

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 **Combined Asset** consisting of (i): 765 kV S/C Bina-Gwalior Transmission Line; (ii) 315 MVA, 400/220/33 kV ICT-I along with associated bays at Gwalior Sub-station; (iii): LILO of 400 kV S/C Korba-Raipur line at Bhatapara Sub-station along with associated bays; (iv): 400 kV Khandwa Rajgarh Circuit-II along with associated bays and 765/400 kV ICT-III at Seoni Sub-station; (v): 400 kV Khandwa-Rajgarh Circuit-I along with associated bays and 63 MVAR Bus Reactor at Bina Sub-station, Asset-II: 400 kV ICT-II at Gwalior Sub-station; and AssetIII: 400/220 kV ICT-II at Bhatapara Sub-station under Sipat-II Transmission System in the Western Region under Section 62 read with Section 79 (1) (d) of Electricity Act, 2003 and under the Regulation 15 (1) (a) and Regulation 23 of Central Electricity Regulatory Commission (Conduct of Business) Regulations, 2023 read with Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations 2019 and Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations 2024.

Power Grid Corporation of India Ltd.

Registered office: B-9, Qutab Institutional Area,
Katwaria Sarai, New Delhi. 110 016.
Corporate Centre: 'SAUDAMINI', Plot No-2,
Sector-29, Gurgaon-122 001 (Haryana).

---Petitioner Name

Madhya Pradesh Power Management Company Ltd.,
Shakti Bhawan, Rampur,
Jabalpur - 482008.

And others

Place: *Gurgaon*
Date: *04.11.2024*

---Respondent Name

Petitioner

(Zafriul Hasan)

General Manager (Commercial)



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NEW DELHI**

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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 **Combined Asset-consisting of (i): 765 kV S/C Bina-Gwalior Transmission Line; (ii) 315 MVA, 400/220/33 kV ICT-I along with associated bays at Gwalior Sub-station; (iii): LILO of 400 kV S/C Korba-Raipur line at Bhatapara Sub-station along with associated bays; (iv): 400 kV Khandwa Rajgarh Circuit-II along with associated bays and 765/400 kV ICT-III at Seoni Sub-station; (v): 400 kV Khandwa-Rajgarh Circuit-I along with associated bays and 63 MVAR Bus Reactor at Bina Sub-station, Asset-II: 400 kV ICT-II at Gwalior Sub-station; and AssetIII: 400/220 kV ICT-II at Bhatapara Sub-station under Sipat-II Transmission System in the Western Region** under Section 62 read with Section 79 (1) (d) of Electricity Act, 2003 and under the Regulation 15 (1) (a) and Regulation 23 of Central Electricity Regulatory Commission (Conduct of Business) Regulations, 2023 read with Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations 2019 and Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations 2024.

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Madhya Pradesh Power Management Company Ltd.,
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----- RESPONDENTS

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FILED BY

POWER GRID CORPORATION OF INDIA LTD.

GURGAON

DATED: 04.11.2024

REPRESENTED BY

Zafar Hasan
General Manager (Commercial)



BEFORE
THE CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI

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Madhya Pradesh Power Management Company Ltd.,
Shakti Bhawan, Rampur,
Jabalpur - 482008.

----- 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:- 04.11.2024

POWER GRID CORPORATION OF INDIA LTD.

REPRESENTED BY

Zafrul Hasan

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 **Combined Asset consisting of (i): 765 kV S/C Bina-Gwalior Transmission Line; (ii) 315 MVA, 400/220/33 kV ICT-I along with associated bays at Gwalior Sub-station; (iii): LILO of 400 kV S/C Korba-Raipur line at Bhatapara Sub-station along with associated bays; (iv): 400 kV Khandwa Rajgarh Circuit-II along with associated bays and 765/400 kV ICT-III at Seoni Sub-station; (v): 400 kV Khandwa-Rajgarh Circuit-I along with associated bays and 63 MVAR Bus Reactor at Bina Sub-station, Asset-II: 400 kV ICT-II at Gwalior Sub-station; and AssetIII: 400/220 kV ICT-II at Bhatapara Sub-station under Sipat-II Transmission System in the Western Region** under Section 62 read with Section 79 (1) (d) of Electricity Act, 2003 and under the Regulation 15 (1) (a) and Regulation 23 of Central Electricity Regulatory Commission (Conduct of Business) Regulations, 2023 read with Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations 2019 and Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations 2024.

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Madhya Pradesh Power Management Company Ltd.,
Shakti Bhawan, Rampur,
Jabalpur - 482008.

----- RESPONDENTS

MEMO OF PARTIES

Power Grid Corporation of India Ltd.

--- PETITIONER

VERSUS



1. Madhya Pradesh Power Management Company Ltd.,
Shakti Bhawan, Rampur,
Jabalpur - 482008.

2. Maharashtra State Electricity Distribution Co. Ltd.,
Hongkong Bank Building, 3rdFloor, M.G. Road, Fort,
Mumbai-400001.

3. Gujarat Urja Vikas Nigam Ltd.,
Sardar Patel Vidyut Bhawan,
Race Course Road,
Vadodara - 390007.

4. Electricity Department,
Government of Goa,
Vidyut Bhawan, Panaji, Near Mandvi Hotel,
Goa - 403001.

5. DNH and DD Power Corporation Ltd.
1st & 2nd floor, Vidyut bhavan,
Silvassa - 396230, DNH, India

6. Chhattisgarh State Power Distribution Co. Ltd.,
P.O. Sunder Nagar, Dangania,
Raipur-492 013.

--- RESPONDENTS

PETITIONER

POWER GRID CORPORATION OF INDIA LTD.

REPRESENTED BY

GURGAON

DATED: 04.11.2024

General Manager

Zafarul Hasan
(Commercial)



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Madhya Pradesh Power Management Company Ltd.,
Shakti Bhawan, Rampur,
Jabalpur - 482008.

--- 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 (Comml- Petition), POWERGRID



3. V.C. Sekhar, Sr. GM (Commercial-RC), POWERGRID
4. **Shri Zafrul Hasan, GM (Comml- Petition), POWERGRID**
5. **Shri Vishal Sagar, DGM (Comml- Petition), POWERGRID**
6. **Shri Arjun Malhotra, Manager (Comml- Law), POWERGRID**
- 7.

I, Zafrul Hasan, 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 04th day of November 2024.

PETITIONER
POWER GRID CORPORATION OF INDIA LTD.

GURGAON

DATED: 04.11.2024

Zafrul Hasan
General Manager (Commercial)



BEFORE
THE CENTRAL ELECTRICITY REGULATORY COMMISSION
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Madhya Pradesh Power Management Company Ltd.,
Shakti Bhawan, Rampur,
Jabalpur - 482008.
Represented by its Managing Director

----- RESPONDENTS



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 inter-state transmission system (**"ISTS"**). POWERGRID operates and functions within the regulatory control of this Hon'ble Central Electricity Regulatory Commission (hereinafter referred to as **"Hon'ble Commission"**). Tariff for the transmission system established by POWERGRID is required to be determined by this Hon'ble Commission in accordance with the Tariff Regulations as notified by this Hon'ble Commission in exercise of its powers under Section 178 of the Electricity Act, 2003.

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

POWERGRID has impleaded distribution licensees and Government department of the respective states which are engaged in distribution of electricity in Western 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 Western 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 **"Sipat-II Transmission System in the Western Region"** for the following:

Asset No.	Asset no. as per old petition	Asset Name	DOCO	Remarks
Asset-1	Combined Asset-I	765 kV S/C Bina-Gwalior Transmission Line;	01.04.2007	True up of 2014-19 tariff block and tariff for 2019-24



Asset-2		315 MVA, 400/220/33 kV ICT-I along with associated bays at Gwalior Sub-station;	01.05.2007	block covered under petition no. 691/TT/2020. All the assets have been merged into combined asset during 2014-19 tariff block with ECOD as 05.05.2008
Asset-3		LILO of 400 kV S/C Korba-Raipur line at Bhatapara Sub-station along with associated bays;	01.12.2007	
Asset-4		400 kV Khandwa Rajgarh Circuit-II along with associated bays and 765/400 kV ICT-III at Seoni Sub-station	01.04.2008	
Asset-5		400 kV Khandwa Rajgarh Circuit-I along with associated bays and 63 MVAR Bus Reactor at Bina Sub-station (approved as regional spare vide order dated 10.05.2022 in petition no. 2/RP/2020 in petition no. 182/TT/2018)	01.05.2008	
Asset-II	Asset-II	400 kV ICT-II at Gwalior Sub-station	01.04.2008	
Asset-III	Asset-III	400/220 kV ICT-II at Bhatapara Sub-station	01.01.2009	

(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. That the petitioner has claimed an ACE of Rs 22 Lakh on account of undischarged liability towards final payment/ withheld payment due to contractual exigencies for works executed within the cut-off date projected to be incurred during 2019-20 as per



Regulation 25(1)(d) of the 2019 Tariff Regulations for the combined Asset-I. However, Hon'ble Commission vide order dated 08.02.2021 in petition no. 406/TT/2020 stated that

Quote

..... The assets covered in Combined Asset-1 in the instant petition achieved COD in 2009-14 tariff period and the same is claimed towards un-discharged liability for which the details have not been submitted. The projected ACE claimed by the Petitioner is not considered at this stage and the Petitioner is directed to submit the details of the same at the time of truing-up and the same will be reviewed at the time of truing-up.

Unquote

5. 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	Approved Cost as per RCE	Expenditure Up to DOCO /31.03.2019	Expenditure during 2019-24 tariff block	Actual Cost as on 31.03.2024
				2019-24	
Combined Asset	60190	79086	77706.19*	No add cap	77706.19

Rs in lakhs

Asset No.	Approved Cost as per FR	Approved Cost as per RCE	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	60190	79086	77706.19	No add cap	77706.19

*Hon'ble Commission vide order dated 30.11.2021 in petition no. 691/TT/2020 restricted the completion cost of Asset-II to apportioned approved cost (RCE-I) of Rs 1408.56 lakh and hence, the admitted completion cost of the combined asset as on 31.03.2019 was Rs 77628.39 lakh. Subsequently, review petition was



filed before Hon'ble Commission for submission of RCE-II. Accordingly, Hon'ble Commission vide order dated 22.08.2022 in review petition no. 08/RP/2022 in petition no. 691/TT/2020 considered the admitted capital cost in respect of Asset-II as per RCE-II dated 12.4.2017 which is Rs 1486.36 lakh. Accordingly, the revised admitted capital cost as on 31.03.2019 for the combined asset as approved by the Hon'ble Commission as per order dated 22.08.2022 in review petition no. 08/RP/2022 in petition no. 691/TT/2020 is Rs 77706.19 lakh.

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

7. 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
Combined Asset	AFC approved	11993.96	11691.83	8357.45	8364.29	8368.15
	Revised AFC based on trueing up	11,993.96	11691.87	8357.47	8364.30	8393.33

Tariff claimed for 2024-29 tariff block:

Rs in Lakhs

Name of the asset	2024-25	2025-26	2026-27	2027-28	2028-29
Combined Asset	7390.72	7405.39	7454.22	7551.92	7669.12

B. Detailed Petition:

MOST RESPECTFULLY SHOWETH:

Issue wise submission(s):

8. 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.



9. 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.
10. That the subject project/petition covers approval of transmission tariff for following Asset:

Asset No	Asset Name	EDOCO	Remarks
Combined Asset	Combined Asset under Sipat-II Transmission System in the Western Region	05.05.2008	Earlier covered under petition no. 691/TT/2020 now covered under instant petition

11. Cost detail:

The capital cost of Rs. 77706.19 Lakh for subject Asset has been admitted by Hon'ble commission vide order dated 30.11.2021 in 691/TT/2020 and dated 22.08.2022 in review petition no. 08/RP/2022 in petition no. 691/TT/2020. Copy of both the orders is enclosed as **Encl-1**. In the current petition, no additional capital expenditure was incurred during the 2019-24 tariff block, and no additional capital expenditures are proposed during the 2024-29 tariff block.

12. Transmission tariff:

The 2019-2024 truing up exercise is to be done at the time of filing tariff petition for next block, i.e. 2024-29 period as per regulation 13 of Tariff Regulation 2019-24.

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))
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2019-20	Assessment Order	24,52,62,76,991	1,40,37,47,53,855	17.472%	18.782%
2020-21	Assessment Order	26,08,93,59,008	1,49,32,09,65,036	17.472%	18.782%
2021-22	Actual Tax paid	31,81,46,40,406	1,82,08,92,88,030	17.472%	18.782%
2022-23	Actual Tax paid	30,42,88,20,993	1,74,15,76,29,306	17.472%	18.782%
2023-24	Applicable Rate #		#	17.472%	18.782%

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

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

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

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

While filing Tariff petition for 2019-24 period, the petitioner had prayed for allowing the floating rate of Interest on loan adjustments. As per Hon'ble Commission order dated 30.11.2021 in petition no. 691/TT/2020, 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 tariff block, change in MAT rate as well as floating rate of interest during 2019-24.

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

Rs in Lakh

Name of the asset	Particular	2019-20	2020-21	2021-22	2022-23	2023-24
Asset-1	AFC approved	11993.96	11691.83	8357.45	8364.29	8368.15
	Revised AFC based on truing up	11,993.96	11691.87	8357.47	8364.30	8393.33

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.

14. The tariff for 2024-29 tariff block is summarized below:

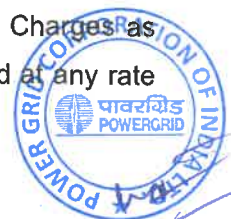
Rs in Lakh

Name of the asset	2024-25	2025-26	2026-27	2027-28	2028-29
Asset-1	7390.72	7405.39	7454.22	7551.92	7669.12



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

15. The asset has completed 12 Yrs during the tariff block 2019-24 and thus depreciation till 2020-21 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 2019. Further, from FY 2021-22, 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.
16. That, it is submitted that the petitioner is currently liable to pay income tax at MAT rate specified in Income-tax Act, 1961. Therefore, ROE has been calculated @ 18.782% after grossing up the ROE with MAT rate of 17.472% (Base Rate 15% + Surcharge 12% + Cess 4%) based on the formula given at regulation 31 of the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2024 for 2024-29 period. That as per clause 31 (3) of the above regulation, the grossed up rate of ROE at the end of every financial year shall be trued up based on actual tax paid together with any additional tax demand including interest thereon duly adjusted for any refund of tax including interest received from the IT authorities pertaining to the tariff period 2024-29 on actual gross income of any financial year. However, penalty, if any, arising on account of delay in deposit or short deposit of tax amount shall not be claimed by the generating company or the transmission licensee, as the case may be. Any under-recovery or over-recovery of grossed up rate on ROE after truing up shall be recovered or refunded to beneficiaries or the long term customers, as the case may be on year to year basis. It is further submitted that adjustment due to any additional tax demand including interest duly adjusted for any refund of tax including interest received from IT authorities shall be recoverable /adjustable during the tariff period 2024-29 on year to year basis on receipt of Income Tax assessment order.
17. Under CGST Act, 2017 implemented w.e.f. 01.07.2017, the Govt. of India has exempted the charges of transmission of electricity vide notification no. 12/2017 – Central Tax (Rate) dated 28.06.2017 at serial no. 25 under the heading 9969 “Transmission or distribution of electricity by an electric transmission or distribution utility” by giving applicable GST rate as NIL. Hence, the Transmission Charges as indicated at para 12 above is exclusive of GST. Further, if GST is levied at any rate



and at any point of time in future on Charges of Transmission of Electricity, the same shall be borne and additionally paid by the respondent(s) to the petitioner and the same shall be charged & billed separately by the petitioner. Further additional taxes, if any, are to be paid by the petitioner on account of demand from Govt. / Statutory authorities, the same may be allowed to be recovered from the beneficiaries.

18. 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 has been submitted along with Truing up petition with Diary no. 716/2024. These documents/details are also available on our website www.powergrid.in

19. The transmission charges at para-13 & 14 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.
20. 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.

21. 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 at the end of tariff block.

22. 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.



23. The Transmission Charges and other related Charges indicated at para 13 & 14 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.

24. **Sharing of Transmission Charges**

Truing up tariff for Transmission of Electricity (Annual Fixed Cost) for 2019-24 as per para 13 above shall be recovered on monthly basis in accordance with Regulation 57 of Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2019 and shall be shared by the beneficiaries and long-term transmission customers in Central Electricity Regulatory Commission (Sharing of Inter State Transmission Charges and Losses) Regulations, 2020 or as amended from to time.

Tariff for Transmission of Electricity (Annual Fixed Cost) for 2024-29 as per para 14 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.

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

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 13 and 14 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 13 and 14 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 20 above.
- g) Allow the petitioner to file a separate petition before Hon'ble Commission for claiming the overall insurance expenses and consequential IOWC on that insurance expenses as mentioned at para 20 above.
- h) Allow the petitioner to file a separate petition before Hon'ble Commission for claiming the overall capital spares as per actual as mentioned at Para 20 above.



- i) Allow the petitioner to claim expenses of CTUIL borne by POWERGRID through a separate petition as mentioned at para 21 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: 04.11.2024

FILED BY
POWER GRID CORPORATION OF INDIA LTD.

REPRESENTED

BY

Zafrul Hasan

General Manager (COMMERCIAL)



Ref: CC/Commercial/2024

Date: 28.08.2024

LETTER OF AUTHORIZATION

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

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

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

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


28/08/2024

Dilip Nagesh Rozekar
Executive Director (Commercial & RC)

दिलीप रोजेकर / DILIP ROZEKAR

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



**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 **Combined Asset consisting of (i): 765 kV S/C Bina-Gwalior Transmission Line; (ii) 315 MVA, 400/220/33 kV ICT-I along with associated bays at Gwalior Sub-station; (iii): LILO of 400 kV S/C Korba-Raipur line at Bhatapara Sub-station along with associated bays; (iv): 400 kV Khandwa Rajgarh Circuit-II along with associated bays and 765/400 kV ICT-III at Seoni Sub-station; (v): 400 kV Khandwa-Rajgarh Circuit-I along with associated bays and 63 MVAR Bus Reactor at Bina Sub-station, Asset-II: 400 kV ICT-II at Gwalior Sub-station; and AssetIII: 400/220 kV ICT-II at Bhatapara Sub-station under Sipat-II Transmission System in the Western Region under Section 62 read with Section 79 (1) (d) of Electricity Act, 2003 and under the Regulation 15 (1) (a) and Regulation 23 of Central Electricity Regulatory Commission (Conduct of Business) Regulations, 2023 read with Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations 2019 and Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations 2024.**

Power Grid Corporation of India Ltd.

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

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

---PETITIONER

Madhya Pradesh Power Management Company Ltd.,
Shakti Bhawan, Rampur,
Jabalpur - 482008.

And others

--- RESPONDENT

AFFIDAVIT VERIFYING THE PETITION



I, Zafrul Hasan, S/O Late Sh Zahurul Hasan, working as 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 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 25 of the facts as mentioned in the Petition are true and correct based on the my personal knowledge, belief and records maintained in the office and the contents of Para 01 to 25 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

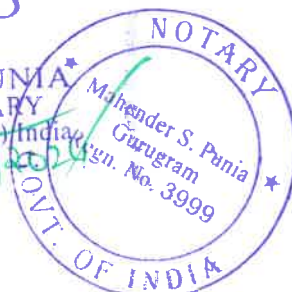
Solemnly affirmed at Gurgaon on this ^{04th} day of November' 2024 that the contents of the above affidavit are true to my knowledge and belief and no part of it is false and nothing material has been concealed there from.


(DEPONENT)



ATTESTED

26
MAHENDER S. PUNIA
ADVOCATE & NOTARY
Distt. Gurugram (Haryana) India



**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Review Petition No. 8/RP/2022

in

Petition No. 691/TT/2020

Coram:

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

Date of Order: 22.08.2022

In the matter of:

Review Petition under Section 94(1)(f) of the Electricity Act, 2003 read with Regulation 103 of the Central Electricity Regulatory Commission (Conduct of Business) Regulations, 1999 for review and modification of the order dated 30.11.2021 in Petition No. 691/TT/2020.

And in the matter of:


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

.....Petitioner

Versus

1. Madhya Pradesh Power Management Company Limited,
Shakti Bhawan, Rampur, Jabalpur-482008.
2. Madhya Pradesh Power Transmission Company Limited,
Shakti Bhawan, Rampur, Jabalpur-482008.
3. Madhya Pradesh Audyogik Kendra Vikas Nigam (Indore) Limited,
3/ 54, Press Complex, Agra-Bombay Road, Indore-452008.
4. Maharashtra State Electricity Distribution Company Limited,
Hongkong Bank Building, 3rd Floor, M.G. Road, Fort, Mumbai-400001.
5. Maharashtra State Electricity Transmission Company Limited,
Prakashganga, 6th Floor, Plot No. C-19, E-Block,
Bandra Kurla Complex, Bandra (East) Mumbai-400051.
6. Gujarat Urja Vikas Nigam Limited,
Sardar Patel Vidyut Bhawan,
Race Course Road, Vadodara-390007.

ATTESTED TRUE COPY
From Page No. 28-104
Authorised Signatory
Power Grid Corporation of India Ltd.
Plot No.-2, Sector-29, Gurgaon-122001 (Haryana)




7. Gujarat Energy Transmission Corporation Limited,
Sardar Patel Vidyut Bhawan, Race Course Road,
Vadodara-390007.
8. Electricity Department,
Government of Goa,
Vidyut Bhawan, Panaji,
Near Mandvi Hotel, Goa-403001.
9. Electricity Department,
Administration of Daman & Diu,
Daman-396210.
10. Electricity Department,
Administration of Dadra Nagar Haveli,
U.T., Silvassa-396230.
11. Chhattisgarh State Electricity Board,
P. O. Sunder Nagar, Dangania,
Raipur, Chhattisgarh-492013.
12. Chhattisgarh State Power Transmission Company Limited,
State Load Despatch Building, Dangania, Raipur-492013.
13. Chhattisgarh State Power Distribution Company Limited,
P. O. Sunder Nagar, Dangania, Raipur,
Chhattisgarh-492013.Respondent(s)

For Petitioner : Shri Anand K. Ganesan, Advocate, PGCIL
Ms. Swapna Sheshadri, Advocate, PGCIL
Shri Jai Dhanani, Advocate, PGCIL

For Respondents : Shri Ravi Sharma, Advocate, MPPMCL

ORDER

The Review Petitioner, Power Grid Corporation of India Limited, has filed the instant review petition seeking review and modification of order dated 30.11.2021 in Petition No. 691/TT/2020 under Section 94(1)(f) of the Electricity Act, 2003 read with Regulation 103 of the Central Electricity Regulatory Commission (Conduct of Business) Regulations, 1999 whereby Commission while trying up the transmission tariff for the 2014-19 period, restricted the capital cost of Asset-II based on apportioned approved cost as per RCE-I to ₹1408.56 lakh against the claim of ₹1486.36 lakh.



Background

2. The Commission vide order dated 30.11.2021 in Petition No. 691/TT/2020 allowed revised transmission tariff for 2004-09 and 2009-14 tariff periods, trued up the transmission tariff of 2014-19 period and determined the transmission tariff of 2019-24 period under the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2019 (hereinafter referred to as “the 2019 Tariff Regulations”) in respect of following assets under Sipat-II Transmission System in the Western Region (hereinafter referred to as “the transmission system”):

Asset-1: 765 kV S/C Bina-Gwalior Transmission Line;

Asset-2: 315 MVA, 400/220/33 kV ICT-I along with associated bays at Gwalior Sub-station;

Asset-3: LILO of 400kV S/C Korba-Raipur line at Bhatapara Sub-station along with associated bays;

Asset-4: 400 kV Khandwa Rajgarh Circuit-II along with associated bays and 765/400 kV ICT-III at Seoni Sub-station;

Asset-5: 400 kV Khandwa Rajgarh Circuit-I along with associated bays and 63 MVAR Bus Reactor at Bina Sub-station;

Asset-II: 400 kV ICT-II at Gwalior Sub-station; and

Asset-III: 400/220 kV ICT-II at Bhatapara Sub-station

Asset-1, Asset-2, Asset-3, Asset-4, Asset-5, Asset-II and Asset-III have been collectively referred to as the “transmission assets” for the 2004-09 tariff period. Asset-1, Asset-2, Asset-3, Asset-4 and Asset-5 have been combined during 2009-14 tariff period and have been collectively referred to as “the Combined Asset-I” for 2009-14 tariff period. The Combined Asset-I, Asset-II and Asset-III have been combined during the 2014-19 tariff period and have been collectively referred to as “the Combined Asset” for 2014-19 and 2019-24 periods.



3. The Review Petitioner has submitted to consider RCE-II dated 12.4.2017 approved by the Board of Directors of the Review Petitioner and allow the disallowed capital expenditure of ₹77.80 lakh in Petition No. 691/TT/2020 in respect of Asset-II.

4. The Review Petitioner has made the following prayers:

"a) Review and modify the Impugned Order dated 30.11.2021 passed by this Hon'ble Commission in Petition No. 691/TT/2020, in terms of the submissions set out in the present Review Petition;

b) Consider the Revised Cost Estimate – II dated 12.04.2017 – approved by the Board of Directors of the Review Petitioner – Power Grid Corporation of India Limited and allow the disallowed capitalisation of INR 77.80 Lakh in Petition No. 691/TT/2020 for Asset – II; and

c) Pass such other order(s) and/or direction(s) as this Hon'ble Commission may deem just and proper in the facts and circumstances of the case."

