10,246.53	10,246.53	10,246.53
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	26.72	26.72	26.72	26.72	26.72
1.11 Asset having 10% salvage value included in 1.8	10,219.81	10,219.81	10,219.81	10,219.81	10,219.81
1.12 Depreciable Value(1.10+90% of 1.11)	9,224.55	9,224.55	9,224.55	9,224.55	9,224.55
Depreciation for the period and Cum. Depreciation					
1.13 Weighted Average Rate of depreciation	5.307943	5.307943	5.307943	5.306479	5.268808



1.14 Depreciation(for the period)	543.88	543.88	543.88	543.73	539.87
1.15 Depreciation(Annualised)	543.88	543.88	543.88	543.73	539.87
Unrecovered Depreciation for DECAP	0.00	0.00	0.00	0.00	0.00
1.16 Cumulative depreciation at the beginning of the period	4,151.57	4,695.45	5,239.33	5,783.21	6,326.94
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	4,695.45	5,239.33	5,783.21	6,326.94	6,866.81


(Petitioner)



Calculation of interest on working Capital

Form No. - 11

Name of the Transmission Licensee	Power Grid Corporation of India Limited		
Project	SR SS 9		
Element Description	Hassan Mysore 400 kV D/C Line and extension of 400/220 kV Mysore & Hassan sub stations		
Region	Southern Region	DOC Date	Jul 1, 2011

(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	17.76	18.38	19.03	19.69	20.38
Maintenance spares 15% of O&M Expenses	31.96	33.08	34.25	35.45	36.69
Receivables equivalent to 45 days of AFC	197.02	192.21	186.91	181.85	176.32
Total Working capital	246.74	243.67	240.19	236.99	233.39
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	29.73	27.41	25.22	24.88	28.01
Pro rata interest on working capital	29.73	27.41	25.22	24.88	28.01

(Petitioner)



Summary of Tariff

Form No. - 1

Name of the Transmission Licensee:	Power Grid Corporation of India Limited		
Project	SR SS 9		
Element Description	Hassan Mysore 400 kV D/C Line and extension of 400/220 kV Mysore & Hassan sub stations		
Region	Southern Region	DOCO Date	Jul 1, 2011

(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	107.16	107.16	107.17	107.16	107.17
Interest on Loan-Form No. 9E	29.99	20.53	10.79	2.91	0.00
Return on Equity-Form No. 8	562.66	562.66	562.66	562.66	562.66
Int. on Working capital-Form No.11	19.06	19.38	19.71	20.05	20.58
Op. and maintenance-Form No.2	200.67	211.18	222.21	233.88	246.16
Total AFC	919.54	920.91	922.54	926.66	936.57

(Petitioner)



Name of the Transmission Licensee		Power Grid Corporation of India Limited	
Project	SR SS 9		
Element Description	Hassan Mysore 400 KV D/C Line and extension of 400/220 kV Mysore & Hassan sub stations		
Region	Southern Region	DOCO Date	Jul 1, 2011

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.
HASSAN - MYSORE	AC	DC	2	400 KV	0.000	0.000	95.875	Jul 1, 2011	Y	

Summary:

O&M Expenses For the Transmission Lines Covered in the instant petition	2024-25					2025-26			2026-27		2027-28		2028-29		
	DOUBLE CIRCUIT (TWIN CONDUCTOR)														
Normative Rate of O&M as per Regulation	0.861	0.906	0.953	1.003	1.056										
No. of Units - (Length in KM)	95.875	95.875	95.875	95.875	95.875	95.875	95.875	95.875	95.875	95.875	95.875	95.875	95.875	95.875	
O&M Claimed	82.55	86.86	91.37	96.16	101.24										



2. Sub Station

Name of Sub-station	Type of Substation	Voltage Level KV	No. of Transformers/ Reactor/ SVC etc. (with capacity)	No. of Bays				MVA/MVAR Capacity				Date of Comm. operation	Covered in the present petition
				765 KV	400 KV	220 KV	132 KV	765 KV	400 KV	220 KV	132 KV		
Hassan:MYSCORE BAY - I	Conventional	400 KV		1.000									Y
Hassan:MYSCORE BAY - II	Conventional	400 KV		1.000									Y
Mysore:HASSAN BAY - I	Conventional	400 KV		1.000									Y
Mysore:HASSAN BAY - II	Conventional	400 KV		1.000									Y