5. The matter was heard through video conference. The Commission admitted the present Review Petition on 26.4.2022 and issued notice to the parties. In response, Madhya Pradesh Power Management Company Limited (MPPMCL) has filed its reply vide affidavit dated 5.4.2022. The Review Petitioner has filed rejoinder to the reply of MPPMCL vide affidavit dated 27.5.2022. Subsequently, the matter was again heard through video conference on 24.6.2022 and order was reserved after hearing the parties.

Submissions of the Review Petitioner and the Respondent

6. The gist of the submissions made by the Review Petitioner in support of its Review Petition is as follows:

- a. The Commission vide order dated 29.2.2016 in Petition No. 225/TT/2015 allowed tariff in respect of Asset-II for the 2014-19 tariff period and restricted Additional Capital Expenditure (ACE) of Asset-II to the RCE-I approved apportioned cost of ₹1408.56 lakh as against the claimed completion cost of ₹1486.36 lakh.



- b. Subsequent to this, the Review Petitioner obtained Revised Cost Estimate-II (RCE-II) from its Board of Directors with respect to Asset-II and filed Review Petition No. 37/RP/2017 against the Commission's order dated 29.2.2016 in Petition No. 225/TT/2015 for allowing capitalization ₹1486.36 lakh with respect to Asset-II. However, the Commission vide order dated 27.3.2018 in Petition No. 37/RP/2017 granted liberty to the Review Petitioner to place on record RCE for consideration of the Commission at the time of truing up of tariff of the 2014-19 period.
- c. The Review Petitioner filed Petition No. 691/TT/2020 for truing up of tariff for the 2014-19 period in respect of the transmission assets including Asset-II and the Commission vide order dated 30.11.2021 trued up tariff of the transmission assets for the 2014-19 period. As the Review Petitioner failed to place on record RCE-II duly approved by its Board of Directors in Petition No. 691/TT/2020, the Commission vide order dated 30.11.2021 admitted the capital cost of Asset-II of ₹1408.56 lakh as on 1.4.2014 as against claimed capital cost of ₹1486.36 lakh.
- d. The Review Petitioner has given complete timeline of events leading to dismissal of Review Petition No. 37/RP/2017 by the Commission on account of delay in filing the Review Petition. However, keeping in mind the fact that RCE-II was on record in Review Petition No. 37/RP/2017, the Commission provided an opportunity to the Review Petitioner to submit the same for approval of the total capitalization with respect to cost of Asset-II at the time of truing-up.
- e. Review of the impugned order is sought for submitting RCE-II which was inadvertently missed by the Review Petitioner at the time of filing the truing up petition for the 2014-19 period in respect of the transmission assets including



Asset-II in Petition No. 691/TT/2021 and the same came to the notice of the Review Petitioner only after passing of order dated 30.11.2021.

- f. Because of non-consideration of RCE-II approved capital cost, there is under-recovery with respect to capital cost of Asset-II of ₹77.80 lakh to the Review Petitioner. A copy of the RCE-II dated 12.4.2017 duly approved by the Board of Directors of the Review Petitioner is now placed on record.
7. Madhya Pradesh Power Management Company Limited (MPPMCL) in its reply filed vide affidavit dated 5.4.2022, has made the following submissions:
- a. The Commission's order dated 27.3.2018 in Review Petition No. 37/RP/2017 observed that Review Petitioner did not place on record RCE-II dated 12.4.2016 or RCE dated 1.6.2016 as per the pleadings in Review Petition No. 37/RP/2017.
 - b. Subsequently, the Review Petitioner filed Petition No. 691/TT/2020 for truing up of transmission tariff of several assets. However, the Review Petitioner failed to file RCE-II dated 12.4.2016 or RCE dated 1.6.2016 as mentioned in order dated 27.3.2018 in Review Petition No. 37/RP/2017.
 - c. The Review Petitioner's plea with regard to the date of RCE-II is contradictory as in the pleadings of Review Petition No. 37/RP/2017, it was mentioned as 12.4.2016 while in the order it was mentioned as 1.6.2016. RCE-II dated 12.4.2016, 1.6.2016 or 12.4.2017 is not a discovery or new document which was not in the knowledge of the Review Petitioner and as such the present Review Petition is liable to be dismissed with costs.



8. In response, the Review Petitioner vide affidavit dated 27.5.2022 has made the following submissions:

a. Brief timeline of events leading to filing of the instant Review Petition:

Date	Description of Events	Remarks
24.9.2015	Review Petitioner filed Petition No. 225/TT/2015 for truing up of transmission tariff for 2014-19 period and determination of tariff for 2019-24 tariff period.	Asset-II - 400 kV ICT-II at Gwalior Sub-station COD: 1.4.2008 Review Petitioner claimed ACE of ₹1486.36 lakh.
29.2.2016	Order dated 29.2.2016 in Petition No. 225/TT/2015	The Commission restricted ACE of ₹1486.36 lakh to the approved apportioned cost of the Review Petitioner to ₹1408.56 lakh. Extract of the order dated 29.2.2016 in Petition No. 225/TT/2015 is as follows: "19. <i>The petitioner has claimed the completion cost as on 31.3.2014 as ₹1486.36 lakh, we have restricted the additional capital expenditure during 2009-10, 2010-11 and 2011-12 to ₹30.78 lakh, ₹6.75 lakh and ₹156.52 lakh respectively in order to ensure that completed cost for Asset- II does not exceed approved apportioned cost of ₹1408.56 lakh.</i> "
12.4.2017	The Review Petitioner obtained approval of Revised Cost Estimate from its Board of Directors.	RCE-II
4.9.2017	Review Petitioner filed Review Petition No. 37/RP/2017 seeking review of the order dated 29.2.2016 in Petition No. 225/TT/2015.	The Review Petitioner in the said Review Petition had submitted RCE-II dated 12.4.2017 for consideration of the Commission.
27.3.2018	The Commission declined to entertain the said Review Petition on account of non-compliance of the statutory time limit for filing a Review Petition. However, the Commission granted liberty to	The relevant extract of the orders passed by the Commission are reproduced as follows: "7. <i>As the review petition is disallowed on the ground of non-compliance with the statutory time limit for filing the review petition, we are not expressing any opinion on the merit of the review petition. The</i>



	the Review Petitioner to submit RCE-II at the time of truing up.	<i>Review Petitioner may submit the RCE dated 1.6.2016 for consideration of the Commission at the time of truing up of the 2014-19 tariff which will be dealt with in accordance with law.</i>
8.1.2020	Review Petitioner filed the Petition No. 691/TT/2020 for the purposes of truing-up of transmission tariff for three transmission assets including Asset-II - 400 kV ICT-II at Gwalior Sub-station.	In Petition No. 691/TT/2020, the Review Petitioner had submitted the apportionment of cost as per RCE-II dated 12.4.2017. However, while compiling annexures and supporting documents placed on record, accidentally slipped to place memorandum of RCE-II and submitted Annexures to RCE-II.
30.11.2021	The Commission passed order in Petition No. 691/TT/2020 and observed that document as submitted by the Petitioner in support of RCE-II reveals that it is only an Annexure and RCE-II duly approved by Board of Directors of the Petitioner Company has not been furnished by the Petitioner in the instant petition. Therefore, in the absence of approved RCE-II from Board of Directors of the Petitioner Company, the admitted capital cost as on 1.4.2014 of ₹1408.56 lakh has been considered.	The relevant extract of the order passed by the Commission is reproduced hereinbelow: <i>"38. We observe that the document as submitted by the Petitioner in support of RCE-II reveals that it is only an Annexure and RCE-II duly approved by BOD of the Petitioner company has not been furnished by the Petitioner in the instant Petition. Therefore, in the absence of approved RCE-II from BOD of the Petitioner Company, the admitted capital cost as on 1.4.2014 of ₹1408.56 lakh has been considered."</i>
12.1.2022	The Review Petitioner has filed the instant Review Petition.	

- b. Review Petition is squarely by the provisions of Regulation 103A of Central Electricity Regulatory Commission (Conduct of Business) Regulations, 1999 read with Section 94(f) of the Electricity Act, 2003.
- c. The Review Petitioner has clarified that RCE-II is dated 12.4.2017 and has refuted all other averments of MPPMCL. The Review Petitioner has submitted that the averments of MPPMCL are misconceived.



Analysis and Decision

9. We have considered the contentions of the Review Petitioner and MPPMCL and have also perused the records.

10. Learned counsel for the Review Petitioner contended that the Review Petitioner had claimed completion cost of Asset-II as ₹1486.36 lakh on 1.4.2014 and the same was restricted to ₹1408.56 (as per apportioned approved cost [as per RCE- I]) vide order dated 29.2.2016 in Petition No. 225/TT/2015. Later, a Review Petition No. 37/RP/2017 was filed by the Review Petitioner seeking review and modification of the said order dated 29.2.2016. In the said Review Petition, RCE-II along with apportionment for Asset-II amounting to ₹1625.15 lakh was submitted. Learned counsel further contended that the Commission vide order dated 27.3.2018 in Review Petition No. 37/RP/2017 refused to entertain the Review Petition on account of non-compliance of the statutory time limit for filing the Review Petition. However, the Review Petitioner was allowed to submit RCE-II for consideration of the Commission at the time of true up of 2014-19 tariff period. Learned counsel contended that RCE-II was inadvertently missed by the Review Petitioner at the time of filing of the true up Petition No. 691/TT/2020 and the Commission vide order dated 30.11.2021 in Petition 691/TT/2020 observed that the document as submitted by the Petitioner in support of RCE-II revealed that it was only an Annexure and RCE-II duly approved by the Board of Directors of the Review Petitioner had not been furnished in the petition which resulted in disallowance of cost of ₹77.80 lakh in case of Asset-II. Learned counsel prayed that the cost as disallowed in respect of Asset-II may be allowed as per RCE-II.

11. In rebuttal, learned counsel for MPPMCL contended that the Commission vide order dated 29.2.2016 disposed of Petition No. 225/TT/2015 observing that the Review



Petitioner did not submit RCE-II dated 12.4.2017 on record for 2014-19 tariff period and that the present Review Petition does not fulfil the provisions of Section 94(1)(f) of the Electricity Act, 2003.

12. Learned counsel for the Review Petitioner citing the judgment of federal court in the matter of Musammat Jamna Keur Vs Lal Bahadur and others dated 20.12.1949 contended that whether error occurred by reason of counsel's mistake or it crept in by reason of an oversight on part of the court was not a circumstance which could affect the exercise of jurisdiction of the court to review its decision. He also contended that the error was apparent on face of record but the question of how the error occurred is irrelevant to the inquiry. Learned counsel admitted that due to mistake memorandum to RCE- II could not be filed while annexure to RCE-II was submitted in Petition No. 691/TT/2020. He contended that Review Petition is filed in accordance with the provisions of Section 94(1)(f) of the Electricity Act, 2003.

13. On perusal of order dated 29.2.2016 in Petition No. 225/TT/2015, we find that the Commission while approving transmission tariff of the transmission assets including Asset-II for 2014-19 tariff period, restricted capital cost of Asset-II to ₹1408.56 lakh given in the RCE-I as against the Review Petitioner's claim of ₹1486.36 lakh. We further note that after issuance of the order dated 29.2.2016, the Board of Directors of the Review Petitioner approved RCE-II on 12.4.2017, according to which the completion cost of Asset-II was revised to ₹1625.15 lakh. The Review Petitioner in Review Petition No. 37/RP/2017 submitted that actual capital cost of Asset-II is within the approved capital cost in the RCE-II and sought modification of the capital cost of Asset-II allowed in order dated 29.2.2016 taking into consideration RCE- II. We also note that since there was delay of 554 days in filing Review Petition No. 37/RP/2017, the Commission did not



condone the said delay of 554 days for want of sufficient cause. However, the Commission vide order dated 27.3.2018 in Review Petition No. 37/RP/2017 granted liberty to the Review Petitioner to submit RCE for being considered at the time of truing of tariff for 2014-19 period.

14. The Review Petitioner filed Petition No. 691/TT/2020 for revision of tariff of 2004-09 and 2009-14 periods and truing up of transmission tariff of 2014-19 period and determination of tariff of 2019-24 period in respect of transmission assets including Asset-II. However, the RCE-II which was permitted to be placed on record for being considered in terms of order dated 27.3.2018 in Review Petition No. 37/RP/2017 was not placed on record by the Review Petitioner, only the Annexure to the RCE-II was placed on record. Therefore, in the absence of approved RCE-II from the Board of Directors of the Review Petitioner, the admitted capital cost as on 1.4.2014 in respect of Asset-II was considered as ₹1408.56 lakh.

15. In view of above discussions, we observe that the Review Petitioner filed RCE-II dated 12.4.2017 when it filed Review Petition No. 37/RP/2017. However, the said Review Petition was rejected by the Commission vide order dated 27.3.2018 with liberty to place on record RCE-II in the truing up petition of 2014-19 period. Petition No. 691/TT/2020 was filed by the Review Petitioner for revision of transmission tariff of 2004-09 and 2009-14 periods, truing up of tariff of 2014-19 period determination of tariff for 2019-24 period. However, while filing Petition No. 691/TT/2020, the Review Petitioner only submitted Annexure to RCE-II without filing the RCE-II though the same was in its possession when it filed the said petition. We are of the view that the annexure to RCE-II was part and parcel of the RCE-II as it was in continuance of the same and is not a new fact brought on record. In fact, RCE-II was just a formal part of the



annexure. Accordingly, we are inclined to allow the present Review Petition and take on record RCE-II dated 12.4.2017. We further make it clear that the present case shall not be quoted as precedent in future cases as this order is being passed in peculiar facts and circumstances of the present matter.

16. Based on the aforesaid discussions, we have now considered the admitted capital cost in respect of Asset-II as per RCE-II dated 12.4.2017. Accordingly, the details of capital cost approved as on 1.4.2014 for the Combined Asset is as follows:

(₹ in lakh)	
Asset	Capital Cost (as on 1.4.2014)
Combined Asset-I	74632.91
Asset-II	1486.36
Asset-III	1586.92
Combined Asset	77706.19

17. The admitted capital cost of the existing project allowed in paragraph 40 of the order dated 30.11.2021 is revised as follows:

(₹ in lakh)		
Capital Cost admitted (as on 1.4.2014)	ACE admitted (2014-19)	Capital Cost admitted (as on 31.3.2019)
77706.19	0.00	77706.19

18. Accordingly, the transmission charges allowed in respect of the transmission assets in order dated 30.11.2021 in Petition No. 691/TT/2020 stand revised as follows:

a) The debt-equity ratio allowed in paragraph 42 of the order dated 30.11.2021 is revised as follows:

Funding	Capital Cost as on 1.4.2014 (₹ in lakh)	(in %)	Total Capital Cost (as on 31.3.2019) (₹ in lakh)	(in %)
Debt	54394.80	70.00	54394.80	70.00
Equity	23311.39	30.00	23311.39	30.00
Total	77706.19	100.00	77706.19	100.00



b) The depreciation allowed in paragraph 43 of the order dated 30.11.2021 is revised as follows:

(₹ in lakh)					
Particulars	2014-15	2015-16	2016-17	2017-18	2018-19
Opening Gross Block	77706.19	77706.19	77706.19	77706.19	77706.19
ACE	0.00	0.00	0.00	0.00	0.00
Closing Gross Block	77706.19	77706.19	77706.19	77706.19	77706.19
Average Gross Block	77706.19	77706.19	77706.19	77706.19	77706.19
Freehold Land	265.15	265.15	265.15	265.15	265.15
Weighted average rate of Depreciation (WAROD) (in %)	5.22%	5.22%	5.22%	5.22%	5.22%
Balance useful life of the asset (Year)	69696.94	69696.94	69696.94	69696.94	69696.94
Elapsed life of the asset (year)	27	26	25	24	23
Depreciable Value	5	6	7	8	9
Depreciation during the year	4057.74	4057.74	4057.74	4057.74	4057.74
Cumulative Depreciation	26969.22	31026.96	35084.70	39142.43	43200.17
Remaining Depreciable Value	42727.71	38669.98	34612.24	30554.50	26496.77

c) IoL allowed in paragraph 45 of the order dated 30.11.2021 is revised as follows:

(₹ in lakh)					
Particulars	2014-15	2015-16	2016-17	2017-18	2018-19
Gross Normative Loan	54394.80	54394.80	54394.80	54394.80	54394.80
Cumulative Repayments up to Previous Year	21182.27	25240.00	29297.74	33355.48	37413.21
Net Loan-Opening	33212.53	29154.80	25097.06	21039.32	16981.59
Additions due to ACE	0.00	0.00	0.00	0.00	0.00
Repayment during the year	4057.74	4057.74	4057.74	4057.74	4057.74
Net Loan-Closing	29154.80	25097.06	21039.32	16981.59	12923.85
Average Loan	31183.66	27125.93	23068.19	19010.45	14952.72
Weighted Average Rate of Interest on Loan (in %)	8.9384	8.9518	8.9700	8.9962	9.0374
Interest on Loan	2787.32	2428.27	2069.21	1710.21	1351.33

d) The RoE allowed in paragraph 50 of the order dated 30.11.2021 is revised as follows:

(₹ in lakh)					
Particulars	2014-15	2015-16	2016-17	2017-18	2018-19
Opening Equity	23311.39	23311.39	23311.39	23311.39	23311.39
Additions	0.00	0.00	0.00	0.00	0.00
Closing Equity	23311.39	23311.39	23311.39	23311.39	23311.39



Particulars	2014-15	2015-16	2016-17	2017-18	2018-19
Average Equity	23311.39	23311.39	23311.39	23311.39	23311.39
Return on Equity (Base Rate) (in %)	15.500	15.500	15.500	15.500	15.500
MAT Rate for respective year (in %)	20.961	21.342	21.342	21.342	21.549
Rate of Return on Equity (in %)	19.610	19.705	19.705	19.705	19.758
Return on Equity	4571.36	4593.51	4593.51	4593.51	4605.86

e) IWC allowed in paragraph 56 of the order dated 30.11.2021 is revised as follows:

Particulars	(₹ in lakh)				
	2014-15	2015-16	2016-17	2017-18	2018-19
Working Capital for O&M Expenses (O&M Expenses for 1 month)	144.55	149.37	154.31	159.44	164.73
Working Capital for Maintenance Spares (15% of O&M Expenses)	260.18	268.86	277.76	286.99	296.51
Working Capital for Receivables (Equivalent to 2 months of annual fixed cost)	2251.60	2204.33	2153.54	2103.16	2055.23
Total Working Capital	2656.33	2622.56	2585.61	2549.59	2516.46
Rate of Interest (in %)	13.50	13.50	13.50	13.50	13.50
Interest on Working Capital	358.60	354.05	349.06	344.19	339.72

f) The annual transmission charges allowed in paragraph 58 of the order dated 30.11.2021 is revised as follows:

Particulars	(₹ in lakh)				
	2014-15	2015-16	2016-17	2017-18	2018-19
Depreciation	4057.74	4057.74	4057.74	4057.74	4057.74
Interest on Loan	2787.32	2428.27	2069.21	1710.21	1351.33
Return on Equity	4571.36	4593.51	4593.51	4593.51	4605.86
O&M Expenses	1734.56	1792.42	1851.73	1913.28	1976.72
Interest on Working Capital	358.60	354.05	349.06	344.19	339.72
Total	13509.58	13225.98	12921.25	12618.94	12331.37

g) Capital cost allowed as on 1.4.2019 and 31.3.2024 in paragraph 63 of the order dated 30.11.2021 is revised as follows:

(₹ in lakh)		
Capital Cost (as on 1.4.2019)	ACE (2019-24)	Capital Cost (as on 31.3.2024)
77706.19	0.00	77706.19



h) Debt-equity ratio allowed in paragraph 65 of the order dated 30.11.2021 is revised as follows:

Funding	Capital Cost (as on 1.4.2019) (₹ in lakh)	(in %)	Capital Cost (as on 31.3.2024) (₹ in lakh)	(in %)
Debt	54394.80	70.00	54394.80	70.00
Equity	23311.39	30.00	23311.39	30.00
Total	77706.19	100.00	77706.19	100.00

i) Depreciation allowed in paragraph 67 of the order dated 30.11.2021 is revised as follows:

Particulars	(₹ in lakh)				
	2019-20	2020-21	2021-22	2022-23	2023-24
Opening Gross Block	77706.19	77706.19	77706.19	77706.19	77706.19
ACE	0.00	0.00	0.00	0.00	0.00
Closing Gross Block	77706.19	77706.19	77706.19	77706.19	77706.19
Average Gross Block	77706.19	77706.19	77706.19	77706.19	77706.19
Freehold Land	265.15	265.15	265.15	265.15	265.15
Weighted average rate of Depreciation (WAROD) (in %)	5.22%	5.22%	1.18%	1.18%	1.18%
Balance useful life of the Asset at the beginning of the year (Year)	22	21	20	19	18
Elapsed life at the beginning of the year (Year)	10	11	12	13	14
Depreciable Value	69696.94	69696.94	69696.94	69696.94	69696.94
Depreciation during the year	4057.74	4057.74	919.06	919.06	919.06
Cumulative Depreciation at the end of the year	47257.91	51315.64	52234.71	53153.77	54072.84
Remaining Depreciable Value at the end of the year	22439.03	18381.29	17462.23	16543.16	15624.10

j) IoL allowed in paragraph 69 of the order dated 30.11.2021 is revised as follows:

Particulars	(₹ in lakh)				
	2019-20	2020-21	2021-22	2022-23	2023-24
Gross Normative Loan	54394.80	54394.80	54394.80	54394.80	54394.80
Cumulative Repayments up to Previous Year	41470.95	45528.69	49586.42	50505.49	51424.55
Net Loan-Opening	12923.85	8866.11	4808.38	3889.31	2970.25
Additions due to ACE	0.00	0.00	0.00	0.00	0.00
Repayment during the year	4057.74	4057.74	919.06	919.06	919.06
Net Loan-Closing	8866.11	4808.38	3889.31	2970.25	2051.18
Average Loan	10894.98	6837.24	4348.84	3429.78	2510.71



Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
Weighted Average Rate of Interest on Loan (in %)	9.0767	9.1081	9.1570	9.1561	9.0277
Interest on Loan	988.90	622.74	398.22	314.03	226.66

k) RoE allowed in paragraph 71 of the order dated 30.11.2021 is revised as follows:

(₹ in lakh)					
Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
Opening Equity	23311.39	23311.39	23311.39	23311.39	23311.39
Additions due to ACE	0.00	0.00	0.00	0.00	0.00
Closing Equity	23311.39	23311.39	23311.39	23311.39	23311.39
Average Equity	23311.39	23311.39	23311.39	23311.39	23311.39
Return on Equity (Base Rate) (in %)	15.50	15.50	15.50	15.50	15.50
MAT Rate for respective year (in %)	17.472	17.472	17.472	17.472	17.472
Rate of Return on Equity (in %)	18.782	18.782	18.782	18.782	18.782
Return on Equity	4378.35	4378.35	4378.35	4378.35	4378.35

l) IWC allowed in paragraph 78 of the order dated 30.11.2021 is revised as follows:

(₹ in lakh)					
Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
Working Capital for O&M Expenses (O&M Expenses for 1 month)	193.82	200.64	207.71	215.11	222.55
Working Capital for Maintenance Spares (15% of O&M Expenses)	348.88	361.15	373.88	387.20	400.59
Working Capital for Receivables (Equivalent to 45 days of annual transmission charges)	1474.67	1441.46	1030.37	1031.21	1028.87
Total Working Capital	2017.37	2003.24	1611.97	1633.53	1652.02
Rate of Interest (in %)	12.05	11.25	10.50	10.50	10.50
Interest on Working Capital	243.09	225.36	169.26	171.52	173.46

m) The transmission charges in respect of Combined Asset allowed in paragraph 79

of the order dated 30.11.2021 is revised as follows:

(₹ in lakh)					
Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
Depreciation	4057.74	4057.74	919.06	919.06	919.06
Interest on Loan	988.90	622.74	398.22	314.03	226.66
Return on Equity	4378.35	4378.35	4378.35	4378.35	4378.35
O&M Expenses	2325.88	2407.65	2492.56	2581.33	2670.62
Interest on Working Capital	243.09	225.36	169.26	171.52	173.46
Total	11993.96	11691.83	8357.45	8364.29	8368.15



19. Annexure-I and Annexure-II allowed in the order dated 30.11.2021 are revised and given hereinafter form part of the order.

20. Except for the above, all other terms contained in the order dated 30.11.2021 in Petition No. 691/TT/2020 shall remain unaltered.

21. This order disposes of Petition No. 8/RP/2022 in Petition No.691/TT/2020 in terms of the above discussions and findings. Review petition is allowed in the terms stated above.

sd/-
(P. K. Singh)
Member

sd/-
(Arun Goyal)
Member

sd/-
(I. S. Jha)
Member



Annexure-I

2014-19 Capital Expenditure	Capital Cost as on 1.4.2014 (₹ in lakh)	ACE (₹ 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)					
		2014-19	2014-19			2014-15	2015-16	2016-17	2017-18	2018-19	
Land - Freehold	265.15	0.00	0.00	265.15	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Building Civil Works & Colony	1889.95	0.00	0.00	1889.95	3.34	63.12	63.12	63.12	63.12	63.12	63.12
Transmission Line	53253.39	0.00	0.00	53253.39	5.28	2811.78	2811.78	2811.78	2811.78	2811.78	2811.78
Sub Station	21772.49	0.00	0.00	21772.49	5.28	1149.59	1149.59	1149.59	1149.59	1149.59	1149.59
PLCC	525.21	0.00	0.00	525.21	6.33	33.25	33.25	33.25	33.25	33.25	33.25
Total	77706.19	0.00	0.00	77706.19	Total	4057.74	4057.74	4057.74	4057.74	4057.74	4057.74
Average Gross Block (₹ in lakh)											
Weighted Average Rate of Depreciation											
						5.22%	5.22%	5.22%	5.22%	5.22%	5.22%



Annexure-II

2019-24 Capital Expenditure	Combined Admitted Capital Cost as on 1.4.2019 (₹ in lakh)	ACE (₹ in lakh)		Admitted Capital Cost as on 31.3.2024 (₹ in lakh)	Rate of Depreciation as per Regulations (%)	Annual Depreciation as per Regulations (₹ in lakh)				
		2019-24	2020-21			2021-22	2022-23	2023-24		
Land - Freehold	265.15	0.00	0.00	265.15	0.00	0.00	0.00			
Building Civil Works & Colony	1889.95	0.00	63.12	1889.95	3.34	63.12	63.12			
Transmission Line	53253.39	0.00	2811.78	53253.39	5.28	2811.78	2811.78			
Sub Station	21772.49	0.00	1149.59	21772.49	5.28	1149.59	1149.59			
PLCC	525.21	0.00	33.25	525.21	6.33	33.25	33.25			
Total	77706.19	0.00	4057.74	77706.19	Total	4057.74	4057.74	919.06	919.06	919.06
Average Gross Block (₹ in lakh)										
77706.19										
Weighted Average Rate of Depreciation										
5.22%										
1.18%										
1.18%										
5.22%										
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5.22%										
1.18%										
1.18%										



**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 691/TT/2020

Coram:

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

Date of Order : 30.11.2021

In the matter of:

Approval under Regulation 86 of the Central Electricity Regulatory Commission (Conduct of Business) Regulations, 1999 and revision of transmission tariff of the 2004-09 and 2009-14 tariff periods and truing up of transmission tariff of the 2014-19 tariff period under the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2014 and determination of transmission tariff for the 2019-24 tariff period under the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2019 for Combined Asset-I consisting of (i): 765 kV S/C Bina-Gwalior Transmission Line; (ii) 315 MVA, 400/220/33 kV ICT-I along with associated bays at Gwalior Sub-station; (iii): LILO of 400 kV S/C Korba-Raipur line at Bhatapara Sub-station along with associated bays; (iv): 400 kV Khandwa Rajgarh Circuit-II along with associated bays and 765/400 kV ICT-III at Seoni Sub-station; (v): 400 kV Khandwa-Rajgarh Circuit-I along with associated bays and 63 MVAR Bus Reactor at Bina Sub-station, Asset-II: 400 kV ICT-II at Gwalior Sub-station; and Asset-III: 400/220 kV ICT-II at Bhatapara Sub-station under Sipat-II Transmission System in the Western Region.

And in the matter of:

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

.....Petitioner

Versus

1. Madhya Pradesh Power Management Company Limited,
Shakti Bhawan, Rampur, Jabalpur-482008.
2. Madhya Pradesh Power Transmission Company Limited,
Shakti Bhawan, Rampur, Jabalpur-482008.
3. Madhya Pradesh Audyogik Kendra Vikas Nigam (Indore) Limited,
3/ 54, Press Complex, Agra-Bombay Road, Indore-452008.
4. Maharashtra State Electricity Distribution Company Limited,
Hongkong Bank Building, 3rd Floor, M.G. Road, Fort, Mumbai-400001.
5. Maharashtra State Electricity Transmission Company Limited,



Prakashganga, 6th Floor, Plot No. C-19, E-Block,
Bandra Kurla Complex, Bandra (East) Mumbai-400051.

6. Gujarat Urja Vikas Nigam Limited,
Sardar Patel Vidyut Bhawan,
Race Course Road, Vadodara-390007.
7. Gujarat Energy Transmission Corporation Limited,
Sardar Patel Vidyut Bhawan, Race Course Road, Vadodara-390007.
8. Electricity Department,
Government of Goa,
Vidyut Bhawan, Panaji,
Near Mandvi Hotel, Goa-403001.
9. Electricity Department,
Administration of Daman & Diu,
Daman-396210.
10. Electricity Department,
Administration of Dadra Nagar Haveli,
U.T., Silvassa-396230.
11. Chhattisgarh State Electricity Board,
P. O. Sunder Nagar, Dangania,
Raipur, Chhattisgarh-492013.
12. Chhattisgarh State Power Transmission Company Limited,
State Load Despatch Building, Dangania, Raipur-492013.
13. Chhattisgarh State Power Distribution Company Limited,
P. O. Sunder Nagar, Dangania, Raipur,
Chhattisgarh-492013.

.....Respondent(s)

For Petitioner : Shri S. S. Raju, PGCIL
Shri D. K. Biswal, PGCIL
Shri V. P. Rastogi, PGCIL
Shri Amit Yadav, PGCIL

For Respondents : Shri Anindya Khare, MPPMCL

ORDER

The Petitioner, Power Grid Corporation of India Limited, has filed the instant petition for revision of transmission tariff of the 2004-09 and 2009-14 tariff periods; truing up of the transmission tariff of the 2014-19 tariff period under the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2014



(hereinafter referred to as “the 2014 Tariff Regulations”); and determination of transmission tariff for the period from 1.4.2019 to 31.3.2024 under the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2019 (hereinafter referred to as “the 2019 Tariff Regulations”) in respect of seven transmission assets under Sipat-II Transmission System in Western Region (hereinafter referred to as “the transmission system”):

Combined Asset-I comprising of:

Asset-1: 765 kV S/C Bina-Gwalior Transmission Line;

Asset-2: 315 MVA, 400/220/33 kV ICT-I along with associated bays at Gwalior Sub-station;

Asset-3: LILO of 400 kV S/C Korba-Raipur line at Bhatapara Sub-station along with associated bays;

Asset-4: 400 kV Khandwa Rajgarh Circuit-II along with associated bays and 765/400 kV ICT-III at Seoni Sub-station;

Asset-5: 400 kV Khandwa Rajgarh Circuit-I along with associated bays and 63 MVAR Bus Reactor at Bina Sub-station;

Asset-II: 400 kV ICT-II at Gwalior Sub-station; and

Asset-III: 400/220 kV ICT-II at Bhatapara Sub-station (Asset-1, Asset-2, Asset-3, Asset-4, Asset-5, Asset-II and Asset-III have been collectively referred to as the “transmission assets” for the 2004-09 tariff period. The subject Asset-1, Asset-2, Asset-3, Asset-4 and Asset-5 have been combined during the 2009-14 tariff period and have been collectively referred to as “the Combined Asset-I” for 2009-14 tariff period. The Combined Asset-I, Asset-II and Asset-III have been combined during the 2014-19 tariff period and have been collectively referred to as “the Combined Asset” for 2014-19 and 2019-24 periods).



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

- "1) Approve the revised Transmission Tariff for 2004-09 block and transmission tariff for 2009-14 block for the assets covered under this petition, as per para 8 above.
- 2) Approve the trued up Transmission Tariff for 2014-19 block and transmission tariff for 2019-24 block for the assets covered under this petition, as per para 9 and 10 above.
- 3) a) Allow the petitioner to recover the shortfall or refund the excess Annual Fixed Charges, on account of Return on Equity due to change in applicable Minimum Alternate/Corporate Income Tax rate as per the Income Tax Act, 1961 (as amended from time to time) of the respective financial year directly without making any application before the Commission as provided in Tariff Regulation 2014 and Tariff regulations 2019 as per para 9 and 10 above for respective block.

b) Further it is submitted that deferred tax liability before 01.04.2009 shall be recoverable from the beneficiaries or long term transmission customers /Dlc as the case may be, as and when materialized as per regulation 49 of 2014 and regulation 67 of 2019 tariff regulation. The petitioner may be allowed to recover the deferred tax liability materialised directly without making any application before the commission as provided in the regulation.
- 4) Approve the reimbursement of expenditure by the beneficiaries towards petition filing fee, and expenditure on publishing of notices in newspapers in terms of Regulation 70 (1) Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2019, and other expenditure (if any) in relation to the filing of petition.
- 5) Allow the petitioner to bill and recover Licensee fee and RLDC fees and charges, separately from the respondents in terms of Regulation 70 (3) and (4) Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2019.
- 6) Allow the petitioner to bill and adjust impact on Interest on Loan due to change in Interest rate on account of floating rate of interest applicable during 2019-24 period, if any, from the beneficiaries.
- 7) Allow the petitioner to file a separate petition before Hon'ble Commission for claiming the overall security expenses and consequential IOWC on that security expenses as mentioned at para 10.5 above.
- 8) Allow the petitioner to claim the capital spares at the end of tariff block as per actual.
- 9) 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"



3. Backdrop of the case

a) The Investment Approval (I.A.) for the transmission system was accorded by the Ministry of Power *vide* letter dated 23.8.2004 at an estimated cost of ₹60190.00 lakh, which included IDC of ₹4199.00 lakh (based on 1st Quarter, 2004 Price Level).

b) Details of the transmission assets under the transmission system, their CODs, etc. are as under:

Assets		Description	COD	E-COD of the Combined Asset with effect from 1.4.2014
Combined Asset-I	Asset-1	765 kV S/C Bina-Gwalior Transmission Line	1.4.2007	5.5.2008
	Asset-2	315 MVA, 400/220/33 kV ICT-I along with associated bays at Gwalior Sub-station	1.5.2007	
	Asset-3	LILO of 400kV S/C Korba-Raipur line at Bhatapara Sub-station along with associated bays	1.12.2007	
	Asset-4	400 kV Khandwa Rajgarh Circuit-II along with associated bays and 765/400 kV ICT-III at Seoni Sub-station	1.4.2008	
	Asset-5	400 kV Khandwa Rajgarh Circuit-I along with associated bays and 63 MVAR Bus Reactor at Bina Sub-station	1.5.2008	
Asset-II		400 kV ICT-II at Gwalior Sub-station	1.4.2008	
Asset-III		400/220 kV ICT-II at Bhatapara Sub-station	1.1.2009	

c) The transmission tariff for Asset-1, Asset-2 and Asset-3 from COD to 31.3.2009 was determined *vide* order dated 15.6.2009 in Petition No.3/2009. The transmission tariff for Asset-1, Asset-2 and Asset-3 for the 2008-09 period was further revised on account of Additional Capital Expenditure (ACE) during the 2008-09 period *vide* order dated 10.5.2010 in Petition No. 330/2009.

d) The transmission tariff for Asset-4, Asset-5 and Asset-II from COD to 31.3.2009 was determined *vide* order dated 19.5.2010 in Petition No. 166/2009.

e) The transmission tariff for Asset-III from COD to 31.3.2009 was determined *vide* order dated 18.6.2010 in Petition No. 242/2009. The Petitioner filed a Review Petition No. 213/2010 in Petition No. 242/2009 and the



Commission dismissed the Review Petition *vide* order dated 3.2.2012. In light of the judgement of the Appellate Tribunal for Electricity (hereinafter referred to as “APTEL”) dated 3.5.2013 in Appeal No. 118 of 2012, the transmission tariff for Asset-III was further revised *vide* order dated 5.1.2015 in Petition No. 242/2009 read with corrigendum dated 5.1.2015.

f) The Petitioner had combined Asset-1, Asset-2, Asset-3, Asset-4 and Asset-5 covered in the transmission project into one single Combined Asset-I during 2009-14 tariff period. Accordingly, the transmission tariff for Combined Asset-I and Asset-II for the period from 1.4.2009 to 31.3.2014 was determined *vide* order dated 19.4.2011 in Petition No. 291/2010.

g) The transmission tariff for the 2009-14 period for Asset-III was determined *vide* order dated 18.10.2012 in Petition No. 130/2012.

h) The transmission tariff for Combined Asset-I, Asset-II and Asset-III for the 2009-14 period was trued up *vide* order dated 29.2.2016 in Petition No. 225/TT/2015. The Commission *vide* order dated 29.2.2016 in Petition no. 225/TT/2015 had restricted capital cost of Asset-II to apportioned approved cost (RCE-I). Subsequently, the Petitioner filed Review Petition No. 37/RP/2017 along with IA No. 66/IA/2017 for review and modification of the said order and also *vide* affidavit dated 4.9.2017 has submitted RCE-II apportionment for Asset-II. The Review Petition No. 37/RP/2017 was rejected due to non-compliance of time limits for filing the review petition. However, the Commission *vide* order dated 27.3.2018 in Review Petition No. 37/RP/2017 held that the Review Petitioner may submit the RCE at the time of truing up of the 2014-19 tariff which will be dealt with in accordance with law. The relevant extracts of the Order dated 27.3.2018 are as follows:

“7. As the review petition is disallowed on the ground of non-compliance with the statutory time limit for filing the review petition, we are not expressing any opinion on the merit of the review petition. The Review Petitioner may submit the RCE dated 1.6.2016 for consideration of the Commission at the time of truing up of the 2014-19 tariff which will be dealt with in accordance with law.”

i) The Petitioner had claimed the tariff for 2014-19 tariff period in respect of the single Combined Asset comprising of Combined Asset-I, Asset-II and Asset-



III covered in the transmission project. Accordingly, the transmission tariff for the period from 1.4.2014 to 31.3.2019 in respect of the single Combined Asset was determined vide order dated 29.2.2016 in Petition No. 225/TT/2015.

j) The entire scope of work is complete as per I.A. and is covered in this petition.

k) The Petitioner has prayed for revision of transmission tariff allowed for the 2004-09 tariff on account of change in Interest on Loan (IoL) and Interest on Working Capital (IWC) to the extent of revision in IoL and in Maintenance Spares in terms of the judgments of the APTEL dated 22.1.2007 in Appeal No. 81 of 2005 and batch matters and 13.6.2007 in Appeal No. 139 of 2006 and batch matters respectively; consequential revision of transmission tariff approved for the 2009-14 tariff period; truing up of tariff of the 2014-19 tariff period; and determination of transmission tariff of the 2019-24 tariff period for Combined Asset-I.

l) The APTEL in judgment dated 22.1.2007 in Appeal No. 81 of 2005 and batch matters pertaining to generating stations of NTPC Limited had considered 04 (four) issues. The issues considered by the APTEL and its decisions/ directions are as follows:

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



4	Cost of spares for calculation of working capital	Commission's view upheld
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m) The APTEL in its judgment dated 13.6.2007 in Appeal No. 139 of 2006 and batch matters pertaining to generating stations of NTPC Limited had considered 09 (nine) issues. The issues considered and the decisions/ directions of the APTEL are as follows:

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

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



o) Based on the APTEL's judgments dated 22.1.2007 and 13.6.2007, the Petitioner had sought re-determination of transmission tariff of its transmission assets for the 2001-04 and 2004-09 tariff periods in Petition No. 121/2007. The Commission after taking into consideration the pendency of Appeals before the Hon'ble Supreme Court adjourned the said petition *sine die* and directed that the same be revived after the disposal of Civil Appeals by the Hon'ble Supreme Court.

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

q) Consequent to the Hon'ble Supreme Court's judgment dated 10.4.2018 in NTPC Limited matter, Petition No. 121/2007 was listed for hearing on 8.1.2019. The Commission vide order dated 18.1.2019 in Petition No. 121/2007 directed the Petitioner to submit its claim separately for the assets at the time of filing of truing up of the petitions for the 2014-19 tariff period.

r) The instant petition was heard on 6.7.2021 and in view of the APTEL's judgments dated 22.1.2007 and 13.6.2007 and the judgment of the Hon'ble Supreme Court dated 10.4.2018, tariff is being revised. Period-wise transmission tariff is being re-worked based on the Tariff Regulations applicable for the respective tariff periods and suitable assumptions have been made at certain places and applied, which are indicated.

4. The respondents are distribution licensees, power departments and transmission licensees which are procuring transmission services from the Petitioner, mainly beneficiaries of Western Region.

5. The Petitioner has served the petition on the Respondents and notice regarding filing of this petition has also been published in the newspapers in accordance with Section 64 of the Electricity Act, 2003. No comments or suggestions have been received from the general public in response to the aforesaid notices published in the newspaper. Madhya Pradesh Power Management Company Limited (MPPMCL),



Respondent No. 1, has filed its reply vide affidavit dated 20.11.2020 and has raised the issues of revision of transmission tariff of the 2004-09 and 2009-14 tariff periods and effective income tax rates for grossing up of Return on Equity (RoE). The Petitioner vide affidavit dated 8.6.2021 has filed rejoinder to MPPMCL's reply.

6. It has been placed before us that MPPMCL has been raising the same issues in other petitions as well despite clear findings of the Commission rejecting the contentions of MPPMCL. The contentions of MPPMCL have been rejected by the Commission in other petitions including Petition No. 215/TT/2020. As MPPMCL has not challenged the findings, the same have attained finality. In view of these, the pleas raised by MPPMCL are rejected. Further, MPPMCL's submissions, Petitioner's clarifications thereto and the Commission's findings on the said issues have not been repeated herein for the sake of brevity.

Re: Interest on Loan

7. The APTEL while dealing with the issue of computation of IoL, in judgment dated 22.1.2007 observed that IoL for the period from 1.4.1998 to 31.3.2001 shall be computed only on normative loan repayment as per its judgment dated 14.11.2006 in Appeal Nos. 94 and 96 of 2005. The APTEL vide judgment dated 14.11.2006 had set aside the Commission's methodology of computation of loan on the actual repayment basis or normative repayment whichever is higher and held that the Commission is required to adopt normative debt repayment methodology for working out IoL liability for the period from 1.4.1998 to 31.3.2001. In view of the above, the interest allowed for the 2004-09 period is revised on the basis of the normative debt repayment methodology.

Re: Additional Capital Expenditure

8. The APTEL vide judgment dated 13.6.2007 in Appeal No.139 of 2006 and others held that ACE after COD should also be considered for computation of



maintenance spares. In view of the above, the maintenance spares to be considered for computation of working capital for the 2004-09 period are also required to be revised taking into consideration ACE after COD.

Re: Depreciation

9. As regards depreciation, the APTEL vide judgment dated 13.6.2007 in Appeal No.139 of 2006 observed that depreciation is an expense and it cannot be deployed for deemed repayment of loan and accordingly directed the Commission to compute the outstanding loan afresh. In view of the above, the outstanding loan allowed for the 2004-09 period is revised in the instant order.

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



11. This order is issued considering the submissions made by the Petitioner in the petition vide affidavit dated 6.12.2019, MPPMCL's reply filed vide affidavit dated 20.11.2020, the Petitioner's affidavit dated 12.2.2021 filed in response to technical validation letter and the Petitioner's rejoinder filed vide affidavit dated 8.6.2021.

12. The hearing in this matter was held on 6.7.2021 through video conference and the order was reserved. Having heard the representatives of the Petitioner, MPPMCL and after perusal of the materials on record, we proceed to dispose of the petition.

REVISION OF TRANSMISSION CHARGES ALLOWED FOR THE 2004-09 AND 2009-14 TARIFF PERIODS

2004-09 Period

13. The Commission vide order dated 15.6.2009 in Petition No. 3/2009 had approved the final transmission tariff of Asset-1, Asset-2 and Asset-3 for the period from their respective COD to 31.3.2009 [after accounting for Additional Capital Expenditure (ACE) during 2007-08] which was subsequently revised on account of ACE during 2008-09 vide order dated 10.5.2010 in Petition No. 330/2009 as follows:

Asset-1

Particulars	(₹ in lakh)	
	2007-08	2008-09
Depreciation	838.29	917.75
Interest on Loan	1898.26	1996.19
Return on Equity	1336.19	1456.32
Advance against Depreciation	0.00	0.00
O&M Expenses	123.17	128.29
Interest on Working Capital	125.84	134.42
Total	4321.75	4632.98

Asset-2

Particulars	(₹ in lakh)	
	2007-08 (11 months)	2008-09
Depreciation	61.97	69.28
Interest on Loan	106.07	112.83
Return on Equity	72.30	80.83
Advance against Depreciation	0.00	0.00
O&M Expenses	173.97	197.40



Interest on Working Capital	12.58	14.10
Total	426.88	474.44

Asset-3

Particulars	(₹ in lakh)	
	2007-08 (4 months)	2008-09
Depreciation	58.30	193.19
Interest on Loan	101.99	348.03
Return on Equity	72.11	240.82
Advance against Depreciation	0.00	0.00
O&M Expenses	84.61	264.02
Interest on Working Capital	9.51	30.74
Total	326.52	1076.80

14. The Commission vide order dated 19.5.2010 in Petition No. 166/2009 had approved the final transmission tariff (after accounting for ACE during 2008-09) of Asset-4, Asset-5 and Asset-II for the period from their respective COD to 31.3.2009 as follows:

Asset-4

Particulars	(₹ in lakh)
	2008-09
Depreciation	594.15
Interest on Loan	1278.16
Return on Equity	867.63
Advance against Depreciation	0.00
O&M Expenses	190.27
Interest on Working Capital	88.43
Total	3018.63

Asset-5

Particulars	(₹ in lakh)
	2008-09 (11 months)
Depreciation	166.68
Interest on Loan	370.40
Return on Equity	252.71
Advance against Depreciation	0.00
O&M Expenses	144.26
Interest on Working Capital	28.44
Total	962.48



Asset-II

Particulars	(₹ in lakh)	
	2008-09	
Depreciation	43.70	
Interest on Loan	74.71	
Return on Equity	50.91	
Advance against Depreciation	0.00	
O&M Expenses	65.80	
Interest on Working Capital	7.10	
Total	242.23	

15. The Commission vide order 18.6.2010 in Petition No. 242/2009 had determined the final transmission tariff (after accounting for ACE during 2008-09) of Asset-III for the period from COD to 31.3.2009, which was revised vide revision order dated 5.1.2015 in Petition No. 242/2009. A corrigendum dated 10.2.2015 in Petition No. 242/2009 with respect to the said revision order was issued correcting the inadvertent typographical error. The transmission tariff as revised therein is as follows:

Asset-III

Particulars	(₹ in lakh)	
	2008-09 (3 months)	
Depreciation	13.61	
Interest on Loan	24.36	
Return on Equity	15.69	
Advance against Depreciation	0.00	
O&M Expenses	16.45	
Interest on Working Capital	2.10	
Total	72.20	

16. The Petitioner has claimed the revised transmission charges in respect of the transmission assets for the 2004-09 period in this petition as follows:

Asset-1

Particulars	(₹ in lakh)	
	2007-08	2008-09
Depreciation	838.29	917.75
Interest on Loan	1934.71	2107.53
Return on Equity	1336.19	1456.32
Advance against Depreciation	0.00	0.00
O&M Expenses	123.17	128.29
Interest on Working Capital	129.28	143.33
Total	4361.64	4753.22



Asset-2

Particulars	(₹ in lakh)	
	2007-08 (11 months)	2008-09
Depreciation	61.97	69.28
Interest on Loan	108.63	121.51
Return on Equity	72.30	80.83
Advance against Depreciation	0.00	0.00
O&M Expenses	173.97	197.40
Interest on Working Capital	12.65	14.38
Total	429.53	483.41

Asset-3

Particulars	(₹ in lakh)	
	2007-08 (4 months)	2008-09
Depreciation	58.30	193.19
Interest on Loan	102.77	362.07
Return on Equity	72.11	240.82
Advance against Depreciation	0.00	0.00
O&M Expenses	84.61	264.02
Interest on Working Capital	9.65	32.43
Total	327.44	1092.52

Asset-4

Particulars	(₹ in lakh)	
	2008-09	
Depreciation	594.15	
Interest on Loan	1304.34	
Return on Equity	867.63	
Advance against Depreciation	0.00	
O&M Expenses	190.27	
Interest on Working Capital	89.43	
Total	3045.82	

Asset-5

Particulars	(₹ in lakh)	
	2008-09 (11 months)	
Depreciation	166.68	
Interest on Loan	377.04	
Return on Equity	252.71	
Advance against Depreciation	0.00	
O&M Expenses	144.26	
Interest on Working Capital	28.63	
Total	969.32	



Asset-II

Particulars	(₹ in lakh)
	2008-09
Depreciation	43.70
Interest on Loan	76.70
Return on Equity	50.91
Advance against Depreciation	0.00
O&M Expenses	65.80
Interest on Working Capital	7.15
Total	244.26

Asset-III

Particulars	(₹ in lakh)
	2008-09 (3 months)
Depreciation	13.61
Interest on Loan	24.51
Return on Equity	15.69
Advance against Depreciation	0.00
O&M Expenses	16.45
Interest on Working Capital	2.10
Total	72.36

17. We have considered the submissions of the Petitioner. The transmission tariff is revised in respect of the transmission assets on the basis of the following:

- a) The admitted capital cost as on COD and ACE during 2007-08 and 2008-09 in respect of the transmission assets which is as follows:

Asset	Capital Cost as on COD	(₹ in lakh)	
		ACE	
		2007-08	2008-09
Asset-1	29668.65	4291.03	1429.19
Asset-2	1857.65	40.37	52.99
Asset-3	4849.81	602.52	563.61
Asset-4	20288.77	0.00	738.14
Asset-5	6515.33	0.00	99.04
Asset-II	1213.49	0.00	1.02
Asset-III	1480.06	0.00	29.01

- b) Weighted Average Rate of Interest (WAROI) on actual loan, Weighted Average Rate of Depreciation (WAROD), Rate of IWC and O&M Expenses for:

- Asset-1, Asset-2 and Asset-3 as per order dated 15.6.2009 and 10.5.2010 in Petition No. 3/2009 and Petition No. 330/2009 respectively;
- Asset-4, Asset-5 and Asset-II as per order dated 19.5.2010 in Petition No. 166/2009; and



- Asset-III as per order dated 18.6.2010, 5.1.2015 and 10.2.2015 in Petition No. 242/2009.