Summary:

O&M Expenses For Substations Covered in the instant petition	2024-25	2025-26	2026-27	2027-28	2028-29
400KV SUB-STATION					
Normative Rate of O&M as per Regulation	29.53	31.08	32.71	34.43	36.23
No. of Units	4.00	4.00	4.00	4.00	4.00
O&M Claimed	118.12	124.32	130.84	137.72	144.92



3. Communication System

Summary:



Summary of O&M Expenses claim

(Amount in Rs. Lakh)

Particular	2024-25	2025-26	2026-27	2027-28	2028-29
A) Normative O&M					
Transmission Line	82.55	86.86	91.37	96.16	101.24
Substation	118.12	124.32	130.84	137.72	144.92
Communication System	0.00	0.00	0.00	0.00	0.00
Total Normative O&M	200.67	211.18	222.21	233.88	246.16
B) O&M Claimed under Regulation 35 (3)(C) (*.The same is not being claimed and will be claimed through separate Petition)					
*Security Expenses	0.00	0.00	0.00	0.00	0.00
*Actual Capital Spare consumed	0.00	0.00	0.00	0.00	0.00
*Insurance Premium Paid	0.00	0.00	0.00	0.00	0.00
Total O&M	200.67	211.18	222.21	233.88	246.16



Normative parameters considered for tariff computations

Form No. - 3

Name of the Transmission Licensee	Power Grid Corporation of India Limited		
Project	SR SS 9		
Element Description	Hassan Mysore 400 kV D/C Line and extension of 400/220 kV Mysore & Hassan sub stations		
Region	Southern Region	DOC Date	Jul 1, 2011

(Amount in Rs. Lakh)

Particulars	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29
Base Rate of Return of Equity (in %)						
Tax Rate (in %)	17.472	17.472	17.472	17.472	17.472	17.472
Effective tax rate (in %)						
Grossed up Rate for ROE of 15.5% (in %)	18.782	18.782	18.782	18.782	18.782	18.782
Grossed up Rate for ROE of 15.0% (in %)	18.176	18.176	18.176	18.176	18.176	18.176
Target availability - AC System (in %)	98.00	98.00	98.00	98.00	98.00	98.00
Target availability - HVDC System (in %)	96.00	96.00	96.00	96.00	96.00	96.00
Norms for sub-station Bays (Rs Lakh per bay)						
765 kV	51.68	41.34	43.51	45.79	48.20	50.73
400 kV	36.91	29.53	31.08	32.71	34.43	36.23
220 kV	25.84	20.67	21.75	22.90	24.10	25.36
132 kV and below	18.46	15.78	16.61	17.48	18.40	19.35
Norms for Transformers (Rs Lakh per MVA)						
765 kV	0.564	0.262	0.276	0.29	0.305	0.322
400 kV	0.411	0.262	0.276	0.29	0.305	0.322
220 kV	0.282	0.262	0.276	0.29	0.305	0.322
132 kV and below	0.282	0.262	0.276	0.29	0.305	0.322
Norms for Reactor (Rs Lakh per MVAR)						
765 kV	0.00	0.262	0.276	0.29	0.305	0.322
400 kV	0.00	0.262	0.276	0.29	0.305	0.322



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



Calculation of ROE

Form No. - 8

Name of the Transmission Licensee		Power Grid Corporation of India Limited			
Project	SR SS 9				
Element Description	Hassan Mysore 400 kV D/C Line and extension of 400/220 kV Mysore & Hassan sub stations				
Region	Southern Region	DOC Date	Jul 1, 2011		