c) With respect to calculation of IoL, during the 2004-09 period moratorium period was availed by the Petitioner in respect of Asset-2, Asset-3, Asset-4, Asset-5, Asset-II and Asset-III and no actual repayment of loan was made. Earlier, the Commission vide order dated 15.6.2009 and 10.5.2010 in Petition No. 3/2009 and Petition No. 330/2009 respectively [for Asset-2, Asset-3]; vide order dated 19.5.2010 in Petition No. 166/2009 [for Asset-4, Asset-5 and Asset-II] and vide order dated 5.1.2015 in Petition No. 242/2009 [for Asset-III] had considered the respective depreciation provided during the 2004-09 tariff period as loan repayment. Therefore, depreciation provided during 2007-08 and 2008-09 has been considered as loan repayment for the respective assets in accordance with Regulation 56(i)(f) of the 2004 Tariff Regulations. The relevant extract of the Regulation 56(i)(f) of the 2004 Tariff Regulations is as follows:

"56 (i) Interest on Loan Capital

(f) In case any moratorium period is availed of by the transmission licensee, depreciation provided for in the tariff during the years of moratorium shall be treated as repayment during those years and interest on loan capital shall be calculated accordingly;"

18. In view of the above, the revised transmission charges approved in respect of the transmission assets for the 2004-09 tariff period are as follows:

Asset-1

Particulars	(₹ in lakh)	
	2007-08	2008-09
Depreciation	838.29	917.75
Interest on Loan	1934.13	2107.19
Return on Equity	1336.19	1456.32
Advance against Depreciation	0.00	0.00
O&M Expenses	123.17	128.29
Interest on Working Capital	129.27	143.32
Total	4361.05	4752.87

Asset-2

Particulars	(₹ in lakh)	
	2007-08 (11 months)	2008-09
Depreciation	61.97	69.28
Interest on Loan	106.07	112.83
Return on Equity	72.30	80.83



Advance against Depreciation	0.00	0.00
O&M Expenses	173.97	197.40
Interest on Working Capital	12.60	14.19
Total	426.91	474.53

Asset-3

Particulars	(₹ in lakh)	
	2007-08 (4 months)	2008-09
Depreciation	58.30	193.19
Interest on Loan	101.99	348.03
Return on Equity	72.11	240.82
Advance against Depreciation	0.00	0.00
O&M Expenses	84.61	264.02
Interest on Working Capital	9.64	31.89
Total	326.64	1077.95

Asset-4

Particulars	(₹ in lakh)	
	2008-09	
Depreciation	594.15	
Interest on Loan	1278.16	
Return on Equity	867.63	
Advance against Depreciation	0.00	
O&M Expenses	88.89	
Interest on Working Capital	190.27	
Total	3019.10	

Asset-5

Particulars	(₹ in lakh)	
	2008-09 (11 months)	
Depreciation	166.68	
Interest on Loan	370.40	
Return on Equity	252.71	
Advance against Depreciation	0.00	
O&M Expenses	144.26	
Interest on Working Capital	28.50	
Total	962.55	

Asset-II

Particulars	(₹ in lakh)	
	2008-09	
Depreciation	43.70	
Interest on Loan	74.71	
Return on Equity	50.91	
Advance against Depreciation	0.00	
O&M Expenses	7.10	
Interest on Working Capital	65.80	
Total	242.23	



Asset-III

Particulars	(₹ in lakh)
	2008-09 (3 months)
Depreciation	13.61
Interest on Loan	24.36
Return on Equity	15.69
Advance against Depreciation	0.00
O&M Expenses	16.45
Interest on Working Capital	2.10
Total	72.21

19. The Annual Fixed Charges (AFC) in respect of Asset-1, Asset-2 and Asset-3 allowed for the 2004-09 tariff period vide order dated 10.5.2010 in Petition No. 330/2009, revised AFC claimed by the Petitioner in the instant petition and the revised AFC approved in the instant order are as follows:

Particulars	(₹ in lakh)					
	Asset-1		Asset-2		Asset-3	
	2007-08	2008-09	2007-08 (11 months)	2008-09	2007-08 (4 months)	2008-09
Allowed vide order dated 10.5.2010 in Petition No. 330/2009	4321.75	4632.98	426.88	474.44	326.52	1076.80
Claimed by the Petitioner in the instant petition	4361.64	4753.22	429.53	483.41	327.44	1092.52
Approved in the instant order	4361.05	4752.87	426.91	474.53	326.64	1077.95

20. AFC in respect of Asset-4, Asset-5 and Asset-II allowed for the 2004-09 tariff period vide order dated 19.5.2010 in Petition No. 166/2009, revised AFC claimed by the Petitioner in the instant petition and the revised AFC approved in the instant order are as follows:

Particulars	(₹ in lakh)		
	Asset-4	Asset-5	Asset-II
	2008-09	2008-09 (11 months)	2008-09
Allowed vide order dated 19.5.2010 in Petition No. 166/2009	3018.63	962.48	242.23
Claimed by the Petitioner in the instant petition	3045.82	969.32	244.26
Approved in the instant order	3019.10	962.55	242.23

21. AFC in respect of Asset-III allowed vide order 18.6.2010 in Petition No. 242/2009 read with revision order dated 5.1.2015 in Petition No. 242/2009 and



corrigendum dated 10.2.2015 in Petition No. 242/2009, revised AFC claimed by the Petitioner in the instant petition and the revised AFC approved in the instant order are as follows:

Particulars	(₹ in lakh)
	2008-09 (3 months)
Allowed vide corrigendum dated 10.2.2015 in Petition No. 242/2009	72.20
Claimed by the Petitioner in the instant petition	72.36
Approved in the instant order	72.21

2009-14 Period

22. The Commission vide order dated 19.4.2011 in Petition No. 291/2010 had allowed the transmission tariff of Combined Asset-I [Asset-1 to Asset-5] and Asset-II for the period from 1.4.2009 to 31.3.2014. Also, vide order dated 18.10.2012 in Petition No. 130/TT/2012, the transmission tariff of Asset-III for the period from 1.4.2009 to 31.3.2014 was allowed.

23. Further, the transmission tariff of Combined Asset-I [Asset-1 to Asset-5], Asset-II and Asset-III was trued up vide order dated 29.2.2016 in Petition No. 225/TT/2015.

The trued-up tariff allowed vide order dated 29.2.2016 is as follows:

Combined Asset-I

Particulars	(₹ in lakh)				
	2009-10	2010-11	2011-12	2012-13	2013-14
Depreciation	3743.74	3805.67	3857.09	3888.58	3893.76
Interest on Loan	4030.90	3776.14	3501.25	3197.52	2860.04
Return on Equity	4018.31	4234.35	4295.47	4330.80	4389.08
O&M Expenses	1334.40	1410.87	1491.50	1576.90	1666.93
Interest on Working Capital	312.53	316.84	317.49	316.83	315.62
Total	13439.88	13543.88	13462.80	13310.63	13125.43

Asset-II

Particulars	(₹ in lakh)				
	2009-10	2010-11	2011-12	2012-13	2013-14
Depreciation	64.94	65.93	70.24	74.37	74.37
Interest on Loan	70.85	66.22	65.33	63.81	57.11
Return on Equity	68.80	72.41	77.22	81.77	82.76



O&M Expenses	89.08	94.18	99.57	105.26	111.28
Interest on Working Capital	8.72	8.97	9.42	9.85	10.03
Total	302.39	307.71	321.78	335.07	335.56

Asset-III

Particulars	(₹ in lakh)				
	2009-10	2010-11	2011-12	2012-13	2013-14
Depreciation	81.41	82.87	83.47	84.06	84.06
Interest on Loan	95.71	89.80	82.74	75.62	67.74
Return on Equity	86.08	90.84	91.58	92.24	93.35
O&M Expenses	89.08	94.18	99.57	105.26	111.28
Interest on Working Capital	9.94	10.20	10.35	10.52	10.68
Total	362.23	367.90	367.71	367.69	367.11

24. The Petitioner has claimed the revised transmission charges in respect of Combined Asset-I, Asset-II and Asset-III for the 2009-14 period in this petition as follows:

Combined Asset-I

Particulars	(₹ in lakh)				
	2009-10	2010-11	2011-12	2012-13	2013-14
Depreciation	3743.74	3805.67	3857.09	3888.58	3893.76
Interest on Loan	4285.74	4031.43	3756.85	3453.37	3116.13
Return on Equity	4018.31	4234.35	4295.47	4330.80	4389.08
O&M Expenses	1334.40	1410.87	1491.50	1576.90	1666.93
Interest on Working Capital	317.85	322.17	322.83	322.16	320.96
Total	13700.05	13804.49	13723.74	13571.82	13386.86

Asset-II

Particulars	(₹ in lakh)				
	2009-10	2010-11	2011-12	2012-13	2013-14
Depreciation	64.94	65.93	71.02	77.07	78.34
Interest on Loan	74.79	70.17	70.19	70.81	65.35
Return on Equity	68.74	72.35	78.03	84.68	87.12
O&M Expenses	89.08	94.18	99.57	105.26	111.28
Interest on Working Capital	8.80	9.06	9.55	10.11	10.38
Total	306.35	311.68	328.36	347.94	352.46

Asset-III

Particulars	(₹ in lakh)				
	2009-10	2010-11	2011-12	2012-13	2013-14
Depreciation	81.41	82.87	83.47	84.06	84.06
Interest on Loan	96.99	91.07	84.01	76.89	69.02



Return on Equity	86.08	90.84	91.58	92.24	93.35
O&M Expenses	89.08	94.18	99.57	105.26	111.28
Interest on Working Capital	9.97	10.23	10.38	10.54	10.70
Total	363.53	369.19	369.01	368.99	368.41

25. We have considered the submissions of the Petitioner. The transmission tariff is revised in respect of Combined Asset-I, Asset-II and Asset-III on the basis of the following:

- a) Admitted capital cost as on 1.4.2009, 31.3.2014 and ACE during the 2009-14 period in respect of Combined Asset-I, Asset-II and Asset-III which are as follows:

Asset	Capital Cost (as on 1.4.2009)	ACE					Capital Cost (as on 31.3.2014)
		2009-10	2010-11	2011-12	2012-13	2013-14	
Combined Asset-I	70997.10	1466.41	899.48	1063.04	152.70	54.18	74632.91
Asset-II	1214.51	30.78	6.75	156.52	0.00	0.00	1408.56
Asset-III	1509.07	55.37	0.00	22.48	0.00	0.00	1586.92

- b) WAROI on actual loan, WAROD, Rate of IWC and O&M Expenses as per order dated 29.2.2016 in Petition No. 225/TT/2015.

26. In view of the above, the revised transmission charges approved in respect of Combined Asset-I, Asset-II and Asset-III for the 2009-14 tariff period are as follows:

Combined Asset-I

Particulars	(₹ in lakh)				
	2009-10	2010-11	2011-12	2012-13	2013-14
Depreciation	3743.74	3805.67	3857.09	3888.58	3893.76
Interest on Loan	4184.30	3929.80	3655.11	3351.53	3014.19
Return on Equity	4018.31	4234.35	4295.47	4330.80	4389.08
O&M Expenses	1334.40	1410.87	1491.5	1576.9	1666.93
Interest on Working Capital	315.74	320.05	320.70	320.04	318.84
Total	13596.48	13700.75	13619.88	13467.86	13282.80

Asset-II

Particulars	(₹ in lakh)				
	2009-10	2010-11	2011-12	2012-13	2013-14
Depreciation	64.94	65.93	70.24	74.37	74.37
Interest on Loan	70.85	66.22	65.33	63.81	57.11



Return on Equity	68.80	72.41	77.22	81.77	82.76
O&M Expenses	89.08	94.18	99.57	105.26	111.28
Interest on Working Capital	8.72	8.97	9.42	9.85	10.03
Total	302.39	307.71	321.78	335.06	335.55

Asset-III

(₹ in lakh)					
Particulars	2009-10	2010-11	2011-12	2012-13	2013-14
Depreciation	81.41	82.87	83.47	84.06	84.06
Interest on Loan	95.71	89.80	82.74	75.62	67.74
Return on Equity	86.08	90.84	91.58	92.24	93.35
O&M Expenses	89.08	94.18	99.57	105.26	111.28
Interest on Working Capital	9.94	10.20	10.35	10.52	10.68
Total	362.22	367.89	367.72	367.69	367.10

27. AFC allowed in respect of Combined Asset-I, Asset-II and Asset-III for the 2009-14 period vide order dated 29.2.2016 in Petition No. 225/TT/2015, revised AFC claimed by the Petitioner in the instant petition and AFC approved in the instant order are as follows:

(₹ in lakh)					
Particulars	2009-10	2010-11	2011-12	2012-13	2013-14
Combined Asset-I					
Allowed vide order dated 29.2.2016 in Petition No. 225/TT/2015	13439.88	13543.88	13462.80	13310.63	13125.43
Claimed by the Petitioner in the instant petition	13700.05	13804.49	13723.74	13571.82	13386.86
Approved in the instant order	13596.48	13700.75	13619.88	13467.86	13282.80
Asset-II					
Allowed vide order dated 29.2.2016 in Petition No. 225/TT/2015	302.39	307.71	321.78	335.07	335.56
Claimed by the Petitioner in the instant petition	306.35	311.68	328.36	347.94	352.46
Approved in the instant order	302.39	307.71	321.78	335.06	335.55
Asset-III					
Allowed vide order dated 29.2.2016 in Petition No. 225/TT/2015	362.23	367.90	367.71	367.69	367.11
Claimed by the Petitioner in the instant petition	363.53	369.19	369.01	368.99	368.41
Approved in the instant order	362.22	367.89	367.72	367.69	367.10

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

28. The Petitioner has combined the Combined Asset-I, Asset-II and Asset-III to Combined Asset as on 1.4.2014 and, accordingly, the details of the trued-up



transmission charges as claimed by the Petitioner in respect of Combined Asset for the 2014-19 tariff period are as follows:

(₹ in lakh)					
Particulars	2014-15	2015-16	2016-17	2017-18	2018-19
Depreciation	4057.74	4057.74	4057.74	4057.74	4057.74
Interest on Loan	2894.05	2535.15	2176.32	1817.63	1459.23
Return on Equity	4574.86	4595.84	4593.51	4593.51	4605.86
O&M Expenses	1734.56	1792.42	1851.73	1913.29	1976.72
Interest on Working Capital	361.14	356.56	351.52	346.67	342.21
Total	13622.35	13337.71	13030.82	12728.84	12441.76

29. The details of the trued-up IWC as claimed by the Petitioner in respect of the Combined Asset for the 2014-19 tariff period are as follows:

(₹ in lakh)					
Particular	2014-15	2015-16	2016-17	2017-18	2018-19
O&M Expenses	144.55	149.37	154.31	159.44	164.73
Maintenance Spares	260.18	268.86	277.76	286.99	296.51
Receivables	2270.39	2222.95	2171.8	2121.47	2073.63
Total Working Capital	2675.12	2641.18	2603.87	2567.90	2534.87
Rate of Interest (in %)	13.50	13.50	13.50	13.50	13.50
Interest on Working Capital	361.14	356.56	351.52	346.67	342.21

Effective Date of Commercial Operation (E-COD)

30. Based on the trued-up admitted capital cost as on 31.3.2014 and actual COD of Combined Asset-I, Asset-II and Asset-III, E-COD has been worked out as follows:

Asset	Capital Cost (as on 31.3.2014) (₹ in lakh)	COD	Number of days from last COD	Weightage of Cost (%)	Weighted days	E-COD (latest COD – weighted days)
Combined Asset-I	74632.91	1.5.2008	245	96.14	235.55	5.5.2008
Asset-II	1408.56	1.4.2008	275	1.81	4.99	
Asset-III	1586.92	1.1.2009	0	2.04	0.00	
Total	77628.39			100.00	240.54	

31. E-COD is used to determine the lapsed life of the project as a whole which works out as 05 (five) years as on 1.4.2014 (i.e. the number of completed years as on 1.4.2014 from E-COD).



Weighted Average Life (WAL)

32. WAL has been determined based on the admitted capital cost of individual elements as on 31.3.2014 and their respective useful life as specified in the 2014 Tariff Regulations. Accordingly, WAL of Combined Asset has been worked out as 32 years as follows:

Particulars	Capital Cost (as on 31.3.2014) (₹ in.lakh) (1)	Life (in years) (2)	Weighted Cost (₹ in lakh) (3) = (1)x(2)	WAL of Asset (in years) (4) = (3)/(1)
Building & Civil Works	1888.05	25	47201.28	31.81 (rounded off to 32 years)
Transmission Line	53199.89	35	1861996.14	
Sub Station	21750.62	25	543765.41	
PLCC	524.68	15	7870.24	
Total	77363.24		2460833.07	

33. As discussed above, E-COD of Combined Asset is 5.5.2008 and the lapsed life of the project as a whole works out as 5 years as on 1.4.2014 (i.e. the number of completed years as on 1.4.2014 from E-COD). Accordingly, WAL has been used to determine the remaining useful life as on 31.3.2014 to be 27 years.

Capital Cost

34. The Petitioner in the instant petition has claimed the completion cost of ₹1486.36 lakh as on 1.4.2014 for Asset-II which was restricted to apportioned approved cost (as per RCE-I) i.e. ₹1408.56 lakh vide order dated 29.2.2016 in Petition No. 225/TT/2015. Subsequently, a Review Petition No. 37/RP/2017 along with I.A. No. 66/IA/2017 was filed seeking review and modification of the said order. Further, it has been submitted that in the said Review Petition, RCE-II along with apportionment for Asset-II amounting to ₹1625.15 lakh was submitted.

35. The Petitioner has submitted that vide order dated 27.3.2018 in Review Petition No. 37/RP/2017 along with 66/IA/2017, liberty was granted to the Petitioner to



approach the Commission for consideration of the capital cost of Asset-II (as claimed in Petition No. 225/TT/2015) at the time of true up of the 2014-19 tariff.

36. Accordingly, the Petitioner in the instant petition has requested to allow the tariff for Asset-II as claimed in Petition No. 225/TT/2015 based on the capital cost of ₹1214.51 lakh as on 1.4.2009 and capital cost of ₹1486.36 Lakh as on 1.4.2014 (in view of ACE during the 2009-14 period) and has further submitted the tariff forms related thereto. The details of allowed capital cost on 31.3.2014 along with ACE during the 2014-19 period and actual capital cost as on 31.3.2014 along with actual ACE during the 2014-19 period [with respect to Asset-II] as claimed by the Petitioner in this petition are as follows:

	Capital Cost (as on 1.4.2009)	ACE					Total Cost (as on 31.3.2014)
		2009-10	2010-11	2011-12	2012-13	2013-14	
Allowed vide order dated 29.2.2016 in Petition No. 225/TT/2015	1214.51	30.78	6.75	156.52	0.00	0.00	1408.56
Claimed in instant Petition	1214.51	30.78	6.75	186.15	42.87	5.30	1486.36

37. We have considered the submissions of the Petitioner and note that the Commission vide order dated 29.2.2016 in Petition No. 225/TT/2015 had restricted the capital cost to apportioned approved cost (RCE-I) of ₹1408.56 lakh in respect of Asset-II. Further, I.A. No. 66/IA/2017 that was filed seeking condonation of delay in filing the said Review Petition was dis-allowed by the Commission vide order dated 27.3.2018 and accordingly the said Review Petition was rejected on the ground of non-compliance with the statutory time limit for filing a review petition (45 days from the date of issue of an order). Also, no opinion on the merits of the said Review Petition was expressed by the Commission and it was observed that RCE may be submitted by the Petitioner for consideration at the time of true up of transmission tariff for the 2014-19 tariff period in accordance with law.



38. We observe that the document as submitted by the Petitioner in support of RCE-II reveals that it is only an Annexure and RCE-II duly approved by BOD of the Petitioner company has not been furnished by the Petitioner in the instant Petition. Therefore, in the absence of approved RCE-II from BOD of the Petitioner company, the admitted capital cost as on 1.4.2014 of ₹1408.56 lakh has been considered.

39. The details of the claimed capital cost and ACE during 2014-19 period as claimed by the Petitioner for calculation of tariff for the 2014-19 tariff period are as follows:

(₹ in lakh)		
Capital Cost (as on 1.4.2014)	ACE 2014-19	Capital Cost claimed (as on 31.3.2019)
77706.19	0.00	77706.19

40. The Commission vide order dated 29.2.2016 in Petition No. 225/TT/2015 had allowed the capital cost of ₹77628.39 lakh as on 1.4.2014 as well as on 31.3.2019, since the Petitioner did not claim ACE during the 2014-19 tariff period. The capital cost of the existing project has been calculated in accordance with Regulation 9(3) of the 2014 Tariff Regulations and it is as follows:

(₹ in lakh)		
Capital Cost admitted (as on 1.4.2014)	ACE admitted (2014-19)	Capital Cost admitted (as on 31.3.2019)
77628.39	0.00	77628.39

41. The admitted capital cost as on 1.4.2014 of ₹77628.39 lakh has been considered as the opening capital cost for working out the true up of tariff for the 2014-19 tariff period.

Debt-Equity Ratio

42. The debt-equity ratio has been allowed in accordance with Regulation 19(3) of the 2014 Tariff Regulations. As per Regulation 19(3) of the 2014 Tariff Regulations, the debt-equity ratio allowed by the Commission for determination of tariff for the



period ending on 31.3.2014 shall be considered. Accordingly, the details of the debt-equity ratio as on 1.4.2014 and 31.3.2019 in respect of the Combined Asset is as follows:

Funding	Capital Cost as on 1.4.2014 (₹ in lakh)	(in %)	Total Capital Cost (as on 31.3.2019) (₹ in lakh)	(in %)
Debt	54339.87	70.00	54339.87	70.00
Equity	23288.52	30.00	23288.52	30.00
Total	77628.39	100.00	77628.39	100.00

Depreciation

43. Depreciation has been allowed as per the methodology provided in Regulation 27 of the 2014 Tariff Regulations. The Gross Block during the 2014-19 tariff period in respect of Combined Assets has been depreciated at WAROD. WAROD at Annexure-I has been worked out after taking into account the depreciation rates of assets as specified in the 2014 Tariff Regulations. The trued-up depreciation allowed in respect of Combined Assets during the 2014-19 tariff period is as follows:

Particulars	(₹ in lakh)				
	2014-15	2015-16	2016-17	2017-18	2018-19
Opening Gross Block	77628.39	77628.39	77628.39	77628.39	77628.39
ACE	0.00	0.00	0.00	0.00	0.00
Closing Gross Block	77628.39	77628.39	77628.39	77628.39	77628.39
Average Gross Block	77628.39	77628.39	77628.39	77628.39	77628.39
Freehold Land	265.15	265.15	265.15	265.15	265.15
Weighted average rate of Depreciation (WAROD) (%)	5.22	5.22	5.22	5.22	5.22
Balance useful life of the asset (Year)	69626.92	69626.92	69626.92	69626.92	69626.92
Elapsed life of the asset (year)	27	26	25	24	23
Depreciable Value	5	6	7	8	9
Depreciation during the year	4053.66	4053.66	4053.66	4053.66	4053.66
Cumulative Depreciation	26965.15	31018.81	35072.47	39126.13	43179.79
Remaining Depreciable Value	42661.77	38608.11	34554.45	30500.79	26447.13



44. Depreciation in respect of Combined Asset as allowed vide order dated 29.2.2016 in Petition No. 225/TT/2015, claimed by the Petitioner in the instant petition and trued-up in the instant order is as follows:

Particulars	(₹ in lakh)				
	2014-15	2015-16	2016-17	2017-18	2018-19
Allowed vide order dated 29.2.2016 in Petition No. 225/TT/2015	4053.63	4053.63	4053.63	4053.63	4053.63
Claimed by the Petitioner in the instant petition	4057.74	4057.74	4057.74	4057.74	4057.74
Approved after true-up in this order	4053.66	4053.66	4053.66	4053.66	4053.66

Interest on Loan

45. The Petitioner has claimed WAROI on loan based on its actual loan portfolio and rate of interest. Accordingly, IoL has been calculated based on actual interest rate in accordance with Regulation 26 of the 2014 Tariff Regulations. The details of the trued-up IoL allowed in respect of Combined Assets for the 2014-19 tariff period are as follows:

Particulars	(₹ in lakh)				
	2014-15	2015-16	2016-17	2017-18	2018-19
Gross Normative Loan	54339.87	54339.87	54339.87	54339.87	54339.87
Cumulative Repayments up to Previous Year	21182.27	25235.93	29289.59	33343.25	37396.91
Net Loan-Opening	33157.61	29103.95	25050.29	20996.63	16942.97
Additions due to ACE	0.00	0.00	0.00	0.00	0.00
Repayment during the year	4053.66	4053.66	4053.66	4053.66	4053.66
Net Loan-Closing	29103.95	25050.29	20996.63	16942.97	12889.30
Average Loan	31130.78	27077.12	23023.46	18969.80	14916.14
Weighted Average Rate of Interest on Loan (in %)	8.9384	8.9518	8.9700	8.9962	9.0374
Interest on Loan	2782.59	2423.90	2065.20	1706.55	1348.02

46. IoL in respect of Combined Asset as allowed vide order dated 29.2.2016 in Petition No. 225/TT/2015, claimed by the Petitioner in the instant petition and trued-up in the instant order is as follows:



Particulars	(₹ in lakh)				
	2014-15	2015-16	2016-17	2017-18	2018-19
Allowed vide order dated 29.2.2016 in Petition No. 225/TT/2015	2628.19	2269.26	1910.24	1551.13	1191.85
Claimed by the Petitioner in the instant petition	2894.05	2535.15	2176.32	1817.63	1459.23
Approved after true-up in this order	2782.59	2423.90	2065.20	1706.55	1348.02