(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	2,995.76	2,995.76	2,995.76	2,995.76	2,995.76
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)	2,995.76	2,995.76	2,995.76	2,995.76	2,995.76
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	2,995.76	2,995.76	2,995.76	2,995.76	2,995.76
Average Normative Equity	2,995.76	2,995.76	2,995.76	2,995.76	2,995.76
Rate of return on Equity (%)	18.782	18.782	18.782	18.782	18.782
Reduced rate of 1% decided by commission under Regulation 30(2) (if any)	0.00	0.00	0.00	0.00	0.00
Effective rate of ROE	15.50	15.50	15.50	15.50	15.50
MAT/Corporate Rate	17.472	17.472	17.472	17.472	17.472
Grossed up rate of ROE	18.782	18.782	18.782	18.782	18.782
Return on Equity	562.66	562.66	562.66	562.66	562.66
Pro rata return on Equity	562.66	562.66	562.66	562.66	562.66



Calculation of WAR of interest on actual loan

Form No. - 9C

Name of the Transmission Licensee	Power Grid Corporation of India Limited				
Project	SR SS 9				
Element Description	Hassan Mysore 400 kV D/C Line and extension of 400/220 kV Mysore & Hassan sub stations				
Region	Southern Region	DOC Date	Jul 1, 2011		

(Amount in Rs. Lakh)

Particulars	2024-25	2025-26	2026-27	2027-28	2028-29
BOND XXX -DOC O DRAWL ON 29-SEP					
Gross Loan- Opening	474.00	474.00	474.00	474.00	474.00
Cumulative repayments of Loans upto previous year	434.50	474.00	474.00	474.00	474.00
Net loan-Opening	39.50	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	39.50	0.00	0.00	0.00	0.00
Net Loan-Closing	0.00	0.00	0.00	0.00	0.00
Average Net Loan	19.75	0.00	0.00	0.00	0.00
Rate of Interest on Loan on Annual Basis	8.80	8.80	8.80	8.80	8.80
Interest on loan	1.738	0.00	0.00	0.00	0.00

BOND XXXI -DOC O DRAWL ON 25-FEB					
Gross Loan- Opening	2,551.00	2,551.00	2,551.00	2,551.00	2,551.00
Cumulative repayments of Loans upto previous year	2,338.42	2,551.00	2,551.00	2,551.00	2,551.00
Net loan-Opening	212.58	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	212.58	0.00	0.00	0.00	0.00
Net Loan-Closing	0.00	0.00	0.00	0.00	0.00



Average Net Loan	106.29	0.00	0.00	0.00	0.00
Rate of Interest on Loan on Annual Basis	8.90	8.90	8.90	8.90	8.90
Interest on loan	9.4598	0.00	0.00	0.00	0.00

BOND XXXIII -DOCO DRAWL ON 08-JUL

Gross Loan- Opening	1,855.00	1,855.00	1,855.00	1,855.00	1,855.00
Cumulative repayments of Loans upto previous year	1,545.83	1,700.42	1,855.00	1,855.00	1,855.00
Net loan-Opening	309.17	154.58	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	154.58	154.58	0.00	0.00	0.00
Net Loan-Closing	154.59	0.00	0.00	0.00	0.00
Average Net Loan	231.88	77.29	0.00	0.00	0.00
Rate of Interest on Loan on Annual Basis	8.64	8.64	8.64	8.64	8.64
Interest on loan	20.0344	6.6779	0.00	0.00	0.00

BOND-XXXIV -DOCO DRAWL ON 21-OCT

Gross Loan- Opening	834.00	834.00	834.00	834.00	834.00
Cumulative repayments of Loans upto previous year	695.00	764.50	834.00	834.00	834.00
Net loan-Opening	139.00	69.50	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	69.50	69.50	0.00	0.00	0.00
Net Loan-Closing	69.50	0.00	0.00	0.00	0.00
Average Net Loan	104.25	34.75	0.00	0.00	0.00
Rate of Interest on Loan on Annual Basis	8.84	8.84	8.84	8.84	8.84
Interest on loan	9.2157	3.0719	0.00	0.00	0.00



BOND-XXXV -ADDCAP FOR 2011-2012

Gross Loan- Opening	78.25	78.25	78.25	78.25	78.25
Cumulative repayments of Loans upto previous year	58.69	65.21	71.73	78.25	78.25
Net loan-Opening	19.56	13.04	6.52	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	6.52	6.52	6.52	0.00	0.00
Net Loan-Closing	13.04	6.52	0.00	0.00	0.00
Average Net Loan	16.30	9.78	3.26	0.00	0.00
Rate of Interest on Loan on Annual Basis	9.64	9.64	9.64	9.64	9.64
Interest on loan	1.5713	0.9428	0.3143	0.00	0.00