Return on Equity

47. The Petitioner has claimed RoE in respect of Combined Asset in terms of Regulations 24 and 25 of the 2014 Tariff Regulations. The Petitioner has submitted that it is liable to pay income tax at Minimum Alternate Tax (MAT) rates and has claimed effective tax rates for the 2014-19 tariff period as follows:

Year	Claimed effective tax rate (in %)	Grossed up RoE (in %) [Base Rate/(1-t)]
2014-15	21.018	19.625
2015-16	21.382	19.715
2016-17	21.338	19.705
2017-18	21.337	19.705
2018-19	21.549	19.758

48. The Commission in order dated 27.4.2020 in Petition No. 274/TT/2019 has arrived at the effective tax rates based on the notified MAT rates for the Petitioner which are as follows:

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

49. MAT rates considered in order dated 27.4.2020 for the purpose of grossing up of rate of RoE for trueing up of the tariff of the 2014-19 tariff period in terms of the provisions of the 2014 Tariff Regulations, are considered in the instant case which are as follows:



Year	Notified MAT rates (in %) (inclusive of surcharge & cess)	Base rate of RoE (in %)	Grossed up ROE (in %) [(Base Rate)/(1-t)]
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

50. The Petitioner has claimed RoE for the 2014-19 period after grossing up RoE of 15.50% with Effective Tax rates (based on MAT rates) each year as per the above said Regulation. RoE is trued-up on the basis of MAT rates applicable in the respective years and is approved as follows:

Particulars	(₹ in lakh)				
	2014-15	2015-16	2016-17	2017-18	2018-19
Opening Equity	23288.52	23288.52	23288.52	23288.52	23288.52
Additions	0.00	0.00	0.00	0.00	0.00
Closing Equity	23288.52	23288.52	23288.52	23288.52	23288.52
Average Equity	23288.52	23288.52	23288.52	23288.52	23288.52
Return on Equity (Base Rate) (in %)	15.500	15.500	15.500	15.500	15.500
MAT Rate for respective year (in %)	20.961	21.342	21.342	21.342	21.549
Rate of Return on Equity (in %)	19.610	19.705	19.705	19.705	19.758
Return on Equity	4566.88	4589.00	4589.00	4589.00	4601.35

51. RoE in respect of Combined Asset as allowed vide order dated 29.2.2016 in Petition No. 225/TT/2015, claimed by the Petitioner in the instant petition and trued-up in the instant order are as follows:

Particulars	(₹ in lakh)				
	2014-15	2015-16	2016-17	2017-18	2018-19
Allowed vide order dated 29.2.2016 in Petition No. 225/TT/2015	4566.98	4566.98	4566.98	4566.98	4566.98
Claimed by the Petitioner in the instant petition	4574.86	4595.84	4593.51	4593.51	4605.86
Approved after true-up in this order	4566.88	4589.00	4589.00	4589.00	4601.35



Operation & Maintenance Expenses (O&M Expenses)

52. The O&M Expenses in respect of the various elements covered under Combined Asset as claimed by the Petitioner in this petition are as follows:

(₹ in lakh)					
Particulars	2014-15	2015-16	2016-17	2017-18	2018-19
765 kV Sub-station Bay					
Seoni: 765 kV bay of ICT-III at Seoni (1 No.)	84.42	87.22	90.12	93.11	96.20
400 kV Sub-station Bay (14 Numbers)					
Gwalior: 400 kV Bina Bay at Gwalior Bina: 400 kV Gwalior Bay at Bina Gwalior: 400 kV ICT-1 Bay at Gwalior Bhatapara:Korba Bay at Bhatapara Bhatapara:Raipur Bay at Bhatapara Khandwa:Rajgarh Circuit-I and II at Khandwa Rajgarh:Khandwa Circuit-I and II at Rajgarh Seoni: 400 kV Bay of ICT-III at Seoni Bina: 63 MVAr Bus Reactor Bay at Bina Bhatapara: 400 kV Bay of ICT-II at Bhatapara Gwalior: 400 kV ICT-II Bay at Gwalior Bhatapara: 400 kV ICT Bay at Bhatapara	844.20	872.20	901.18	931.14	961.94
220 kV Sub-station Bay (12 Numbers)					
Gwalior: 220 kV ICT-1 Bay at Gwalior Bhatapara: 220 kV Bay of ICT-II at Bhatapara Bhatapara: 220 kV Bhatapara Bay at Bhatapara Bhatapara: Suhela-I Bay at Bhatapara Bhatapara: Suhela-II Bay at Bhatapara Bhatapara: Suhela-III Bay at Bhatapara Gwalior: 4 Feeder Bays at Gwalior Gwalior: 220 kV ICT-II Bay at Gwalior Bhatapara: 220 kV ICT Bay at Bhatapara	506.52	523.32	540.72	558.60	577.20
S/C Bundled (04 sub-conductor)					
765 kV Bina-Gwalior Circuit-I (234.931 km)	142.37	147.30	152.00	157.17	162.34
D/C Bundled (twin conductor)					
i) LILO of Korba Raipur at Bhatapara (1.545 km) ii) 400 kV Khandwa-Rajgarh Circuit I and II (220.588 kms)	157.05	162.38	167.71	173.26	179.04
Total	1734.56	1792.42	1851.73	1913.29	1976.72

53. Regulation 29(3) of the 2014 Tariff Regulations specifies the norms for O&M Expenses for the transmission system which are as follows:



Element	Norms for 2014-15	Norms for 2015-16	Norms for 2016-17	Norms for 2017-18	Norms for 2018-19
765 kV Sub-station (₹ lakh/ bay)	84.42	87.22	90.12	93.11	96.2
400 kV Sub-station (₹ lakh/ bay)	60.30	62.30	64.37	66.51	68.71
220 kV Sub-station (₹ lakh/ bay)	42.21	43.61	45.06	46.55	48.10
Single Circuit (Bundled conductor with 4 sub-conductors) (₹ lakh/ km)	0.606	0.627	0.647	0.669	0.691
Double Circuit Twin Conductor (₹ lakh/ km)	0.707	0.731	0.755	0.780	0.806

54. We have considered the submissions of the Petitioner and, accordingly, the O&M Expenses are allowed as per the norms specified under Regulation 29(3) of the 2014 Tariff Regulations and the allowable O&M Expenses are as follows:

Particulars	(₹ in lakh)				
	2014-15	2015-16	2016-17	2017-18	2018-19
765 kV Sub-station Bay					
Seoni: 765 kV bay of ICT-III at Seoni (1 Number)	84.42	87.22	90.12	93.11	96.20
400 kV Sub-station Bay (14 Numbers)					
Gwalior:400 kV Bina Bay at Gwalior Bina:400 kV Gwalior Bay at Bina Gwalior:400 kV ICT-1 Bay at Gwalior Bhatapara:Korba Bay at Bhatapara Bhatapara:Raipur Bay at Bhatapara Khandwa:Rajgarh Circuit-I and II at Khandwa Rajgarh:Khandwa Circuit-I and II at Rajgarh Seoni: 400 kV Bay of ICT-III at Seoni Bina: 63 MVAr Bus Reactor Bay at Bina Bhatapara: 400 kV Bay of ICT-II at Bhatapara Gwalior: 400 kV ICT-II Bay at Gwalior Bhatapara: 400 kV ICT Bay at Bhatapara	844.20	872.20	901.18	931.14	961.94
220 kV Sub-station Bay (12 Numbers)					



Gwalior: 220 kV ICT-1 Bay at Gwalior Bhatapara: 220 kV Bay of ICT-II at Bhatapara Bhatapara: 220 kV Bhatapara Bay at Bhatapara Bhatapara:Suhela-I Bay at Bhatapara Bhatapara:Suhela-II Bay at Bhatapara Bhatapara:Suhela-III Bay at Bhatapara Gwalior: 4 Feeder Bays at Gwalior Gwalior: 220 kV ICT-II Bay at Gwalior Bhatapara: 220 kV ICT Bay at Bhatapara	506.52	523.32	540.72	558.60	577.20
S/C Bundled (04 sub-conductor)					
765 kV Bina- Gwalior Circuit-I (234.931 km)	142.37	147.30	152.00	157.17	162.34
D/C Bundled (twin conductor)					
i) LILO of Korba Raipur at Bhatapara (1.545 kms) ii) 400 kV Khandwa-Rajgarh Circuit I and II (220.588 kms)	157.05	162.38	167.71	173.26	179.04
Total	1734.56	1792.42	1851.73	1913.28	1976.72

55. O&M Expenses in respect of Combined Asset as allowed vide order dated 29.2.2016 in Petition No. 225/TT/2015, claimed by the Petitioner in the instant petition and trued-up in the instant order are as follows:

Particulars	(₹ in lakh)				
	2014-15	2015-16	2016-17	2017-18	2018-19
Allowed vide order dated 29.2.2016 in Petition No. 225/TT/2015	1734.56	1792.42	1851.73	1913.28	1976.72
Claimed by the Petitioner in the instant petition	1734.56	1792.42	1851.73	1913.29	1976.72
Approved after true-up in this order	1734.56	1792.42	1851.73	1913.28	1976.72

Interest on Working Capital

56. IWC has been worked out as per the methodology provided in Regulation 28 of the 2014 Tariff Regulations and the trued-up IWC allowed in respect of Combined Asset are as follows:

Particulars	(₹ in lakh)				
	2014-15	2015-16	2016-17	2017-18	2018-19
Working Capital for O&M Expenses (O&M Expenses for 1 month)	144.55	149.37	154.31	159.44	164.73
Working Capital for Maintenance Spares	260.18	268.86	277.76	286.99	296.51



(15% of O&M Expenses)					
Working Capital for Receivables (Equivalent to 2 months of annual fixed cost)	2249.33	2202.12	2151.39	2101.07	2053.20
Total Working Capital	2654.06	2620.35	2583.46	2547.50	2514.43
Rate of Interest (in %)	13.50	13.50	13.50	13.50	13.50
Interest on Working Capital	358.30	353.75	348.77	343.91	339.45

57. IWC in respect of Combined Asset as allowed vide order dated 29.2.2016 in Petition No. 225/TT/2015, claimed by the Petitioner in the instant petition and trued-up in the instant order are as follows:

Particulars	(₹ in lakh)				
	2014-15	2015-16	2016-17	2017-18	2018-19
Allowed vide order dated 29.2.2016 in Petition No. 225/TT/2015	354.74	349.67	344.68	339.82	335.05
Claimed by the Petitioner in the instant petition	361.14	356.56	351.52	346.67	342.21
Approved after true-up in this order	358.30	353.75	348.77	343.91	339.45

Approved Annual Fixed Charges for the 2014-19 Tariff Period

58. The trued-up AFC approved in respect of Combined Asset for the 2014-19 tariff period are as follows:

Particulars	(₹ in lakh)				
	2014-15	2015-16	2016-17	2017-18	2018-19
Depreciation	4053.66	4053.66	4053.66	4053.66	4053.66
Interest on Loan	2782.59	2423.90	2065.20	1706.55	1348.02
Return on Equity	4566.88	4589.00	4589.00	4589.00	4601.35
O&M Expenses	1734.56	1792.42	1851.73	1913.28	1976.72
Interest on Working Capital	358.30	353.75	348.77	343.91	339.45
Total	13495.98	13212.73	12908.36	12606.41	12319.19

59. Accordingly, the Annual Transmission Charges as allowed vide order dated 29.2.2016 in Petition No. 225/TT/2015, claimed by the Petitioner in the instant petition and trued-up in the instant order are as follows:

Particulars	(₹ in lakh)				
	2014-15	2015-16	2016-17	2017-18	2018-19
Allowed vide order dated 29.2.2016 in Petition No. 225/TT/2015	13338.09	13031.96	12727.26	12424.84	12124.23



Claimed by the Petitioner in the instant petition	13622.35	13337.71	13030.82	12728.84	12441.76
Approved after true-up in this order	13495.98	13212.73	12908.36	12606.41	12319.19

DETERMINATION OF ANNUAL FIXED CHARGES FOR THE 2019-24 TARIFF PERIOD

60. The details of the transmission charges in respect of Combined Asset for the 2019-24 tariff period as claimed by the Petitioner in this petition are as follows:

Particulars	(₹ in lakh)				
	2019-20	2020-21	2021-22	2022-23	2023-24
Depreciation	4057.74	4057.74	919.07	919.07	919.07
Interest on Loan	1097.28	731.49	507.56	423.36	334.45
Return on Equity	4378.35	4378.35	4378.35	4378.35	4378.35
O&M Expenses	2336.38	2418.17	2503.07	2591.83	2681.14
Interest on Working Capital	245.18	243.73	196.73	199.33	201.53
Total	12114.93	11829.48	8504.78	8511.94	8514.54

61. The details of IWC in respect of Combined Asset for the 2019-24 period as claimed by the Petitioner in this petition are as follows:

Particular	(₹ in lakh)				
	2019-20	2020-21	2021-22	2022-23	2023-24
O&M Expenses	194.70	201.51	208.59	215.99	223.43
Maintenance Spares	350.46	362.73	375.46	388.77	402.17
Receivables	1489.54	1458.43	1048.53	1049.42	1046.87
Total Working Capital	2034.7	2022.67	1632.58	1654.18	1672.47
Rate of Interest (in %)	12.05	12.05	12.05	12.05	12.05
Interest on Working Capital	245.18	243.73	196.73	199.33	201.53

Capital Cost

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

“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 ash disposal and utilization including handling and transportation facility;
- (d) Capital expenditure on account of ash disposal and utilization including handling and transportation facility;
- (e) Capital expenditure incurred towards railway infrastructure and its augmentation for transportation of coal up to the receiving end of generating station but does not include the transportation cost and any other appurtenant cost paid to the railway; and
- (f) Capital cost incurred or projected to be incurred by a thermal generating station, on account of implementation of the norms under Perform, Achieve and Trade (PAT) scheme of Government of India shall be considered by the Commission subject to sharing of benefits accrued under the PAT scheme with the beneficiaries.

(4) The capital cost in case of existing or new hydro generating station shall also include:

- (a) cost of approved rehabilitation and resettlement (R&R) plan of the project in conformity with National R&R Policy and R&R package as approved; and
- (b) cost of the developer's 10% contribution towards Rajiv Gandhi Grameen Vidyutikaran Yojana (RGGVY) and Deendayal Upadhyaya Gram Jyoti Yojana (DDUGJY) project in the affected area.



(5) The following shall be excluded from the capital cost of the existing and new projects:

(a) The 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 decapitalised only after its redeployment;

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

63. The Petitioner has claimed capital cost as on 31.3.2019 of ₹77706.19 lakh in respect of the Combined Asset. The admitted capital cost as on 31.3.2019 of ₹77628.39 lakh is considered as the opening capital cost as on 1.4.2019 for determination of tariff for the 2019-24 tariff period in accordance with Regulation 19 of the 2019 Tariff Regulations. The Petitioner has not projected any ACE during the 2019-24 tariff period in respect of Combined Asset. Accordingly, the capital cost considered for the 2019-24 tariff period is as follows:

(₹ in lakh)		
Capital Cost (as on 1.4.2019)	ACE (2019-24)	Capital Cost (as on 31.3.2024)
77628.39	0.00	77628.39

Debt-Equity Ratio

64. Regulation 18 of the 2019 Tariff Regulations provides as follows:

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



Provided that:

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

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

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

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

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

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

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

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

65. The debt-equity considered for the purpose of computation of tariff for the 2019-24 tariff period is as follows:



Funding	Capital Cost (as on 1.4.2019) (₹ in lakh)	(in %)	Capital Cost (as on 31.3.2024) (₹ in lakh)	(in %)
Debt	54339.87	70.00	54339.87	70.00
Equity	23288.52	30.00	23288.52	30.00
Total	77628.39	100.00	77628.39	100.00

Depreciation

66. Regulations 33(1), 33(2) and 33(5) of the 2019 Tariff Regulations provide as follows:

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

*"(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."

67. The depreciation has been worked out considering the admitted capital expenditure as on 31.3.2019 and accumulated depreciation up to 31.3.2019. Combined Asset has already completed 12 years of life as on 1.4.2021. Therefore, the remaining depreciable value has been spread across the balance useful life from 2021-22 onwards in accordance with Regulation 33(5) of the 2019 Tariff Regulations. WAROD at Annexure-II has been worked out after considering the depreciation rates



as specified in the 2019 Tariff Regulations. The depreciation allowed in respect of Combined Asset for the 2019-24 tariff period is as follows:

Particulars	(₹ in lakh)				
	2019-20	2020-21	2021-22	2022-23	2023-24
Opening Gross Block	77628.39	77628.39	77628.39	77628.39	77628.39
ACE	0.00	0.00	0.00	0.00	0.00
Closing Gross Block	77628.39	77628.39	77628.39	77628.39	77628.39
Average Gross Block	77628.39	77628.39	77628.39	77628.39	77628.39
Freehold Land	265.15	265.15	265.15	265.15	265.15
Weighted average rate of Depreciation (WAROD) (%)	5.22	5.22	1.18	1.18	1.18
Balance useful life of the Asset at the beginning of the year (Year)	22	21	20	19	18
Elapsed life at the beginning of the year (Year)	10	11	12	13	14
Depreciable Value	69626.92	69626.92	69626.92	69626.92	69626.92
Depreciation during the year	4053.66	4053.66	916.99	916.99	916.99
Cumulative Depreciation at the end of the year	47233.45	51287.11	52204.10	53121.09	54038.08
Remaining Depreciable Value at the end of the year	22393.47	18339.81	17422.82	16505.83	15588.84

Interest on Loan

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

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

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

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

69. 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 the 2019-24 tariff period may be adjusted. Accordingly, the floating rate of interest, if any, shall be considered at the time of true up. Therefore, IoL in respect of Combined Asset for the 2019-24 tariff period has been allowed in accordance with Regulation 32 of the 2019 Tariff Regulations as follows:

Particulars	(₹ in lakh)				
	2019-20	2020-21	2021-22	2022-23	2023-24
Gross Normative Loan	54339.87	54339.87	54339.87	54339.87	54339.87
Cumulative Repayments up to Previous Year	41450.57	45504.23	49557.89	50474.88	51391.87
Net Loan-Opening	12889.30	8835.64	4781.98	3864.99	2948.00
Additions due to ACE	0.00	0.00	0.00	0.00	0.00
Repayment during the year	4053.66	4053.66	916.99	916.99	916.99
Net Loan-Closing	8835.64	4781.98	3864.99	2948.00	2031.01
Average Loan	10862.47	6808.81	4323.49	3406.50	2489.51
Weighted Average Rate of Interest on Loan (in %)	9.0767	9.1081	9.1570	9.1561	9.0277
Interest on Loan	985.95	620.15	395.90	311.90	224.75

Return on Equity

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

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



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

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

Provided further that:

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

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

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

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

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

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

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

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

Rate of pre-tax return on equity = Base rate/ (1-t)

Where "t" is the effective tax rate in accordance with clause (1) of this Regulation and shall be calculated at the beginning of every financial year based on the estimated



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

Illustration-

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

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

(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."

71. The Petitioner has submitted that MAT rate is applicable to the Petitioner's company. Accordingly, MAT rate applicable for 2019-20 has been considered for the purpose of grossing up RoE, which shall be trued-up with actual tax rate in accordance with Regulation 31(3) of the 2019 Tariff Regulations. RoE allowed in respect of Combined Asset for the 2019-24 tariff period under Regulation 30 of the 2019 Tariff Regulations is as follows:

Particulars	(₹ in lakh)				
	2019-20	2020-21	2021-22	2022-23	2023-24
Opening Equity	23288.52	23288.52	23288.52	23288.52	23288.52
Additions due to ACE	0.00	0.00	0.00	0.00	0.00
Closing Equity	23288.52	23288.52	23288.52	23288.52	23288.52
Average Equity	23288.52	23288.52	23288.52	23288.52	23288.52
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	4374.05	4374.05	4374.05	4374.05	4374.05

Operation & Maintenance Expenses

72. The O&M expenses in respect of the various elements covered under Combined Asset as claimed by the Petitioner for the 2019-24 tariff period are as follows:

(₹ in lakh)					
Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
765 kV Sub-station Bay					
Seoni:765 kV bay of ICT-III at Seoni (01 Number)	45.01	46.6	48.23	49.93	51.68
400 kV Sub-station Bay (14 Numbers)					
Gwalior: 400 kV Bina Bay at Gwalior Bina: 400 kV Gwalior Bay at Bina Gwalior: 400 kV ICT-1 Bay at Gwalior Bhatapara:Korba Bay at Bhatapara Bhatapara:Raipur Bay at Bhatapara Khandwa:Rajgarh Circuit-I and II at Khandwa Rajgarh:Khandwa Circuit-I and II at Rajgarh Seoni:400 kV Bay of ICT-III at Seoni Bina:63 MVAr Bus Reactor Bay at Bina Bhatapara:400 kV Bay of ICT-II at Bhatapara Gwalior: 400 kV ICT-II Bay at Gwalior Bhatapara:400 kV ICT Bay at Bhatapara	450.10	465.92	482.30	499.24	516.74
220 kV Sub-station Bay (12 Numbers)					
Gwalior:220 kV ICT-1 Bay at Gwalior Bhatapara:220 kV Bay of ICT-II at Bhatapara Bhatapara:220 kV Bhatapara Bay at Bhatapara Bhatapara:Suhela-I Bay at Bhatapara Bhatapara:Suhela-II Bay at Bhatapara Bhatapara:Suhela-III Bay at Bhatapara Gwalior:4 Feeder Bays at Gwalior Gwalior:220 kV ICT-II Bay at Gwalior Bhatapara:220 kV ICT Bay at Bhatapara	270.12	279.60	289.44	299.52	310.08
765 kV Sub-station ICT					
Seoni:765/400 kV ICT-III at Seoni (1500 MVA)	736.50	762.00	789.00	817.50	846.00



400 kV Sub-station ICT					
Gwalior:400/220 kV ICT-I at Gwalior (315 MVA)	451.08	467.46	483.84	501.48	517.86
Gwalior:400/220 kV ICT-II at Gwalior (315 MVA)					
Bhatapara:400/220 kV ICT-II at Bhatapara (315 MVA)					
Bhatapara:400/220 kV ICT-II at Bhatapara (315 MVA)					
S/C Bundled (04 sub-conductor)					
765 kV Bina- Gwalior Circuit-I (234.931 km)	177.37	183.48	190.06	196.64	203.69
D/C Bundled (twin conductor)					
i) LILO of Korba Raipur at Bhatapara (1.545 kms)	195.70	202.59	209.69	217.02	224.58
ii) 400 kV Khandwa-Rajgarh Circuit I and II (220.588 km)					
PLCC	10.50	10.50	10.50	10.50	10.50
Total	2336.38	2418.17	2503.07	2591.83	2681.14

73. Regulations 35(3)(a) and 35(4) of the 2019 Tariff Regulations provide as follows:

“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 (₹ Lakh per bay)					
765 kV	45.01	46.60	48.23	49.93	51.68
400 kV	32.15	33.28	34.45	35.66	36.91
220 kV	22.51	23.30	24.12	24.96	25.84
132 kV and below	16.08	16.64	17.23	17.83	18.46
Norms for Transformers (₹ Lakh per MVA)					
765 kV	0.491	0.508	0.526	0.545	0.564
400 kV	0.358	0.371	0.384	0.398	0.411
220 kV	0.245	0.254	0.263	0.272	0.282
132 kV and below	0.245	0.254	0.263	0.272	0.282
Norms for AC and HVDC lines (₹ Lakh per km)					
Single Circuit (Bundled Conductor with six or more sub-conductors)	0.881	0.912	0.944	0.977	1.011
Single Circuit (Bundled conductor with four sub-conductors)	0.755	0.781	0.809	0.837	0.867
Single Circuit (Twin & Triple Conductor)	0.503	0.521	0.539	0.558	0.578



Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
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 (₹ Lakh per 500 MW)	1,666	1,725	1,785	1,848	1,913
500 kV Rihand-Dadri HVDC bipole scheme (Rs Lakh) (1500 MW)	2,252	2,331	2,413	2,498	2,586
±500 kV Talcher- Kolar HVDC bipole scheme (Rs Lakh) (2000 MW)	2,468	2,555	2,645	2,738	2,834
±500 kV Bhiwadi-Balia HVDC bipole scheme (Rs Lakh) (2500 MW)	1,696	1,756	1,817	1,881	1,947
±800 kV, Bishwanath-Agra HVDC bipole scheme (Rs Lakh) (3000 MW)	2,563	2,653	2,746	2,842	2,942

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

Provided further that:

- i. the operation and maintenance expenses for new HVDC bi-pole schemes commissioned after 1.4.2019 for a particular year shall be allowed pro-rata on the basis of normative rate of operation and maintenance expenses of similar HVDC bi-



pole scheme for the corresponding year of the tariff period;

ii. the O&M expenses norms for HVDC bi-pole line shall be considered as Double Circuit quad AC line;

iii. the O&M expenses of ± 500 kV Mundra-Mohindergarh HVDC bipole scheme (2000 MW) shall be allowed as worked out by multiplying 0.80 of the normative O&M expenses for ± 500 kV Talchar-Kolar HVDC bi-pole scheme (2000 MW);

iv. the O&M expenses of ± 800 kV Champa-Kurukshetra HVDC bi-pole scheme (3000 MW) shall be on the basis of the normative O&M expenses for ± 800 kV, Bishwanath-Agra HVDC bi-pole scheme;

v. the O&M expenses of ± 800 kV, Alipurduar-Agra HVDC bi-pole scheme (3000 MW) shall be allowed as worked out by multiplying 0.80 of the normative O&M expenses for ± 800 kV, Bishwanath-Agra HVDC bi-pole scheme; and

vi. the O&M expenses of Static Synchronous Compensator and Static Var Compensator shall be worked at 1.5% of original project cost as on commercial operation which shall be escalated at the rate of 3.51% to work out the O&M expenses during the tariff period. The O&M expenses of Static Synchronous Compensator and Static Var Compensator, if required, may be reviewed after three year

(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.