BOND-XXXV -DOCO DRAWL ON 31-MAY

Gross Loan- Opening	404.75	404.75	404.75	404.75	404.75
Cumulative repayments of Loans upto previous year	303.56	337.29	371.02	404.75	404.75
Net loan-Opening	101.19	67.46	33.73	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	33.73	33.73	33.73	0.00	0.00
Net Loan-Closing	67.46	33.73	0.00	0.00	0.00
Average Net Loan	84.33	50.60	16.87	0.00	0.00
Rate of Interest on Loan on Annual Basis	9.64	9.64	9.64	9.64	9.64
Interest on loan	8.1294	4.8778	1.6263	0.00	0.00

BOND XXXVI -ADDCAP FOR 2011-2012

Gross Loan- Opening	418.00	418.00	418.00	418.00	418.00
Cumulative repayments of Loans upto previous year	222.93	250.80	278.67	306.53	334.40
Net loan-Opening	195.07	167.20	139.33	111.47	83.60



Add: Drawl(s) during the year	0.00	0.00	0.00	0.00	0.00
Less: Repayment(s) of loan during the year	27.87	27.87	27.87	27.87	27.87
Net Loan-Closing	167.20	139.33	111.46	83.60	55.73
Average Net Loan	181.14	153.27	125.40	97.54	69.67
Rate of Interest on Loan on Annual Basis	9.35	9.35	9.35	9.35	9.35
Interest on loan	16.9366	14.3307	11.7249	9.12	6.5141

BOND XXXVII -ADDCAP FOR 2011-2012

Gross Loan- Opening	313.00	313.00	313.00	313.00	313.00
Cumulative repayments of Loans upto previous year	234.75	260.83	286.92	313.00	313.00
Net loan-Opening	78.25	52.17	26.08	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	26.08	26.08	26.08	0.00	0.00
Net Loan-Closing	52.17	26.09	0.00	0.00	0.00
Average Net Loan	65.21	39.13	13.04	0.00	0.00
Rate of Interest on Loan on Annual Basis	9.25	9.25	9.25	9.25	9.25
Interest on loan	6.0319	3.6195	1.2062	0.00	0.00

BOND XXXVIII -ADDCAP FOR 2011-2012

Gross Loan- Opening	187.40	187.40	187.40	187.40	187.40
Cumulative repayments of Loans upto previous year	0.00	0.00	0.00	187.40	187.40
Net loan-Opening	187.40	187.40	187.40	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	187.40	0.00	0.00
Net Loan-Closing	187.40	187.40	0.00	0.00	0.00
Average Net Loan	187.40	187.40	93.70	0.00	0.00



Rate of Interest on Loan on Annual Basis	9.25	9.25	9.25	9.25	9.25
Interest on loan	17.3345	17.3345	8.6673	0.00	0.00

BOND XXXVIII -ADDCAP FOR 2012-2013

Gross Loan- Opening	23.60	23.60	23.60	23.60	23.60
Cumulative repayments of Loans upto previous year	0.00	0.00	0.00	23.60	23.60
Net loan-Opening	23.60	23.60	23.60	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	23.60	0.00	0.00
Net Loan-Closing	23.60	23.60	0.00	0.00	0.00
Average Net Loan	23.60	23.60	11.80	0.00	0.00
Rate of Interest on Loan on Annual Basis	9.25	9.25	9.25	9.25	9.25
Interest on loan	2.183	2.183	1.0915	0.00	0.00

BOND XL -ADDCAP FOR 2012-2013

Gross Loan- Opening	11.00	11.00	11.00	11.00	11.00
Cumulative repayments of Loans upto previous year	7.33	8.25	9.17	10.08	11.00
Net loan-Opening	3.67	2.75	1.83	0.92	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	0.92	0.92	0.92	0.92	0.00
Net Loan-Closing	2.75	1.83	0.91	0.00	0.00
Average Net Loan	3.21	2.29	1.37	0.46	0.00
Rate of Interest on Loan on Annual Basis	9.30	9.30	9.30	9.30	9.30
Interest on loan	0.2985	0.213	0.1274	0.0428	0.00

BOND - XLI -ADDCAP FOR 2012-2013



Gross Loan- Opening	63.00	63.00	63.00	63.00	63.00
Cumulative repayments of Loans upto previous year	42.00	47.25	52.50	57.75	63.00
Net loan-Opening	21.00	15.75	10.50	5.25	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	5.25	5.25	5.25	5.25	0.00
Net Loan-Closing	15.75	10.50	5.25	0.00	0.00
Average Net Loan	18.38	13.13	7.88	2.63	0.00
Rate of Interest on Loan on Annual Basis	8.85	8.85	8.85	8.85	8.85
Interest on loan	1.6266	1.162	0.6974	0.2328	0.00

BOND - XLV -ADDCAP FOR 2013-2014

Gross Loan- Opening	26.00	26.00	26.00	26.00	26.00
Cumulative repayments of Loans upto previous year	15.17	17.33	19.50	21.67	23.83
Net loan-Opening	10.83	8.67	6.50	4.33	2.17
Add: Drawl(s) during the year	0.00	0.00	0.00	0.00	0.00
Less: Repayment(s) of loan during the year	2.17	2.17	2.17	2.17	2.17
Net Loan-Closing	8.66	6.50	4.33	2.16	0.00
Average Net Loan	9.75	7.59	5.42	3.25	1.09
Rate of Interest on Loan on Annual Basis	9.65	9.65	9.65	9.65	9.65
Interest on loan	0.9409	0.7324	0.523	0.3136	0.1052

SBI (2014-15) -ADDCAP 14-15

Gross Loan- Opening	4.39	4.39	4.39	4.39	4.39
Cumulative repayments of Loans upto previous year	2.20	2.63	3.07	3.51	3.95
Net loan-Opening	2.19	1.76	1.32	0.88	0.44
Add: Drawl(s) during the year	0.00	0.00	0.00	0.00	0.00



Less: Repayment(s) of loan during the year	0.44	0.44	0.44	0.44	0.44
Net Loan-Closing	1.75	1.32	0.88	0.44	0.00
Average Net Loan	1.97	1.54	1.10	0.66	0.22
Rate of Interest on Loan on Annual Basis	8.20	8.20	8.20	8.20	8.20
Interest on loan	0.1615	0.1263	0.0902	0.0541	0.018

SBI (2014-15) -ADDCAP 15-16

Gross Loan- Opening	0.40	0.40	0.40	0.40	0.40
Cumulative repayments of Loans upto previous year	0.20	0.24	0.28	0.32	0.36
Net loan-Opening	0.20	0.16	0.12	0.08	0.04
Add: Drawl(s) during the year	0.00	0.00	0.00	0.00	0.00
Less: Repayment(s) of loan during the year	0.04	0.04	0.04	0.04	0.04
Net Loan-Closing	0.16	0.12	0.08	0.04	0.00
Average Net Loan	0.18	0.14	0.10	0.06	0.02
Rate of Interest on Loan on Annual Basis	8.20	8.20	8.20	8.20	8.20
Interest on loan	0.0148	0.0115	0.0082	0.0049	0.0016

BOND LIV -ADDCAP 16-17

Gross Loan- Opening	3.11	3.11	3.11	3.11	3.11
Cumulative repayments of Loans upto previous year	1.04	1.04	1.04	2.07	2.07
Net loan-Opening	2.07	2.07	2.07	1.04	1.04
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	1.04	0.00	0.00
Net Loan-Closing	2.07	2.07	1.03	1.04	1.04
Average Net Loan	2.07	2.07	1.55	1.04	1.04
Rate of Interest on Loan on Annual Basis	7.97	7.97	7.97	7.97	7.97



Interest on loan	0.165	0.165	0.1235	0.0829	0.0829
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SBI-04 -ADDCAP 18-19