“35(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.”*

74. We have considered the submissions of the Petitioner. The Petitioner has claimed O&M Expenses separately for PLCC under Regulation 35(4) of the 2019 Tariff Regulations @2% of its original project cost in the instant petition. The Petitioner has made similar claim in other petitions as well. Though PLCC is a communication system, it has been considered as part of the sub-station in the 2014 Tariff Regulations and the 2019 Tariff Regulations and the norms for sub-station have been specified accordingly. Accordingly, the Commission vide order dated 24.1.2021 in



Petition No. 126/TT/2020 had already concluded that no separate O&M Expenses can be allowed for PLCC under Regulation 35(4) of the 2019 Tariff Regulations even though PLCC is a communication system. Therefore, the Petitioner's claim for separate O&M Expenses for PLCC @2% is not allowed.

75. The O&M expenses approved in respect of the various elements covered under Combined Asset for the 2019-24 tariff period are as follows:

Particulars	(₹ in lakh)				
	2019-20	2020-21	2021-22	2022-23	2023-24
765 kV Sub-station Bay					
Seoni:765 kV bay of ICT-III at Seoni (1 No.)	45.01	46.6	48.23	49.93	51.68
400 kV Sub-station Bay (14 Numbers)					
Gwalior:400 kV Bina Bay at Gwalior Bina:400 kV Gwalior Bay at Bina Gwalior:400 kV ICT-1 Bay at Gwalior Bhatapara:Korba Bay at Bhatapara Bhatapara:Raipur Bay at Bhatapara Khandwa:Rajgarh Circuit-I and II at Khandwa Rajgarh:Khandwa Circuit-I and II at Rajgarh Seoni:400 kV Bay of ICT-III at Seoni Bina:63 MVA Bus Reactor Bay at Bina Bhatapara:400 kV Bay of ICT-II at Bhatapara Gwalior: 400 kV ICT-II Bay at Gwalior Bhatapara:400 kV ICT Bay at Bhatapara	450.10	465.92	482.30	499.24	516.74
220 kV Sub-station Bay (12 Numbers)					
Gwalior:220 kV ICT-1 Bay at Gwalior Bhatapara:220 kV Bay of ICT-II at Bhatapara Bhatapara:220 kV Bhatapara Bay at Bhatapara Bhatapara:Suhela-I Bay at Bhatapara Bhatapara:Suhela-II Bay at Bhatapara Bhatapara:Suhela-III Bay at Bhatapara Gwalior:4 Feeder Bays at Gwalior Gwalior:220 kV ICT-II Bay at Gwalior Bhatapara:220 kV ICT Bay at Bhatapara	270.12	279.60	289.44	299.52	310.08
765 kV Sub-station ICT					
Seoni:765/400 kV ICT-III at Seoni (1500 MVA)	736.50	762.00	789.00	817.50	846.00
400 kV Sub-station ICT					
Gwalior:400/220 kV ICT-I at Gwalior (315 MVA)	451.08	467.46	483.84	501.48	517.86



Gwalior:400/220 kV ICT-II at Gwalior (315 MVA) Bhatapara:400/220 kV ICT-II at Bhatapara (315 MVA) Bhatapara:400/220 kV ICT-II at Bhatapara (315 MVA)					
S/C Bundled (04 sub-conductor)					
765 kV Bina- Gwalior Circuit-I (234.931 km)	177.37	183.48	190.06	196.64	203.69
D/C Bundled (twin conductor)					
i) LILO of Korba Raipur at Bhatapara (1.545 kms) ii) 400 kV Khandwa-Rajgarh Circuit I and II (220.588 kms)	195.70	202.59	209.69	217.02	224.58
Total	2325.88	2407.65	2492.56	2581.33	2670.62

Interest on Working Capital

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

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

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

- i. Receivables equivalent to 45 days of 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 triuing-up, the rate of interest on working capital shall be considered at bank rate as on 1st April of each of the financial year during the tariff period 2019-24.”

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

“3.Definitions ...

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

77. 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 IWC as 12.05%. IWC is worked out in accordance with



Regulation 34 of the 2019 Tariff Regulations. The Rate of Interest considered is 12.05% (SBI 1 year MCLR applicable as on 1.4.2019 of 8.55% plus 350 basis points) for 2019-20, 11.25% (SBI 1 year MCLR applicable as on 1.4.2020 of 7.75% plus 350 basis points) for 2020-21 and from 2021-22 onwards has been considered as 10.50% (SBI 1 year MCLR applicable as on 1.4.2021 of 7.00% plus 350 basis points).

78. We have considered the submissions of the Petitioner and accordingly IWC is worked out in accordance with Regulation 34 of the 2019 Tariff Regulations and the components of the working capital and interest allowed thereon in respect of Combined Asset for the 2019-24 tariff period are as follows:

Particulars	(₹ in lakh)				
	2019-20	2020-21	2021-22	2022-23	2023-24
Working Capital for O&M Expenses (O&M Expenses for 1 month)	193.82	200.64	207.71	215.11	222.55
Working Capital for Maintenance Spares (15% of O&M Expenses)	348.88	361.15	373.88	387.20	400.59
Working Capital for Receivables (Equivalent to 45 days of annual transmission charges)	1473.25	1440.09	1029.29	1030.15	1027.84
Total Working Capital	2015.96	2001.87	1610.88	1632.46	1650.98
Rate of Interest (in %)	12.05	11.25	10.50	10.50	10.50
Interest on Working Capital	242.92	225.21	169.14	171.41	173.35

Annual Fixed Charges of the 2019-24 Tariff Period

79. The transmission charges in respect of Combined Asset allowed for the 2019-24 tariff period are as follows:

Particulars	(₹ in lakh)				
	2019-20	2020-21	2021-22	2022-23	2023-24
Depreciation	4053.66	4053.66	916.99	916.99	916.99
Interest on Loan	985.95	620.15	395.90	311.90	224.75
Return on Equity	4374.05	4374.05	4374.05	4374.05	4374.05
O&M Expenses	2325.88	2407.65	2492.56	2581.33	2670.62
Interest on Working Capital	242.92	225.21	169.14	171.41	173.35
Total	11982.47	11680.72	8348.65	8355.68	8359.76



Filing Fee and the Publication Expenses

80. 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

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

Goods and Services Tax

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

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



Security Expenses

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

85. We have considered the submissions and prayer of the Petitioner regarding security expenses and observe that the Petitioner has claimed consolidated security expenses for all the transmission assets owned by it on projected basis for the 2019-24 tariff period on the basis of actual security expenses incurred in 2018-19 in Petition No. 260/MP/2020. The Commission vide order dated 3.8.2021 in Petition No. 260/MP/2020 approved security expenses from 1.4.2019 to 31.3.2024. Therefore, security expenses will be shared in terms of the order dated 3.8.2021 in Petition No. 260/MP/2020. Accordingly, the Petitioner's prayer in the instant petition for allowing it to file a separate petition for claiming the overall security expenses and consequential IWC has become infructuous.

Capital Spares

86. 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

87. During 2004-09 and 2009-14 tariff periods (upto to 30.6.2011), the transmission charges for inter-State transmission systems were being shared in accordance with the Tariff Regulations for the respective tariff periods. With effect from 1.7.2011, sharing of transmission charges for inter-State transmission systems was governed by the provisions of the 2010 Sharing Regulations and with effect from 1.11.2020 (after repeal of the 2010 Sharing Regulations), sharing of transmission charges is governed



by the 2020 Sharing Regulations. Accordingly, the liabilities of the DICs for arrears of the transmission charges determined through this order shall be computed DIC-wise in accordance with the provisions of respective Tariff Regulations and Sharing Regulations and shall be recovered from the concerned DICs through Bills under Regulation 15(2)(b) of the 2020 Sharing Regulations. Billing, collection and disbursement of the transmission charges for subsequent period shall be recovered in terms of provisions of the 2020 Sharing Regulations as provided in Regulation 57 of the 2019 Tariff Regulations.

88. To summarise:

- a) The revised AFC approved in respect of the transmission assets for the 2004-09 tariff period as per the APTEL's judgments is as follows:

Asset-1

(₹ in lakh)	
2007-08	2008-09
4361.05	4752.87

Asset-2

(₹ in lakh)	
2007-08 (11 months)	2008-09
426.91	474.53

Asset-3

(₹ in lakh)	
2007-08 (4 months)	2008-09
326.64	1077.95

Asset-4

(₹ in lakh)	
2008-09	
3019.10	

Asset-5

(₹ in lakh)	
2008-09 (11 months)	
962.55	



Asset-II

(₹ in lakh)	
2008-09	
	242.23

Asset-III

(₹ in lakh)	
2008-09 (3 months)	
	72.21

- b) The consequential revision of AFC approved in respect of Combined Asset-I, Asset-II and Asset-III for the 2009-14 tariff period is as follows:

Combined Asset-I

(₹ in lakh)				
2009-10	2010-11	2011-12	2012-13	2013-14
13596.48	13700.75	13619.88	13467.86	13282.80

Asset-II

(₹ in lakh)				
2009-10	2010-11	2011-12	2012-13	2013-14
302.39	307.71	321.78	335.06	335.55

Asset-III

(₹ in lakh)				
2009-10	2010-11	2011-12	2012-13	2013-14
362.22	367.89	367.72	367.69	367.10

- c) The trued-up AFC approved in respect of Combined Asset for the 2014-19 tariff period is as follows:

(₹ in lakh)				
2014-15	2015-16	2016-17	2017-18	2018-19
13495.98	13212.73	12908.36	12606.41	12319.19

- d) AFC allowed in respect of Combined Asset for the 2019-24 tariff period in this order are as follows:

(₹ in lakh)				
2019-20	2020-21	2021-22	2022-23	2023-24
11982.47	11680.72	8348.65	8355.68	8359.76

89. Annexure-I and Annexure-II given hereinafter shall form part of the order.



90. This order disposes of Petition No. 691/TT/2020 in terms of the above discussions and findings.

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

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

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



Annexure-I

2014-19 Capital Expenditure	Capital Cost as on 1.4.2014 (₹ in lakh)	ACE (₹ 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)					
		2014-19				2014-15	2015-16	2016-17	2017-18	2018-19	
Land - Freehold	265.15	0.00	0.00	265.15	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Building Civil Works & Colony	1888.05	0.00	0.00	1888.05	3.34	63.06	63.06	63.06	63.06	63.06	63.06
Transmission Line	53199.89	0.00	0.00	53199.89	5.28	2808.95	2808.95	2808.95	2808.95	2808.95	2808.95
Sub Station	21750.62	0.00	0.00	21750.62	5.28	1148.43	1148.43	1148.43	1148.43	1148.43	1148.43
PLCC	524.68	0.00	0.00	524.68	6.33	33.21	33.21	33.21	33.21	33.21	33.21
Total	77628.39	0.00	0.00	77628.39	Total	4053.66	4053.66	4053.66	4053.66	4053.66	4053.66
Average Gross Block (₹ in lakh)											
Weighted Average Rate of Depreciation		5.22%	5.22%	5.22%	5.22%	5.22%	5.22%	5.22%	5.22%	5.22%	5.22%



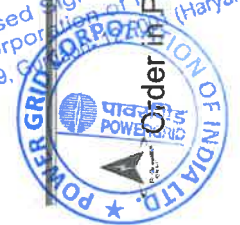
Annexure-II

2019-24 Capital Expenditure	Combined Admitted Capital Cost as on 1.4.2019 (₹ in lakh)	ACE (₹ in lakh)		Admitted Capital Cost as on 31.3.2024 (₹ in lakh)	Rate of Depreciation as per Regulations (%)	Annual Depreciation as per Regulations (₹ in lakh)				
		2019-24	2020-21			2021-22	2022-23	2023-24		
Land - Freehold	265.15	0.00	0.00	265.15	0.00	0.00	0.00			
Building Civil Works & Colony	1888.05	0.00	63.06	1888.05	3.34	63.06	63.06			
Transmission Line	53199.89	0.00	2808.95	53199.89	5.28	2808.95	2808.95			
Sub Station	21750.62	0.00	1148.43	21750.62	5.28	1148.43	1148.43			
PLCC	524.68	0.00	33.21	524.68	6.33	33.21	33.21			
Total	77628.39	0.00	4053.66	77628.39	Total	4053.66	4053.66	916.99	916.99	916.99
Average Gross Block (₹ in lakh)						77628.39	77628.39	77628.39	77628.39	77628.39
Weighted Average Rate of Depreciation						5.22%	5.22%	1.18%	1.18%	1.18%

spreading

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

Order in Petition No. 691/TT/2020



Summary of Tariff

Form No. - 1

Name of the Transmission Licensee:	Power Grid Corporation of India Limited		
Project	SIPAT - II		
Element Description	Combined Assets under Sipat-II		
Region	Western Region	DOCO Date	May 5, 2008

(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	4,057.74	4,057.74	919.07	919.07	919.07
Interest on Loan-Form No. 9E	988.90	622.74	398.22	314.03	226.66
Return on Equity-Form No. 8	4,378.35	4,378.35	4,378.35	4,378.35	4,378.35
Int. on Working capital-Form No.11	243.09	225.37	169.26	171.52	198.61
Op. and maintenance-Form No.2	2,325.88	2,407.67	2,492.57	2,581.33	2,670.64
Total AFC	11,993.96	11,691.87	8,357.47	8,364.30	8,393.33



Name of the Transmission Licensee		Power Grid Corporation of India Limited	
Project	SIPAT - II		
Element Description	Combined Assets under Sipat-II		
Region	Western Region	DOCO Date	May 5, 2008

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.
400 KV KHANDWA-RAJGARH CKT I & II	AC	DC	2	400 KV	0.000	0.000	220.588	May 5, 2008	Y	
765KV BINA GWALIOR CKT I	AC	SC	4	765 KV	0.000	0.000	234.931	May 5, 2008	Y	
LILO OF KORBA RAIPUR AT BHATAPARA	AC	DC	2	400 KV	0.000	0.000	1.545	May 5, 2008	Y	

Summary:

O&M Expenses For the Transmission Lines Covered in the instant petition	2019-20	2020-21	2021-22	2022-23	2023-24
	SINGLE CIRCUIT (BUNDLED CONDUCTOR WITH FOUR SUB-CONDUCTORS)				
Normative Rate of O&M as per Regulation	0.755	0.781	0.809	0.837	0.867



No. of Units - (Length in KM)	234.931	234.931	234.931	234.931	234.931	234.931
O&M Claimed	177.37	183.48	190.06	196.64	203.69	
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)	222.133	222.133	222.133	222.133	222.133	222.133
O&M Claimed	195.70	202.59	209.70	217.02	224.57	



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			
Gwalior:400KV BINA BAY AT GWALIOR	Conventional	400 KV		1.000									May 5, 2008	Y
Bina:400KV GWALIOR BAY AT BINA	Conventional	400 KV		1.000									May 5, 2008	Y
Gwalior:400KV ICT-I BAY AT GWALIOR	Conventional	400 KV		1.000									May 5, 2008	Y
Gwalior:220KV ICT-I BAY AT GWALIOR	Conventional	220 KV			1.000								May 5, 2008	Y
Bhatapara:KORBA BAY AT BHATAPARA	Conventional	400 KV		1.000									May 5, 2008	Y
Bhatapara:RAIPUR BAY AT BHATAPARA	Conventional	400 KV		1.000									May 5, 2008	Y
Khandwa:RAJGARH CKT-I & II AT KHANDWA	Conventional	400 KV		2.000									May 5, 2008	Y
Rajgarh:KHANDWA CKT-I&II AT RAJGARH	Conventional	400 KV		2.000									May 5, 2008	Y
Seoni:765KV BAY OF ICT-III AT SEONI	Conventional	765 KV						1.000					May 5, 2008	Y



Seoni:400KV BAY OF ICT-III AT SEONI	Conventio nal	400 KV								1.000									May 5, 2008	Y
Bina:63MVAR BUS REACTOR BAY AT BINA	Conventio nal	400 KV								1.000									May 5, 2008	Y
Bhatapara:400KV BAY OF ICT-II AT BHATAPARA	Conventio nal	400 KV								1.000									May 5, 2008	Y
Bhatapara:220KV BAY OF ICT-II AT BHATAPARA	Conventio nal	220 KV									1.000								May 5, 2008	Y
Gwalior:400/220KV ICT-I AT GWALIOR		400 KV									1.000								May 5, 2008	Y
Seoni:765/400KV ICT-III AT SEONI		765 KV									1.000								May 5, 2008	Y
Gwalior:400/220KV ICT-II AT GWALIOR		400 KV									1.000								May 5, 2008	Y
Bhatapara:400/220KV ICT-II AT BHATAPARA	Conventio nal	400 KV									1.000								May 5, 2008	Y
Bhatapara:220KV BHATAPARA BAY AT BHATAPARA	Conventio nal	220 KV										1.000							May 5, 2008	Y
Bhatapara:SUHELA-I BAY AT BHATAPARA	Conventio nal	220 KV									1.000								May 5, 2008	Y
Bhatapara:SUHELA-II BAY AT BHATAPARA	Conventio nal	220 KV									1.000								May 5, 2008	Y
Bhatapara:SUHELA-III BAY AT BHATAPARA	Conventio nal	220 KV									1.000								May 5, 2008	Y



Gwalior:4 FEEDER BAYS AT GWALIOR	Conventio nal	220 KV					4,000						May 5, 2008	Y
Gwalior:400KV ICT-II BAY AT GWALIOR	Conventio nal	400 KV				1,000							May 5, 2008	Y
Gwalior:220KV ICT-II BAY AT GWALIOR		220 KV					1,000						May 5, 2008	Y
Bhatapara:400KV ICT BAY AT BHATAPARA	Conventio nal	400 KV				1,000							May 5, 2008	Y
Bhatapara:220KV ICT BAY AT BHATAPARA	Conventio nal	220 KV					1,000						May 5, 2008	Y
Bhatapara:400/220KV ICT AT BHATAPARA		400 KV	1,000							315.00			May 5, 2008	Y

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Summary:

O&M Expenses For Substations Covered in the instant petition		2019-20	2020-21	2021-22	2022-23	2023-24
400KV SUB-STATION						
Normative Rate of O&M as per Regulation		32.15	33.28	34.45	35.66	36.91
No. of Units		14.00	14.00	14.00	14.00	14.00
O&M Claimed		450.10	465.92	482.30	499.24	516.74
220KV SUB-STATION						
Normative Rate of O&M as per Regulation		22.51	23.30	24.12	24.96	25.84
No. of Units		12.00	12.00	12.00	12.00	12.00



O&M Claimed	270.12	279.60	289.44	299.52	310.08
765KV SUB-STATION					
Normative Rate of O&M as per Regulation	45.01	46.60	48.23	49.93	51.68
No. of Units	1.00	1.00	1.00	1.00	1.00
O&M Claimed	45.01	46.60	48.23	49.93	51.68
765KV SUB-STATION ICT					
Normative Rate of O&M as per Regulation	0.491	0.508	0.526	0.545	0.564
No. of Units	1.00	1.00	1.00	1.00	1.00
O&M Claimed	736.50	762.00	789.00	817.50	846.00
400KV SUB-STATION ICT					
Normative Rate of O&M as per Regulation	0.358	0.371	0.384	0.398	0.411
No. of Units	4.00	4.00	4.00	4.00	4.00
O&M Claimed	451.08	467.48	483.84	501.48	517.88

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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	373.07	386.07	399.76	413.66	428.26
Substation	1,952.81	2,021.60	2,092.81	2,167.67	2,242.38
Communication System	0.00	0.00	0.00	0.00	0.00
Total Normative O&M	2,325.88	2,407.67	2,492.57	2,581.33	2,670.64
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	2,325.88	2,407.67	2,492.57	2,581.33	2,670.64

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(Petitioner)



Normative parameters considered for tariff computations

Form No. - 3

Name of the Transmission Licensee	Power Grid Corporation of India Limited		
Project	SIPAT - II		
Element Description	Combined Assets under Sipat-II		
Region	Western Region	DOCO Date	May 5, 2008

(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

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(Petitioner)



Calculation of ROE

Form No. - 8

Name of the Transmission Licensee	Power Grid Corporation of India Limited				
Project	SIPAT - II				
Element Description	Combined Assets under Sipat-II				
Region	Western Region	DOCO Date	May 5, 2008		

(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	23,311.39	23,311.39	23,311.39	23,311.39	23,311.39
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)	23,311.39	23,311.39	23,311.39	23,311.39	23,311.39
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	23,311.39	23,311.39	23,311.39	23,311.39	23,311.39
Average Normative Equity	23,311.39	23,311.39	23,311.39	23,311.39	23,311.39
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	4,378.35	4,378.35	4,378.35	4,378.35	4,378.35
Pro rata return on Equity	4,378.35	4,378.35	4,378.35	4,378.35	4,378.35



Calculation of WAR of interest on actual loan

Form No. - 9C

Name of the Transmission Licensee	Power Grid Corporation of India Limited		
Project	SIPAT - II		
Element Description	Combined Assets under Sipat-II		
Region	Western Region	DOCOC Date	May 5, 2008

(Amount in Rs. Lakh)

Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
BOND XV -DOCOC Loan					
Gross Loan- Opening	150.00	150.00	150.00	150.00	150.00
Cumulative repayments of Loans upto previous year	150.00	150.00	150.00	150.00	150.00
Net loan-Opening	0.00	0.00	0.00	0.00	0.00
Add: Drawl(s) during the year	0.00	0.00	0.00	0.00	0.00
Less: Repayment(s) of loan during the year	0.00	0.00	0.00	0.00	0.00
Net Loan-Closing	0.00	0.00	0.00	0.00	0.00
Average Net Loan	0.00	0.00	0.00	0.00	0.00
Rate of Interest on Loan on Annual Basis	6.68	6.68	6.68	6.68	6.68
Interest on loan	0.00	0.00	0.00	0.00	0.00

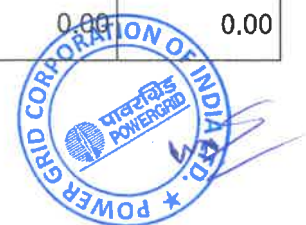
BOND XVII -DOCOC Loan					
Gross Loan- Opening	4,078.00	4,078.00	4,078.00	4,078.00	4,078.00
Cumulative repayments of Loans upto previous year	4,078.00	4,078.00	4,078.00	4,078.00	4,078.00
Net loan-Opening	0.00	0.00	0.00	0.00	0.00
Add: Drawl(s) during the year	0.00	0.00	0.00	0.00	0.00
Less: Repayment(s) of loan during the year	0.00	0.00	0.00	0.00	0.00
Net Loan-Closing	0.00	0.00	0.00	0.00	0.00



Average Net Loan	0.00	0.00	0.00	0.00	0.00
Rate of Interest on Loan on Annual Basis	7.39	7.39	7.39	7.39	7.39
Interest on loan	0.00	0.00	0.00	0.00	0.00

BOND XVIII -DOCO Loan					
Gross Loan- Opening	4,250.00	4,250.00	4,250.00	4,250.00	4,250.00
Cumulative repayments of Loans upto previous year	3,541.67	3,895.83	4,250.00	4,250.00	4,250.00
Net loan-Opening	708.33	354.17	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	354.17	354.17	0.00	0.00	0.00
Net Loan-Closing	354.16	0.00	0.00	0.00	0.00
Average Net Loan	531.25	177.09	0.00	0.00	0.00
Rate of Interest on Loan on Annual Basis	8.15	8.15	8.15	8.15	8.15
Interest on loan	43.2969	14.4328	0.00	0.00	0.00

BOND XX -DOCO Loan					
Gross Loan- Opening	17,800.00	17,800.00	17,800.00	17,800.00	17,800.00
Cumulative repayments of Loans upto previous year	13,350.00	14,833.33	16,316.67	17,800.00	17,800.00
Net loan-Opening	4,450.00	2,966.67	1,483.33	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	1,483.33	1,483.33	1,483.33	0.00	0.00
Net Loan-Closing	2,966.67	1,483.34	0.00	0.00	0.00
Average Net Loan	3,708.34	2,225.01	741.67	0.00	0.00
Rate of Interest on Loan on Annual Basis	8.93	8.93	8.93	8.93	8.93
Interest on loan	331.1548	198.6934	66.2311	0.00	0.00



BOND XXI -DOCO Loan					
Gross Loan- Opening	201.00	201.00	201.00	201.00	201.00
Cumulative repayments of Loans upto previous year	150.75	167.50	184.25	201.00	201.00
Net loan-Opening	50.25	33.50	16.75	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	16.75	16.75	16.75	0.00	0.00
Net Loan-Closing	33.50	16.75	0.00	0.00	0.00
Average Net Loan	41.88	25.13	8.38	0.00	0.00
Rate of Interest on Loan on Annual Basis	8.73	8.73	8.73	8.73	8.73
Interest on loan	3.6561	2.1938	0.7316	0.00	0.00