Gross Loan- Opening	3.22	3.22	3.22	3.22	3.22
Cumulative repayments of Loans upto previous year	0.63	0.95	1.27	1.59	1.91
Net loan-Opening	2.59	2.27	1.95	1.63	1.31
Add: Drawl(s) during the year	0.00	0.00	0.00	0.00	0.00
Less: Repayment(s) of loan during the year	0.32	0.32	0.32	0.32	0.32
Net Loan-Closing	2.27	1.95	1.63	1.31	0.99
Average Net Loan	2.43	2.11	1.79	1.47	1.15
Rate of Interest on Loan on Annual Basis	8.20	8.20	8.20	8.20	8.20
Interest on loan	0.1993	0.173	0.1468	0.1205	0.0943

Summary

Gross Loan- Opening	7,250.12	7,250.12	7,250.12	7,250.12	7,250.12
Cumulative repayments of Loans upto previous year	5,902.25	6,481.74	6,809.17	7,124.52	7,161.52
Net loan-Opening	1,347.87	768.38	440.95	125.60	88.60
Add: Drawl(s) during the year	0.00	0.00	0.00	0.00	0.00
Less: Repayment(s) of loan during the year	579.50	327.42	315.38	37.01	30.84
Net Loan-Closing	768.37	440.96	125.57	88.59	57.76
Average Net Loan	1,058.14	604.69	283.28	107.11	73.19
Rate of Interest on Loan on Annual Basis	9.0764	9.1983	9.3007	9.3097	9.3129
Interest on loan	96.0412	55.6213	26.347	9.9716	6.8161



Calculation of interest on Normative loan

Form No. - 9E

Name of the Transmission Licensee	Power Grid Corporation of India Limited			
Project	SR SS 9			
Element Description	Hassan Mysore 400 kV D/C Line and extension of 400/220 kV Mysore & Hassan sub stations			
Region	Southern Region	DOC Date	Jul 1, 2011	

(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	7,250.77	7,250.77	7,250.77	7,250.77	7,250.77
Cumulative repayments of Normative loan upto previous year	6,866.81	6,973.97	7,081.13	7,188.30	7,250.77
Net normative loan-Opening	383.96	276.80	169.64	62.47	0.00
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	107.16	107.16	107.17	62.47	0.00
Adjustment of cumulative repayment pertaining to the decapitalised asset	0.00	0.00	0.00	0.00	0.00
Net normative loan - closing	276.80	169.64	62.47	0.00	0.00
Average normative loan	330.38	223.22	116.06	31.24	0.00
Weighted Average Rate of interest on actual loan	9.0764	9.1983	9.3007	9.3097	9.3129
Interest on normative loan	29.99	20.53	10.79	2.91	0.00
Pro rata interest on normative loan	29.99	20.53	10.79	2.91	0.00

(Petitioner)



Calculation of Depreciation Rate on Original Project Cost

Form No. - 10

Name of the Transmission Licensee	Power Grid Corporation of India Limited		
Project	SR SS 9		
Element Description	Hassan Mysore 400 kV D/C Line and extension of 400/220 kV Mysore & Hassan sub stations		
Region	Southern Region	DOCO Date	Jul 1, 2011

(Amount in Rs. Lakh)

Name of Assets	Gross block at the beginning of the year	Add Cap during the year	Gross block at the end of the year	Average Gross Block	Depreciation Rate as per CERC's Depreciation Rate Schedule	Depreciation Amount for each year upto 31.03.2029
2024-25						
Land(Freehold)	0.00	0.00	0.00	0.00	0.00	0.00
Civil & Building	11.00	0.00	11.00	11.00	3.34	0.21
Transmission Line	8,928.36	0.00	8,928.36	8,928.36	5.28	93.75
Sub Station	1,234.91	0.00	1,234.91	1,234.91	5.28	12.94
Comm. Sys. excluding Fiber Optic	45.54	0.00	45.54	45.54	15.00	0.26
Leasehold Land	0.00	0.00	0.00	0.00	3.34	0.00
IT/Software/UNMS/URTDISM/SCADA,etc	26.72	0.00	26.72	26.72	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
TOTAL	10,246.53	0.00	10,246.53	10,246.53	0.00	107.16
Weighted Average Rate of Depreciation(%)					1.045817	



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

Civil & Building	11.00	0.00	11.00	11.00	3.34	0.21
Transmission Line	8,928.36	0.00	8,928.36	8,928.36	5.28	93.75
Sub Station	1,234.91	0.00	1,234.91	1,234.91	5.28	12.94
Comm. Sys. excluding Fiber Optic	45.54	0.00	45.54	45.54	15.00	0.26
Leasehold Land	0.00	0.00	0.00	0.00	3.34	0.00
IT/Software/UNMS/URTDISM/SCADA,etc	26.72	0.00	26.72	26.72	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
TOTAL	10,246.53	0.00	10,246.53	10,246.53	0.00	107.16
Weighted Average Rate of Depreciation(%)					1.045817	

2026-27						
Land(Freehold)	0.00	0.00	0.00	0.00	0.00	0.00
Civil & Building	11.00	0.00	11.00	11.00	3.34	0.21
Transmission Line	8,928.36	0.00	8,928.36	8,928.36	5.28	93.76
Sub Station	1,234.91	0.00	1,234.91	1,234.91	5.28	12.94
Comm. Sys. excluding Fiber Optic	45.54	0.00	45.54	45.54	15.00	0.26
Leasehold Land	0.00	0.00	0.00	0.00	3.34	0.00
IT/Software/UNMS/URTDISM/SCADA,etc	26.72	0.00	26.72	26.72	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
TOTAL	10,246.53	0.00	10,246.53	10,246.53	0.00	107.17
Weighted Average Rate of Depreciation(%)					1.045915	



2027-28						
Land(Freehold)	0.00	0.00	0.00	0.00	0.00	0.00
Civil & Building	11.00	0.00	11.00	11.00	3.34	0.21
IT/Software/UNMS/URTDISM/ SCADA,etc	26.72	0.00	26.72	26.72	15.00	0.00
Transmission Line	8,928.36	0.00	8,928.36	8,928.36	5.28	93.75
Sub Station	1,234.91	0.00	1,234.91	1,234.91	5.28	12.94
Comm. Sys. excluding Fiber Optic	45.54	0.00	45.54	45.54	15.00	0.26
Leasehold Land	0.00	0.00	0.00	0.00	3.34	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
TOTAL	10,246.53	0.00	10,246.53	10,246.53	0.00	107.16
Weighted Average Rate of Depreciation(%)					1.045817	

2028-29						
Land(Freehold)	0.00	0.00	0.00	0.00	0.00	0.00
Civil & Building	11.00	0.00	11.00	11.00	3.34	0.21
Transmission Line	8,928.36	0.00	8,928.36	8,928.36	5.28	93.76
Sub Station	1,234.91	0.00	1,234.91	1,234.91	5.28	12.94
Comm. Sys. excluding Fiber Optic	45.54	0.00	45.54	45.54	15.00	0.26
Leasehold Land	0.00	0.00	0.00	0.00	3.34	0.00
IT/Software/UNMS/URTDISM/ SCADA,etc	26.72	0.00	26.72	26.72	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
TOTAL	10,246.53	0.00	10,246.53	10,246.53	0.00	107.17



Weighted Average Rate of Depreciation(%)					1.045915	
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(Petitioner)



Statement of Depreciation

Form No. - 10A

Name of the Transmission Licensee	Power Grid Corporation of India Limited				
Project	SR SS 9				
Element Description	Hassan Mysore 400 kV D/C Line and extension of 400/220 kV Mysore & Hassan sub stations				
Region	Southern Region	DOC Date	Jul 1, 2011		

(Amount in Rs. Lakh)