BOND XXII -DOCO Loan					
Gross Loan- Opening	1,207.00	1,207.00	1,207.00	1,207.00	1,207.00
Cumulative repayments of Loans upto previous year	905.25	1,005.83	1,106.42	1,207.00	1,207.00
Net loan-Opening	301.75	201.17	100.58	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	100.58	100.58	100.58	0.00	0.00
Net Loan-Closing	201.17	100.59	0.00	0.00	0.00
Average Net Loan	251.46	150.88	50.29	0.00	0.00
Rate of Interest on Loan on Annual Basis	8.68	8.68	8.68	8.68	8.68
Interest on loan	21.8267	13.0964	4.3652	0.00	0.00

BOND XXIII -DOCO Loan					
Gross Loan- Opening	8,800.00	8,800.00	8,800.00	8,800.00	8,800.00
Cumulative repayments of Loans upto previous year	6,600.00	7,333.33	8,066.67	8,800.00	8,800.00
Net loan-Opening	2,200.00	1,466.67	733.33	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	733.33	733.33	733.33	0.00	0.00
Net Loan-Closing	1,466.67	733.34	0.00	0.00	0.00
Average Net Loan	1,833.34	1,100.01	366.67	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	169.584	101.7509	33.917	0.00	0.00

BOND XXVI -DOCO Loan					
Gross Loan- Opening	2,591.00	2,591.00	2,591.00	2,591.00	2,591.00
Cumulative repayments of Loans upto previous year	1,727.33	1,943.25	2,159.17	2,375.08	2,591.00
Net loan-Opening	863.67	647.75	431.83	215.92	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	215.92	215.92	215.92	215.92	0.00
Net Loan-Closing	647.75	431.83	215.91	0.00	0.00
Average Net Loan	755.71	539.79	323.87	107.96	0.00
Rate of Interest on Loan on Annual Basis	9.30	9.30	9.30	9.30	9.30
Interest on loan	70.281	50.2005	30.1199	10.0403	0.00

BOND XXVII -DOCO Loan					
Gross Loan- Opening	6,600.00	6,600.00	6,600.00	6,600.00	6,600.00
Cumulative repayments of Loans upto previous year	4,400.00	4,950.00	5,500.00	6,050.00	6,600.00
Net loan-Opening	2,200.00	1,650.00	1,100.00	550.00	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	550.00	550.00	550.00	550.00	0.00
Net Loan-Closing	1,650.00	1,100.00	550.00	0.00	0.00
Average Net Loan	1,925.00	1,375.00	825.00	275.00	0.00



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Rate of Interest on Loan on Annual Basis	9.47	9.47	9.47	9.47	9.47
Interest on loan	182.2975	130.2125	78.1275	26.0425	0.00

BOND XXVIII -DOCO Loan					
Gross Loan- Opening	550.00	550.00	550.00	550.00	550.00
Cumulative repayments of Loans upto previous year	320.83	366.67	412.50	458.33	504.17
Net loan-Opening	229.17	183.33	137.50	91.67	45.83
Add: Drawl(s) during the year	0.00	0.00	0.00	0.00	0.00
Less: Repayment(s) of loan during the year	45.83	45.83	45.83	45.83	45.83
Net Loan-Closing	183.34	137.50	91.67	45.84	0.00
Average Net Loan	206.26	160.42	114.59	68.76	22.92
Rate of Interest on Loan on Annual Basis	9.33	9.33	9.33	9.33	9.33
Interest on loan	19.2441	14.9672	10.6912	6.4153	2.1384

BOND XXIX -DOCO Loan					
Gross Loan- Opening	500.00	500.00	500.00	500.00	500.00
Cumulative repayments of Loans upto previous year	291.67	333.33	375.00	416.67	458.33
Net loan-Opening	208.33	166.67	125.00	83.33	41.67
Add: Drawl(s) during the year	0.00	0.00	0.00	0.00	0.00
Less: Repayment(s) of loan during the year	41.67	41.67	41.67	41.67	41.67
Net Loan-Closing	166.66	125.00	83.33	41.66	0.00
Average Net Loan	187.50	145.84	104.17	62.50	20.84
Rate of Interest on Loan on Annual Basis	9.20	9.20	9.20	9.20	9.20
Interest on loan	17.25	13.4173	9.5836	5.75	1.9173

BOND XXX -ADDCAP FOR 2009-2010



Gross Loan- Opening	933.00	933.00	933.00	933.00	933.00
Cumulative repayments of Loans upto previous year	466.50	544.25	622.00	699.75	777.50
Net loan-Opening	466.50	388.75	311.00	233.25	155.50
Add: Drawl(s) during the year	0.00	0.00	0.00	0.00	0.00
Less: Repayment(s) of loan during the year	77.75	77.75	77.75	77.75	77.75
Net Loan-Closing	388.75	311.00	233.25	155.50	77.75
Average Net Loan	427.63	349.88	272.13	194.38	116.63
Rate of Interest on Loan on Annual Basis	8.80	8.80	8.80	8.80	8.80
Interest on loan	37.6314	30.7894	23.9474	17.1054	10.2634

BOND XXXI -ADDCAP FOR 2009-2010

Gross Loan- Opening	130.41	130.41	130.41	130.41	130.41
Cumulative repayments of Loans upto previous year	65.21	76.07	86.94	97.81	108.68
Net loan-Opening	65.20	54.34	43.47	32.60	21.73
Add: Drawl(s) during the year	0.00	0.00	0.00	0.00	0.00
Less: Repayment(s) of loan during the year	10.87	10.87	10.87	10.87	10.87
Net Loan-Closing	54.33	43.47	32.60	21.73	10.86
Average Net Loan	59.77	48.91	38.04	27.17	16.30
Rate of Interest on Loan on Annual Basis	8.90	8.90	8.90	8.90	8.90
Interest on loan	5.3195	4.353	3.3856	2.4181	1.4507

BOND XXXI -ADDCAP FOR 2010-2011

Gross Loan- Opening	634.37	634.37	634.37	634.37	634.37
Cumulative repayments of Loans upto previous year	317.19	370.05	422.91	475.78	528.64
Net loan-Opening	317.18	264.32	211.46	158.59	105.73
Add: Drawl(s) during the year	0.00	0.00	0.00	0.00	0.00



Less: Repayment(s) of loan during the year	52.86	52.86	52.86	52.86	52.86
Net Loan-Closing	264.32	211.46	158.60	105.73	52.87
Average Net Loan	290.75	237.89	185.03	132.16	79.30
Rate of Interest on Loan on Annual Basis	8.90	8.90	8.90	8.90	8.90
Interest on loan	25.8768	21.1722	16.4677	11.7622	7.0577

BOND XXXI -ADDCAP FOR 2011-2012

Gross Loan- Opening	146.22	146.22	146.22	146.22	146.22
Cumulative repayments of Loans upto previous year	73.11	85.30	97.48	109.67	121.85
Net loan-Opening	73.11	60.92	48.74	36.55	24.37
Add: Drawl(s) during the year	0.00	0.00	0.00	0.00	0.00
Less: Repayment(s) of loan during the year	12.19	12.19	12.19	12.19	12.19
Net Loan-Closing	60.92	48.73	36.55	24.36	12.18
Average Net Loan	67.02	54.83	42.65	30.46	18.28
Rate of Interest on Loan on Annual Basis	8.90	8.90	8.90	8.90	8.90
Interest on loan	5.9648	4.8799	3.7959	2.7109	1.6269

BOND-XXXIV -ADDCAP FOR 2011-2012

Gross Loan- Opening	187.00	187.00	187.00	187.00	187.00
Cumulative repayments of Loans upto previous year	77.92	93.50	109.08	124.67	140.25
Net loan-Opening	109.08	93.50	77.92	62.33	46.75
Add: Drawl(s) during the year	0.00	0.00	0.00	0.00	0.00
Less: Repayment(s) of loan during the year	15.58	15.58	15.58	15.58	15.58
Net Loan-Closing	93.50	77.92	62.34	46.75	31.17
Average Net Loan	101.29	85.71	70.13	54.54	38.96
Rate of Interest on Loan on Annual Basis	8.84	8.84	8.84	8.84	8.84



Interest on loan	8.954	7.5768	6.1995	4.8213	3.4441
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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	79.26	79.26	79.26	79.26	79.26
Cumulative repayments of Loans upto previous year	0.00	0.00	0.00	0.00	0.00
Net loan-Opening	79.26	79.26	79.26	79.26	79.26
Add: Drawl(s) during the year	0.00	0.00	0.00	0.00	0.00
Less: Repayment(s) of loan during the year	0.00	0.00	0.00	0.00	0.00
Net Loan-Closing	79.26	79.26	79.26	79.26	79.26
Average Net Loan	79.26	79.26	79.26	79.26	79.26
Rate of Interest on Loan on Annual Basis	9.25	9.25	9.25	9.25	9.25
Interest on loan	7.3316	7.3316	7.3316	7.3316	7.3316

Summary



Gross Loan- Opening	49,150.26	49,150.26	49,150.26	49,150.26	49,150.26
Cumulative repayments of Loans upto previous year	36,619.76	40,356.66	44,093.59	47,476.34	48,525.09
Net loan-Opening	12,530.50	8,793.60	5,056.67	1,673.92	625.17
Add: Drawl(s) during the year	0.00	0.00	0.00	0.00	0.00
Less: Repayment(s) of loan during the year	3,736.91	3,736.91	3,382.74	1,048.75	282.83
Net Loan-Closing	8,793.59	5,056.69	1,673.93	625.17	342.34
Average Net Loan	10,662.09	6,925.19	3,365.34	1,149.57	483.78
Rate of Interest on Loan on Annual Basis	9.0767	9.1081	9.157	9.1561	9.0277
Interest on loan	967.765	630.7502	308.1649	105.2553	43.6744

WA
(Petitioner)



Calculation of interest on Normative loan

Form No. - 9E

Name of the Transmission Licensee	Power Grid Corporation of India Limited		
Project	SIPAT - II		
Element Description	Combined Assets under Sipat-II		
Region	Western Region	DOCO Date	May 5, 2008

(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	54,394.80	54,394.80	54,394.80	54,394.80	54,394.80
Cumulative repayments of Normative loan upto previous year	41,470.95	45,528.69	49,586.43	50,505.50	51,424.57
Net normative loan-Opening	12,923.85	8,866.11	4,808.37	3,889.30	2,970.23
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	4,057.74	4,057.74	919.07	919.07	919.07
Adjustment of cumulative repayment pertaining to the decapitalised asset	0.00	0.00	0.00	0.00	0.00
Net normative loan - closing	8,866.11	4,808.37	3,889.30	2,970.23	2,051.16
Average normative loan	10,894.98	6,837.24	4,348.84	3,429.77	2,510.70
Weighted Average Rate of interest on actual loan	9.0767	9.1081	9.157	9.1561	9.0277
Interest on normative loan	988.90	622.74	398.22	314.03	226.66
Pro rata interest on normative loan	988.90	622.74	398.22	314.03	226.66



Calculation of Depreciation Rate on Original Project Cost

Form No. - 10

Name of the Transmission Licensee	Power Grid Corporation of India Limited		
Project	SIPAT - II		
Element Description	Combined Assets under Sipat-II		
Region	Western Region	DOC Date	May 5, 2008

(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)	265.15	0.00	265.15	265.15	0.00	0.00
Civil & Building	1,889.95	0.00	1,889.95	1,889.95	3.34	63.12
Transmission Line	53,253.39	0.00	53,253.39	53,253.39	5.28	2,811.78
Sub Station	21,772.49	0.00	21,772.49	21,772.49	5.28	1,149.59
Comm. Sys. excluding Fiber Optic	525.21	0.00	525.21	525.21	6.33	33.25
Leasehold Land	0.00	0.00	0.00	0.00	3.34	0.00
IT/Software/UNMS/URTDSM/SCADA,etc	0.00	0.00	0.00	0.00	15.00	0.00
Batteries	0.00	0.00	0.00	0.00	5.28	0.00
Fiber Optic/OPGW	0.00	0.00	0.00	0.00	6.33	0.00
TOTAL	77,706.19	0.00	77,706.19	77,706.19	0.00	4,057.74
Weighted Average Rate of Depreciation(%)					5.221901	

2020-21						
Land(Freehold)	265.15	0.00	265.15	265.15	0.00	0.00



Civil & Building	1,889.95	0.00	1,889.95	1,889.95	3.34	63.12
Transmission Line	53,253.39	0.00	53,253.39	53,253.39	5.28	2,811.78
Sub Station	21,772.49	0.00	21,772.49	21,772.49	5.28	1,149.59
Comm. Sys. excluding Fiber Optic	525.21	0.00	525.21	525.21	6.33	33.25
Leasehold Land	0.00	0.00	0.00	0.00	3.34	0.00
IT/Software/UNMS/URTDSM/SCADA,etc	0.00	0.00	0.00	0.00	15.00	0.00
Batteries	0.00	0.00	0.00	0.00	5.28	0.00
Fiber Optic/OPGW	0.00	0.00	0.00	0.00	6.33	0.00
TOTAL	77,706.19	0.00	77,706.19	77,706.19	0.00	4,057.74
Weighted Average Rate of Depreciation(%)					5.221901	

2021-22						
Land(Freehold)	265.15	0.00	265.15	265.15	0.00	0.00
Civil & Building	1,889.95	0.00	1,889.95	1,889.95	3.34	45.14
Transmission Line	53,253.39	0.00	53,253.39	53,253.39	5.28	618.46
Sub Station	21,772.49	0.00	21,772.49	21,772.49	5.28	252.86
Comm. Sys. excluding Fiber Optic	525.21	0.00	525.21	525.21	6.33	2.61
Leasehold Land	0.00	0.00	0.00	0.00	3.34	0.00
IT/Software/UNMS/URTDSM/SCADA,etc	0.00	0.00	0.00	0.00	15.00	0.00
Batteries	0.00	0.00	0.00	0.00	5.28	0.00
Fiber Optic/OPGW	0.00	0.00	0.00	0.00	6.33	0.00
TOTAL	77,706.19	0.00	77,706.19	77,706.19	0.00	919.07
Weighted Average Rate of Depreciation(%)					1.18275	



2022-23						
Land(Freehold)	265.15	0.00	265.15	265.15	0.00	0.00
Civil & Building	1,889.95	0.00	1,889.95	1,889.95	3.34	45.14
Transmission Line	53,253.39	0.00	53,253.39	53,253.39	5.28	618.46
Sub Station	21,772.49	0.00	21,772.49	21,772.49	5.28	252.86
Comm. Sys. excluding Fiber Optic	525.21	0.00	525.21	525.21	6.33	2.61
Leasehold Land	0.00	0.00	0.00	0.00	3.34	0.00
IT/Software/UNMS/URTDSM/SCADA,etc	0.00	0.00	0.00	0.00	15.00	0.00
Batteries	0.00	0.00	0.00	0.00	5.28	0.00
Fiber Optic/OPGW	0.00	0.00	0.00	0.00	6.33	0.00
TOTAL	77,706.19	0.00	77,706.19	77,706.19	0.00	919.07
Weighted Average Rate of Depreciation(%)					1.18275	

2023-24						
Land(Freehold)	265.15	0.00	265.15	265.15	0.00	0.00
Civil & Building	1,889.95	0.00	1,889.95	1,889.95	3.34	45.14
Transmission Line	53,253.39	0.00	53,253.39	53,253.39	5.28	618.46
Sub Station	21,772.49	0.00	21,772.49	21,772.49	5.28	252.86
Comm. Sys. excluding Fiber Optic	525.21	0.00	525.21	525.21	6.33	2.61
Leasehold Land	0.00	0.00	0.00	0.00	3.34	0.00
IT/Software/UNMS/URTDSM/SCADA,etc	0.00	0.00	0.00	0.00	15.00	0.00
Batteries	0.00	0.00	0.00	0.00	5.28	0.00
Fiber Optic/OPGW	0.00	0.00	0.00	0.00	6.33	0.00
TOTAL	77,706.19	0.00	77,706.19	77,706.19	0.00	919.07



Weighted Average Rate of Depreciation(%)					1.18275	
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(Petitioner)



Statement of Depreciation

Form No. - 10A

Name of the Transmission Licensee		Power Grid Corporation of India Limited			
Project	SIPAT - II				
Element Description	Combined Assets under Sipat-II				
Region	Western Region	DOCOC Date	May 5, 2008		

(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	32.00	32.00	32.00	32.00	32.00
1.2 Lapsed Weighted Average useful life of the Asset/Project(in completed no. of year)	10.00	11.00	12.00	13.00	14.00
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	77,706.19	77,706.19	77,706.19	77,706.19	77,706.19
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	77,706.19	77,706.19	77,706.19	77,706.19	77,706.19
1.8 Average capital cost	77,706.19	77,706.19	77,706.19	77,706.19	77,706.19
1.9 Freehold land included in 1.8	265.15	265.15	265.15	265.15	265.15
1.10 Asset having NIL salvage value included in 1.8	0.00	0.00	0.00	0.00	0.00
1.11 Asset having 10% salvage value included in 1.8	77,441.04	77,441.04	77,441.04	77,441.04	77,441.04
1.12 Depreciable Value(1.10+90% of 1.11)	69,696.94	69,696.94	69,696.94	69,696.94	69,696.94
Depreciation for the period and Cum. Depreciation					
1.13 Weighted Average Rate of depreciation	5.221901	5.221901	1.18275	1.18275	



1.14 Depreciation(for the period)	4,057.74	4,057.74	919.07	919.07	919.07
1.15 Depreciation(Annualised)	4,057.74	4,057.74	919.07	919.07	919.07
Unrecovered Depreciation for DECAP	0.00	0.00	0.00	0.00	0.00
1.16 Cumulative depreciation at the beginning of the period	43,200.18	47,257.92	51,315.66	52,234.73	53,153.80
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	47,257.92	51,315.66	52,234.73	53,153.80	54,072.87



Calculation of interest on working Capital

Form No. - 11

Name of the Transmission Licensee	Power Grid Corporation of India Limited		
Project	SIPAT - II		
Element Description	Combined Assets under Sipat-II		
Region	Western Region	DOC Date	May 5, 2008

(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	193.82	200.64	207.71	215.11	222.55
Maintenance spares 15% of O&M Expenses	348.88	361.15	373.89	387.20	400.60
Receivables equivalent to 45 days of AFC	1,474.67	1,441.46	1,030.37	1,031.22	1,031.97
Total Working capital	2,017.37	2,003.25	1,611.97	1,633.53	1,655.12
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	243.09	225.37	169.26	171.52	198.61
Pro rata interest on working capital	243.09	225.37	169.26	171.52	198.61



Summary of Tariff

Form No. - 1

Name of the Transmission Licensee:	Power Grid Corporation of India Limited		
Project	SIPAT - II		
Element Description	Combined Assets under Sipat-II		
Region	Western Region	DOCO Date	May 5, 2008

(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	919.06	919.07	919.05	919.07	919.05
Interest on Loan-Form No. 9E	144.60	62.04	9.85	0.00	0.00
Return on Equity-Form No. 8	4,378.35	4,378.35	4,378.35	4,378.35	4,378.35
Int. on Working capital-Form No.11	158.15	160.98	164.41	168.42	173.55
Op. and maintenance-Form No.2	1,790.56	1,884.95	1,982.56	2,086.08	2,198.17
Total AFC	7,390.72	7,405.39	7,454.22	7,551.92	7,669.12



Name of the Transmission Licensee		Power Grid Corporation of India Limited	
Project	SIPAT - II		
Element Description	Combined Assets under Sipat-II		
Region	Western Region	DOCO Date	May 5, 2008

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.
400 KV KHANDWA-RAJGARH CKT I & II	AC	DC	2	400 KV	0.000	0.000	220.588	May 5, 2008	Y	
765KV BINA GWALIOR CKT I	AC	SC	4	765 KV	0.000	0.000	234.931	May 5, 2008	Y	
LILO OF KORBA RAIPUR AT BHATAPARA	AC	DC	2	400 KV	0.000	0.000	1.545	May 5, 2008	Y	

Summary:

O&M Expenses For the Transmission Lines Covered in the instant petition	2024-25	2025-26	2026-27	2027-28	2028-29
SINGLE CIRCUIT (BUNDLED CONDUCTOR WITH FOUR SUB-CONDUCTORS)					
Normative Rate of O&M as per Regulation	0.738	0.776	0.817	0.86	0.905



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No. of Units - (Length in KM)	234.931	234.931	234.931	234.931	234.931
O&M Claimed	173.38	182.31	191.94	202.04	212.61
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)	222.133	222.133	222.133	222.133	222.133
O&M Claimed	191.26	201.25	211.69	222.80	234.57

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		
Gwalior:400KV BINA BAY AT GWALIOR	Conventional	400 KV		1.000								May 5, 2008	Y
Bina:400KV GWALIOR BAY AT BINA	Conventional	400 KV		1.000								May 5, 2008	Y
Gwalior:400KV ICT-I BAY AT GWALIOR	Conventional	400 KV		1.000								May 5, 2008	Y
132 Gwalior:220KV ICT-I BAY AT GWALIOR	Conventional	220 KV			1.000							May 5, 2008	Y
Bhatapara:KORBA BAY AT BHATAPARA	Conventional	400 KV		1.000								May 5, 2008	Y
Bhatapara:RAIPUR BAY AT BHATAPARA	Conventional	400 KV		1.000								May 5, 2008	Y
Khandwa:RAJGARH CKT-I & II AT KHANDWA	Conventional	400 KV		2.000								May 5, 2008	Y
Rajgarh:KHANDWA CKT-I&II AT RAJGARH	Conventional	400 KV		2.000								May 5, 2008	Y
Seoni:765KV BAY OF ICT-III AT SEONI	Conventional	765 KV					1.000					May 5, 2008	Y



Seoni:400KV BAY OF ICT-III AT SEONI	Conventio nal	400 KV						1.000								May 5, 2008	Y
Bina:63MVAR BUS REACTOR BAY AT BINA	Conventio nal	400 KV						1.000								May 5, 2008	Y
Bhatapara:400KV BAY OF ICT-II AT BHATAPARA	Conventio nal	400 KV						1.000								May 5, 2008	Y
Bhatapara:220KV BAY OF ICT-II AT BHATAPARA	Conventio nal	220 KV					1.000									May 5, 2008	Y
Gwalior:400/220KV ICT-I AT GWALIOR		400 KV	1.000											315.00		May 5, 2008	Y
Seoni:765/400KV ICT-III AT SEONI		765 KV	1.000										1500.0			May 5, 2008	Y
Gwalior:400/220KV ICT-II AT GWALIOR		400 KV	1.000											315.00		May 5, 2008	Y
Bhatapara:400/220KV ICT-II AT BHATAPARA	Conventio nal	400 KV	1.000											315.00		May 5, 2008	Y
Bhatapara:220KV BHATAPARA BAY AT BHATAPARA	Conventio nal	220 KV							1.000							May 5, 2008	Y
Bhatapara:SUHELA-I BAY AT BHATAPARA	Conventio nal	220 KV							1.000							May 5, 2008	Y
Bhatapara:SUHELA-II BAY AT BHATAPARA	Conventio nal	220 KV							1.000							May 5, 2008	Y
Bhatapara:SUHELA-III BAY AT BHATAPARA	Conventio nal	220 KV							1.000							May 5, 2008	Y



Gwalior:4 FEEDER BAYS AT GWALIOR	Conventional	220 KV					4.000						May 5, 2008	Y
Gwalior:400KV ICT-II BAY AT GWALIOR	Conventional	400 KV				1.000							May 5, 2008	Y
Gwalior:220KV ICT-II BAY AT GWALIOR		220 KV					1.000						May 5, 2008	Y
Bhatapara:400KV ICT BAY AT BHATAPARA	Conventional	400 KV					1.000						May 5, 2008	Y
Bhatapara:220KV ICT BAY AT BHATAPARA	Conventional	220 KV					1.000						May 5, 2008	Y
Bhatapara:400/220KV ICT AT BHATAPARA		400 KV		1.000						315.00			May 5, 2008	Y

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Summary:

O&M Expenses For Substations Covered in the instant petition		2024-25	2025-26	2026-27	2027-28	2028-29
400KV SUB-STATION						
Normative Rate of O&M as per Regulation		29.53	31.08	32.71	34.43	36.23
No. of Units		14.00	14.00	14.00	14.00	14.00
O&M Claimed		413.42	435.12	457.94	482.02	507.22
220KV SUB-STATION						
Normative Rate of O&M as per Regulation		20.67	21.75	22.90	24.10	25.36
No. of Units		12.00	12.00	12.00	12.00	12.00



O&M Claimed	248.04	261.00	274.80	289.20	304.32
765KV SUB-STATION					
Normative Rate of O&M as per Regulation	41.34	43.51	45.79	48.20	50.73
No. of Units	1.00	1.00	1.00	1.00	1.00
O&M Claimed	41.34	43.51	45.79	48.20	50.73
765KV SUB-STATION ICT					
Normative Rate of O&M as per Regulation	0.262	0.276	0.29	0.305	0.322
No. of Units	1.00	1.00	1.00	1.00	1.00
O&M Claimed	393.00	414.00	435.00	457.50	483.00
400KV SUB-STATION ICT					
Normative Rate of O&M as per Regulation	0.262	0.276	0.29	0.305	0.322
No. of Units	4.00	4.00	4.00	4.00	4.00
O&M Claimed	330.12	347.76	365.40	384.32	405.72



3. Communication System

Summary:

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Summary of O&M Expenses claim

(Amount in Rs. Lakh)

Particular	2024-25	2025-26	2026-27	2027-28	2028-29
A) Normative O&M					
Transmission Line	364.64	383.56	403.63	424.84	447.18
Substation	1,425.92	1,501.39	1,578.93	1,661.24	1,750.99
Communication System	0.00	0.00	0.00	0.00	0.00
Total Normative O&M	1,790.56	1,884.95	1,982.56	2,086.08	2,198.17
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	1,790.56	1,884.95	1,982.56	2,086.08	2,198.17