Particulars	2024-25	2025-26	2026-27	2027-28	2028-29
No of Days in the year	365.00	365.00	365.00	366.00	365.00
No of days for which tariff claimed	365.00	365.00	365.00	366.00	365.00
Life at the beginning of the year					
1.1 Weighted Average useful life of the Asset/Project	34.00	34.00	34.00	34.00	34.00
1.2 Lapsed Weighted Average useful life of the Asset/Project(in completed no. of year)	12.00	13.00	14.00	15.00	16.00
1.3 Balance Weighted Average useful life of the Asset/Project(in completed no. of year)	22.00	21.00	20.00	19.00	18.00
Capital Base					
1.4 Opening capital cost	10,246.53	10,246.53	10,246.53	10,246.53	10,246.53
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	10,246.53	10,246.53	10,246.53	10,246.53	10,246.53
1.8 Average capital cost	10,246.53	10,246.53	10,246.53	10,246.53	10,246.53
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	26.72	26.72	26.72	26.72	26.72
1.11 Asset having 10% salvage value included in 1.8	10,219.81	10,219.81	10,219.81	10,219.81	10,219.81
1.12 Depreciable Value(1.10+90% of 1.11)	9,224.55	9,224.55	9,224.55	9,224.55	9,224.55
Depreciation for the period and Cum. Depreciation					
1.13 Weighted Average Rate of depreciation	1.045817	1.045817	1.045915	1.045817	1.045915



1.14 Depreciation(for the period)	107.16	107.16	107.17	107.16	107.17
1.15 Depreciation(Annualised)	107.16	107.16	107.17	107.16	107.17
Unrecovered Depreciation for DECAP	0.00	0.00	0.00	0.00	0.00
1.16 Cumulative depreciation at the beginning of the period	6,866.81	6,973.97	7,081.13	7,188.30	7,295.46
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	6,973.97	7,081.13	7,188.30	7,295.46	7,402.63

(Petitioner)



Calculation of interest on working Capital

Form No. - 11

Name of the Transmission Licensee	Power Grid Corporation of India Limited				
Project	SR SS 9				
Element Description	Hassan Mysore 400 kV D/C Line and extension of 400/220 kV Mysore & Hassan sub stations				
Region	Southern Region	DOC Date	Jul 1, 2011		

(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	16.72	17.60	18.52	19.49	20.51
Maintenance spares 15% of O&M Expenses	30.10	31.68	33.33	35.08	36.92
Receivables equivalent to 45 days of AFC	113.37	113.54	113.74	113.93	115.47
Total Working capital	160.19	162.82	165.59	168.50	172.90
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	19.06	19.38	19.71	20.05	20.58
Pro rata interest on working capital	19.06	19.38	19.71	20.05	20.58



Summary of issue involved in the petition

**PART-III
FORM- 15**

1. Name of the Petitioner	Powergrid Corporation of India Ltd		
2. Petition Category	Transmission		
3. Tariff Period	2019-24		
4. Name of the Project	SRSS IX		
5. Investment Approval date	NA		
6. SCOD of the Project	NA		
7. Actual COD of the project	01.07.2011		
8. Whether entire scope is covered in the present petition.	Yes		
9. No. of Assets covered in instant petition	01 nos		
10. No. of Assets having time over run	NA		
11. Estimated Project Cost as per IA	Rs. 12062.00 Lakh		
12. Is there any REC? if so, provide the date	NA		
13. Revised Estimated Project Cost (if any)	NA		
14. Completion cost for all the assets covered in the instant petition.	Rs. 10246.53 Lakh		
15. No. of Assets covered in instant petition and having cost overrun.	No		
16	Prayer in brief		
17	Key details and any Specific issue involved		
18	Respondents		
	Name of Respondents		
	1	KSEBL	2. BESCOM
	3	Electricity Department, Govt of Pondicherry	4. GESCOM.
	5	APEPDCL	6. HESCOM
	7	APSPDCL	8. MESCOM
	9	TSNPDCL	10. CESC
	11	TANGEDCO	12. Electricity Department, Government of Goa
	13	TSSPDCL	14. APCPDCL

(Petitioner)



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PART-III

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

Form No.	Title of Tariff Filing Forms (Transmission & Communication System)	Tick
FORM-1	Summary of Tariff	✓
FORM-1A	Summary of Asset level cost	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.
Other Information/ Documents		



S. No.	Information/Document	Tick
1	Certificate of incorporation, Certificate for Commencement of Business, Memorandum of Association, & Articles of Association (For New Project(s) setup by a company making tariff application for the first time to CERC)	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.
Note 1: Electronic copy of the petition (in words format) and detailed calculation as per these formats (in excel format) and any other information submitted has to be uploaded in the e-filing website and shall also be furnished in pen drive/flash drive.		