[Signature]

(Petitioner)



Normative parameters considered for tariff computations

Form No. - 3

Name of the Transmission Licensee	Power Grid Corporation of India Limited		
Project	SIPAT - II		
Element Description	Combined Assets under Sipat-II		
Region	Western Region	DOCOC Date	May 5, 2008

(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 bipole scheme (Rs Lakh/MW)	0.00	1.04	1.10	1.16	1.22	1.28
HVDC Back-to-Back stations (Rs Lakh/MW) (Except Gazuwaka BTB)	0.00	2.07	2.18	2.30	2.42	2.55
Gazuwaka HVDC Back-to-Back station (Rs Lakh/MW)	0.00	1.83	1.92	2.03	2.13	2.24

(Petitioner)



Calculation of ROE

Form No. - 8

Name of the Transmission Licensee	Power Grid Corporation of India Limited				
Project	SIPAT - II				
Element Description	Combined Assets under Sipat-II				
Region	Western Region	DOC Date	May 5, 2008		

(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	23,311.39	23,311.39	23,311.39	23,311.39	23,311.39
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)	23,311.39	23,311.39	23,311.39	23,311.39	23,311.39
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	23,311.39	23,311.39	23,311.39	23,311.39	23,311.39
Average Normative Equity	23,311.39	23,311.39	23,311.39	23,311.39	23,311.39
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	4,378.35	4,378.35	4,378.35	4,378.35	4,378.35
Pro rata return on Equity	4,378.35	4,378.35	4,378.35	4,378.35	4,378.35



Calculation of WAR of interest on actual loan

Form No. - 9C

Name of the Transmission Licensee		Power Grid Corporation of India Limited			
Project	SIPAT - II				
Element Description	Combined Assets under Sipat-II				
Region	Western Region	DOCOC Date	May 5, 2008		

(Amount in Rs. Lakh)

Particulars	2024-25	2025-26	2026-27	2027-28	2028-29
BOND XV -DOCOC Loan					
Gross Loan- Opening	150.00	150.00	150.00	150.00	150.00
Cumulative repayments of Loans upto previous year	150.00	150.00	150.00	150.00	150.00
Net loan-Opening	0.00	0.00	0.00	0.00	0.00
Add: Drawl(s) during the year	0.00	0.00	0.00	0.00	0.00
Less: Repayment(s) of loan during the year	0.00	0.00	0.00	0.00	0.00
Net Loan-Closing	0.00	0.00	0.00	0.00	0.00
Average Net Loan	0.00	0.00	0.00	0.00	0.00
Rate of Interest on Loan on Annual Basis	6.68	6.68	6.68	6.68	6.68
Interest on loan	0.00	0.00	0.00	0.00	0.00

BOND XVII -DOCOC Loan					
Gross Loan- Opening	4,078.00	4,078.00	4,078.00	4,078.00	4,078.00
Cumulative repayments of Loans upto previous year	4,078.00	4,078.00	4,078.00	4,078.00	4,078.00
Net loan-Opening	0.00	0.00	0.00	0.00	0.00
Add: Drawl(s) during the year	0.00	0.00	0.00	0.00	0.00
Less: Repayment(s) of loan during the year	0.00	0.00	0.00	0.00	0.00
Net Loan-Closing	0.00	0.00	0.00	0.00	0.00



Average Net Loan	0.00	0.00	0.00	0.00	0.00
Rate of Interest on Loan on Annual Basis	7.39	7.39	7.39	7.39	7.39
Interest on loan	0.00	0.00	0.00	0.00	0.00

BOND XVIII -DOCO Loan					
Gross Loan- Opening	4,250.00	4,250.00	4,250.00	4,250.00	4,250.00
Cumulative repayments of Loans upto previous year	4,250.00	4,250.00	4,250.00	4,250.00	4,250.00
Net loan-Opening	0.00	0.00	0.00	0.00	0.00
Add: Drawl(s) during the year	0.00	0.00	0.00	0.00	0.00
Less: Repayment(s) of loan during the year	0.00	0.00	0.00	0.00	0.00
Net Loan-Closing	0.00	0.00	0.00	0.00	0.00
Average Net Loan	0.00	0.00	0.00	0.00	0.00
Rate of Interest on Loan on Annual Basis	8.15	8.15	8.15	8.15	8.15
Interest on loan	0.00	0.00	0.00	0.00	0.00

BOND XX -DOCO Loan					
Gross Loan- Opening	17,800.00	17,800.00	17,800.00	17,800.00	17,800.00
Cumulative repayments of Loans upto previous year	17,800.00	17,800.00	17,800.00	17,800.00	17,800.00
Net loan-Opening	0.00	0.00	0.00	0.00	0.00
Add: Drawl(s) during the year	0.00	0.00	0.00	0.00	0.00
Less: Repayment(s) of loan during the year	0.00	0.00	0.00	0.00	0.00
Net Loan-Closing	0.00	0.00	0.00	0.00	0.00
Average Net Loan	0.00	0.00	0.00	0.00	0.00
Rate of Interest on Loan on Annual Basis	8.93	8.93	8.93	8.93	8.93
Interest on loan	0.00	0.00	0.00	0.00	0.00



BOND XXI -DOCO Loan					
Gross Loan- Opening	201.00	201.00	201.00	201.00	201.00
Cumulative repayments of Loans upto previous year	201.00	201.00	201.00	201.00	201.00
Net loan-Opening	0.00	0.00	0.00	0.00	0.00
Add: Drawl(s) during the year	0.00	0.00	0.00	0.00	0.00
Less: Repayment(s) of loan during the year	0.00	0.00	0.00	0.00	0.00
Net Loan-Closing	0.00	0.00	0.00	0.00	0.00
Average Net Loan	0.00	0.00	0.00	0.00	0.00
Rate of Interest on Loan on Annual Basis	8.73	8.73	8.73	8.73	8.73
Interest on loan	0.00	0.00	0.00	0.00	0.00

BOND XXII -DOCO Loan					
Gross Loan- Opening	1,207.00	1,207.00	1,207.00	1,207.00	1,207.00
Cumulative repayments of Loans upto previous year	1,207.00	1,207.00	1,207.00	1,207.00	1,207.00
Net loan-Opening	0.00	0.00	0.00	0.00	0.00
Add: Drawl(s) during the year	0.00	0.00	0.00	0.00	0.00
Less: Repayment(s) of loan during the year	0.00	0.00	0.00	0.00	0.00
Net Loan-Closing	0.00	0.00	0.00	0.00	0.00
Average Net Loan	0.00	0.00	0.00	0.00	0.00
Rate of Interest on Loan on Annual Basis	8.68	8.68	8.68	8.68	8.68
Interest on loan	0.00	0.00	0.00	0.00	0.00

BOND XXIII -DOCO Loan					
Gross Loan- Opening	8,800.00	8,800.00	8,800.00	8,800.00	8,800.00
Cumulative repayments of Loans upto previous year	8,800.00	8,800.00	8,800.00	8,800.00	8,800.00
Net loan-Opening	0.00	0.00	0.00	0.00	0.00



Add: Drawl(s) during the year	0.00	0.00	0.00	0.00	0.00
Less: Repayment(s) of loan during the year	0.00	0.00	0.00	0.00	0.00
Net Loan-Closing	0.00	0.00	0.00	0.00	0.00
Average Net Loan	0.00	0.00	0.00	0.00	0.00
Rate of Interest on Loan on Annual Basis	9.25	9.25	9.25	9.25	9.25
Interest on loan	0.00	0.00	0.00	0.00	0.00

BOND XXVI -DOCO Loan					
Gross Loan- Opening	2,591.00	2,591.00	2,591.00	2,591.00	2,591.00
Cumulative repayments of Loans upto previous year	2,591.00	2,591.00	2,591.00	2,591.00	2,591.00
Net loan-Opening	0.00	0.00	0.00	0.00	0.00
Add: Drawl(s) during the year	0.00	0.00	0.00	0.00	0.00
Less: Repayment(s) of loan during the year	0.00	0.00	0.00	0.00	0.00
Net Loan-Closing	0.00	0.00	0.00	0.00	0.00
Average Net Loan	0.00	0.00	0.00	0.00	0.00
Rate of Interest on Loan on Annual Basis	9.30	9.30	9.30	9.30	9.30
Interest on loan	0.00	0.00	0.00	0.00	0.00

BOND XXVII -DOCO Loan					
Gross Loan- Opening	6,600.00	6,600.00	6,600.00	6,600.00	6,600.00
Cumulative repayments of Loans upto previous year	6,600.00	6,600.00	6,600.00	6,600.00	6,600.00
Net loan-Opening	0.00	0.00	0.00	0.00	0.00
Add: Drawl(s) during the year	0.00	0.00	0.00	0.00	0.00
Less: Repayment(s) of loan during the year	0.00	0.00	0.00	0.00	0.00
Net Loan-Closing	0.00	0.00	0.00	0.00	0.00
Average Net Loan	0.00	0.00	0.00	0.00	0.00

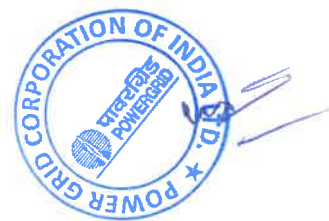


Rate of Interest on Loan on Annual Basis	9.47	9.47	9.47	9.47	9.47
Interest on loan	0.00	0.00	0.00	0.00	0.00

BOND XXVIII -DOCO Loan					
Gross Loan- Opening	550.00	550.00	550.00	550.00	550.00
Cumulative repayments of Loans upto previous year	550.00	550.00	550.00	550.00	550.00
Net loan-Opening	0.00	0.00	0.00	0.00	0.00
Add: Drawl(s) during the year	0.00	0.00	0.00	0.00	0.00
Less: Repayment(s) of loan during the year	0.00	0.00	0.00	0.00	0.00
Net Loan-Closing	0.00	0.00	0.00	0.00	0.00
Average Net Loan	0.00	0.00	0.00	0.00	0.00
Rate of Interest on Loan on Annual Basis	9.33	9.33	9.33	9.33	9.33
Interest on loan	0.00	0.00	0.00	0.00	0.00

BOND XXIX -DOCO Loan					
Gross Loan- Opening	500.00	500.00	500.00	500.00	500.00
Cumulative repayments of Loans upto previous year	500.00	500.00	500.00	500.00	500.00
Net loan-Opening	0.00	0.00	0.00	0.00	0.00
Add: Drawl(s) during the year	0.00	0.00	0.00	0.00	0.00
Less: Repayment(s) of loan during the year	0.00	0.00	0.00	0.00	0.00
Net Loan-Closing	0.00	0.00	0.00	0.00	0.00
Average Net Loan	0.00	0.00	0.00	0.00	0.00
Rate of Interest on Loan on Annual Basis	9.20	9.20	9.20	9.20	9.20
Interest on loan	0.00	0.00	0.00	0.00	0.00

BOND XXX -ADDCAP FOR 2009-2010



Gross Loan- Opening	933.00	933.00	933.00	933.00	933.00
Cumulative repayments of Loans upto previous year	855.25	933.00	933.00	933.00	933.00
Net loan-Opening	77.75	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	77.75	0.00	0.00	0.00	0.00
Net Loan-Closing	0.00	0.00	0.00	0.00	0.00
Average Net Loan	38.88	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	3.4214	0.00	0.00	0.00	0.00

BOND XXXI -ADDCAP FOR 2009-2010

Gross Loan- Opening	130.41	130.41	130.41	130.41	130.41
Cumulative repayments of Loans upto previous year	119.54	130.41	130.41	130.41	130.41
Net loan-Opening	10.87	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	10.87	0.00	0.00	0.00	0.00
Net Loan-Closing	0.00	0.00	0.00	0.00	0.00
Average Net Loan	5.44	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	0.4842	0.00	0.00	0.00	0.00

BOND XXXI -ADDCAP FOR 2010-2011

Gross Loan- Opening	634.37	634.37	634.37	634.37	634.37
Cumulative repayments of Loans upto previous year	581.51	634.37	634.37	634.37	634.37
Net loan-Opening	52.86	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	52.86	0.00	0.00	0.00	0.00
Net Loan-Closing	0.00	0.00	0.00	0.00	0.00
Average Net Loan	26.43	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	2.3523	0.00	0.00	0.00	0.00

BOND XXXI -ADDCAP FOR 2011-2012

Gross Loan- Opening	146.22	146.22	146.22	146.22	146.22
Cumulative repayments of Loans upto previous year	134.04	146.22	146.22	146.22	146.22
Net loan-Opening	12.18	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	12.19	0.00	0.00	0.00	0.00
Net Loan-Closing	-0.01	0.00	0.00	0.00	0.00
Average Net Loan	6.09	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	0.542	0.00	0.00	0.00	0.00

BOND-XXXIV -ADDCAP FOR 2011-2012

Gross Loan- Opening	187.00	187.00	187.00	187.00	187.00
Cumulative repayments of Loans upto previous year	155.83	171.42	187.00	187.00	187.00
Net loan-Opening	31.17	15.58	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	15.58	15.58	0.00	0.00	0.00
Net Loan-Closing	15.59	0.00	0.00	0.00	0.00
Average Net Loan	23.38	7.79	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	2.0668	0.6886	0.00	0.00	0.00
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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	79.26	79.26	79.26	79.26	79.26
Cumulative repayments of Loans upto previous year	0.00	0.00	0.00	79.26	79.26
Net loan-Opening	79.26	79.26	79.26	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	79.26	0.00	0.00
Net Loan-Closing	79.26	79.26	0.00	0.00	0.00
Average Net Loan	79.26	79.26	39.63	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	7.3316	7.3316	3.6658	0.00	0.00

Summary



Gross Loan- Opening	49,150.26	49,150.26	49,150.26	49,150.26	49,150.26
Cumulative repayments of Loans upto previous year	48,807.92	49,003.25	49,044.92	49,150.26	49,150.26
Net loan-Opening	342.34	147.01	105.34	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	195.33	41.66	105.34	0.00	0.00
Net Loan-Closing	147.01	105.35	0.00	0.00	0.00
Average Net Loan	244.69	126.18	52.67	0.00	0.00
Rate of Interest on Loan on Annual Basis	9.085	9.2247	9.25	9.25	9.25
Interest on loan	22.2302	11.6397	4.872	0.00	0.00

WA
(Petitioner)



Calculation of interest on Normative loan

Form No. - 9E

Name of the Transmission Licensee	Power Grid Corporation of India Limited				
Project	SIPAT - II				
Element Description	Combined Assets under Sipat-II				
Region	Western Region	DOC Date	May 5, 2008		

(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	54,394.80	54,394.80	54,394.80	54,394.80	54,394.80
Cumulative repayments of Normative loan upto previous year	52,343.64	53,262.70	54,181.77	54,394.80	54,394.80
Net normative loan-Opening	2,051.16	1,132.10	213.03	0.00	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	919.06	919.07	213.03	0.00	0.00
Adjustment of cumulative repayment pertaining to the decapitalised asset	0.00	0.00	0.00	0.00	0.00
Net normative loan - closing	1,132.10	213.03	0.00	0.00	0.00
Average normative loan	1,591.63	672.57	106.52	0.00	0.00
Weighted Average Rate of interest on actual loan	9.085	9.2247	9.25	9.25	9.25
Interest on normative loan	144.60	62.04	9.85	0.00	0.00
Pro rata interest on normative loan	144.60	62.04	9.85	0.00	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	SIPAT - II		
Element Description	Combined Assets under Sipat-II		
Region	Western Region	DOCO Date	May 5, 2008

(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)	265.15	0.00	265.15	265.15	0.00	0.00
Civil & Building	1,889.95	0.00	1,889.95	1,889.95	3.34	45.14
Transmission Line	53,253.39	0.00	53,253.39	53,253.39	5.28	618.46
Sub Station	21,772.49	0.00	21,772.49	21,772.49	5.28	252.85
Comm. Sys. excluding Fiber Optic	525.21	0.00	525.21	525.21	15.00	2.61
Leasehold Land	0.00	0.00	0.00	0.00	3.34	0.00
IT/Software/UNMS/URTDSM/SCADA,etc	0.00	0.00	0.00	0.00	15.00	0.00
Batteries	0.00	0.00	0.00	0.00	9.50	0.00
Fiber Optic/OPGW	0.00	0.00	0.00	0.00	6.33	0.00
TOTAL	77,706.19	0.00	77,706.19	77,706.19	0.00	919.06
Weighted Average Rate of Depreciation(%)					1.182737	

2025-26						
Land(Freehold)	265.15	0.00	265.15	265.15	0.00	0.00



Civil & Building	1,889.95	0.00	1,889.95	1,889.95	3.34	45.14
Transmission Line	53,253.39	0.00	53,253.39	53,253.39	5.28	618.46
Sub Station	21,772.49	0.00	21,772.49	21,772.49	5.28	252.86
Comm. Sys. excluding Fiber Optic	525.21	0.00	525.21	525.21	15.00	2.61
Leasehold Land	0.00	0.00	0.00	0.00	3.34	0.00
IT/Software/UNMS/URTDSM/SCADA,etc	0.00	0.00	0.00	0.00	15.00	0.00
Batteries	0.00	0.00	0.00	0.00	9.50	0.00
Fiber Optic/OPGW	0.00	0.00	0.00	0.00	6.33	0.00
TOTAL	77,706.19	0.00	77,706.19	77,706.19	0.00	919.07
Weighted Average Rate of Depreciation(%)					1.18275	

2026-27						
Land(Freehold)	265.15	0.00	265.15	265.15	0.00	0.00
Civil & Building	1,889.95	0.00	1,889.95	1,889.95	3.34	45.13
Transmission Line	53,253.39	0.00	53,253.39	53,253.39	5.28	618.46
Sub Station	21,772.49	0.00	21,772.49	21,772.49	5.28	252.85
Comm. Sys. excluding Fiber Optic	525.21	0.00	525.21	525.21	15.00	2.61
Leasehold Land	0.00	0.00	0.00	0.00	3.34	0.00
IT/Software/UNMS/URTDSM/SCADA,etc	0.00	0.00	0.00	0.00	15.00	0.00
Batteries	0.00	0.00	0.00	0.00	9.50	0.00
Fiber Optic/OPGW	0.00	0.00	0.00	0.00	6.33	0.00
TOTAL	77,706.19	0.00	77,706.19	77,706.19	0.00	919.05
Weighted Average Rate of Depreciation(%)					1.182724	



2027-28						
Land(Freehold)	265.15	0.00	265.15	265.15	0.00	0.00
Civil & Building	1,889.95	0.00	1,889.95	1,889.95	3.34	45.14
Transmission Line	53,253.39	0.00	53,253.39	53,253.39	5.28	618.46
Sub Station	21,772.49	0.00	21,772.49	21,772.49	5.28	252.86
Comm. Sys. excluding Fiber Optic	525.21	0.00	525.21	525.21	15.00	2.61
Leasehold Land	0.00	0.00	0.00	0.00	3.34	0.00
IT/Software/UNMS/URTDSM/SCADA,etc	0.00	0.00	0.00	0.00	15.00	0.00
Batteries	0.00	0.00	0.00	0.00	9.50	0.00
Fiber Optic/OPGW	0.00	0.00	0.00	0.00	6.33	0.00
TOTAL	77,706.19	0.00	77,706.19	77,706.19	0.00	919.07
Weighted Average Rate of Depreciation(%)					1.18275	

2028-29						
Land(Freehold)	265.15	0.00	265.15	265.15	0.00	0.00
Civil & Building	1,889.95	0.00	1,889.95	1,889.95	3.34	45.13
Transmission Line	53,253.39	0.00	53,253.39	53,253.39	5.28	618.46
Sub Station	21,772.49	0.00	21,772.49	21,772.49	5.28	252.85
Comm. Sys. excluding Fiber Optic	525.21	0.00	525.21	525.21	15.00	2.61
Leasehold Land	0.00	0.00	0.00	0.00	3.34	0.00
IT/Software/UNMS/URTDSM/SCADA,etc	0.00	0.00	0.00	0.00	15.00	0.00
Batteries	0.00	0.00	0.00	0.00	9.50	0.00
Fiber Optic/OPGW	0.00	0.00	0.00	0.00	6.33	0.00
TOTAL	77,706.19	0.00	77,706.19	77,706.19	0.00	919.05



Weighted Average Rate of Depreciation(%)					1.182724	
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(Petitioner)



Statement of Depreciation

Form No. - 10A

Name of the Transmission Licensee	Power Grid Corporation of India Limited				
Project	SIPAT - II				
Element Description	Combined Assets under Sipat-II				
Region	Western Region	DOCO Date	May 5, 2008		

(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	32.00	32.00	32.00	32.00	32.00
1.2 Lapsed Weighted Average useful life of the Asset/Project(in completed no. of year)	15.00	16.00	17.00	18.00	19.00
1.3 Balance Weighted Average useful life of the Asset/Project(in completed no. of year)	17.00	16.00	15.00	14.00	13.00
Capital Base					
1.4 Opening capital cost	77,706.19	77,706.19	77,706.19	77,706.19	77,706.19
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	77,706.19	77,706.19	77,706.19	77,706.19	77,706.19
1.8 Average capital cost	77,706.19	77,706.19	77,706.19	77,706.19	77,706.19
1.9 Freehold land included in 1.8	265.15	265.15	265.15	265.15	265.15
1.10 Asset having NIL salvage value included in 1.8	0.00	0.00	0.00	0.00	0.00
1.11 Asset having 10% salvage value included in 1.8	77,441.04	77,441.04	77,441.04	77,441.04	77,441.04
1.12 Depreciable Value(1.10+90% of 1.11)	69,696.94	69,696.94	69,696.94	69,696.94	69,696.94
Depreciation for the period and Cum. Depreciation					
1.13 Weighted Average Rate of depreciation	1.182737	1.18275	1.182724	1.18275	1.182724



1.14 Depreciation(for the period)	919.06	919.07	919.05	919.07	919.05
1.15 Depreciation(Annualised)	919.06	919.07	919.05	919.07	919.05
Unrecovered Depreciation for DECAP	0.00	0.00	0.00	0.00	0.00
1.16 Cumulative depreciation at the beginning of the period	54,072.87	54,991.93	55,911.00	56,830.05	57,749.12
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	54,991.93	55,911.00	56,830.05	57,749.12	58,668.17

(Petitioner)



Calculation of interest on working Capital

Form No. - 11

Name of the Transmission Licensee	Power Grid Corporation of India Limited		
Project	SIPAT - II		
Element Description	Combined Assets under Sipat-II		
Region	Western Region	DOCO Date	May 5, 2008

(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	149.21	157.08	165.21	173.84	183.18
Maintenance spares 15% of O&M Expenses	268.58	282.74	297.38	312.91	329.73
Receivables equivalent to 45 days of AFC	911.18	912.99	919.01	928.51	945.51
Total Working capital	1,328.97	1,352.81	1,381.60	1,415.26	1,458.42
Bank Rate as on 01.04.2024 or as on 01st April of the COD year, whichever is later.	11.90	11.90	11.90	11.90	11.90
Interest on working capital	158.15	160.98	164.41	168.42	173.55
Pro rata interest on working capital	158.15	160.98	164.41	168.42	173.55



**Summary of issue involved
in the petition**

**PART-III
FORM- 15**

1. Name of the Petitioner	Power Grid Corporation of India Limited
2. Petition Category	Transmission
3. Tariff Period	2019-24 and 2024-29
4. Name of the Project	Sipat-II Transmission System
5. Investment Approval date	-
6. SCOD of the Project	-
7. Actual COD of the project	-
8. Whether entire scope is covered in the present petition.	Yes
9. No. of Assets covered in instant petition	1
10. No. of Assets having time over run	-
11. Estimated Project Cost as per IA	60190
12. Is there any RCE? if so, provide the date	Yes
13. Revised Estimated Project Cost (if any)	79086
14. Completion cost for all the assets covered in the instant petition.	77706.19
15. No. of Assets covered in instant petition and having cost overrun.	-
16	Prayer in brief
17	Key details and any Specific issue involved
18	Respondents
	Name of Respondents
1	MADHYA PRADESH POWER MANAGEMENT COMPANY LTD
2	CHHATTISGARH STATE POWER DISTRIBUTION CO. LTD
3	MAHARASHTRA STATE ELECTRICITY DISTRIBUTION CO. LTD.
4	GUJARAT URJA VIKAS NIGAM LTD.
5	ELECTRICITY DEPARTMENT, GOA
6	DNH and DD Power Corporation Ltd

(Petitioner)



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

PART-III
Check List

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	✓
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.	Yes
5	Copies of the Equity participation agreements and necessary approval for the foreign equity.	N.A.
6	Copies of the BFTA/TSA/PPA with the beneficiaries, if any	N.A.
7	Detailed note giving reasons of cost and time over run, if applicable. List of supporting documents to be submitted: a. Detailed Project Report b. CPM Analysis c. PERT Chart and Bar Chart d. Justification for cost and time Overrun	N.A.
8	Transmission Licensee shall submit copy of Cost Audit Report along with cost accounting records, cost details, statements, schedules etc. for the transmission system as submitted to the Govt. of India for first two years i.e. 2019-20 and 2020-21 at the time of mid-term true-up in 2021-22 and for balance period of tariff period 2019-24 at the time of final true-up in 2024-25. In case of initial tariff filing the latest available Cost Audit Report should be furnished.	N.A.
9.	BBMB is maintaining the records as per the relevant applicable Acts. Formats specified herein may not be suitable to the available information with BBMB. BBMB may modify formats suitably as per available information to them for submission of required information for tariff purpose.	N.A.
10.	Any other relevant information, (Please specify)	N.A.
<p>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.</p>		

