

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

**Review Petition No. 45/RP/2018
in Petition No. 213/TT/2017**

Coram:

**Shri P.K. Pujari, Chairperson
Dr. M. K. Iyer, Member**

Date of Order : 04.02.2019

In the matter of:

Petition for review and modification of the order dated 20.9.2018 in Petition No. 213/TT/2017 under section 94(1)(f) of the Electricity Act, 2003.

And in the matter of:

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

..Review Petitioner

Vs

1. NTPC Limited,
NTPC Bhawan, Core-7,
Scope Complex,
7, Institutional Area, Lodhi Road,
New Delhi – 110003.
2. National Hydro Power Corporation Limited,
NHPC Office Complex,
Institutional Area, Lodhi Road,
New Delhi – 110003.
3. Orissa Hydro Power Corporation Limited,
Burla Power House,
Dist. Sambalpur, Burla – 768017.
4. Meija Thermal Power Station,
DVC, P.O MTPS,
Dist. Bankura – 722183.



ROP in Petition No. 45/RP/2018

5. West Bengal State Electricity Distribution Co. Ltd.,
Bidyut Bhawan, 8th Floor (A Block)
Block DJ, Salt Lake,
Kolkata – 700091.
6. Bihar State Electricity Board,
Vidyut Bhawan, Bailey Road,
Patna – 800001.
7. Grid Corporation of Orissa Limited
Vidyut Bhawan, Janpath,
Bhubaneswar – 751007
8. Power Department,
Government of Sikkim,
Gangtok – 727102
9. Jharkhand State Electricity Board
Engineering Building, HEC Township,
Dhurwa, Ranchi – 834004.
10. Damodar Valley Corporation
DVC Tower, VIP Road,
Kolkata – 700054.
11. Powerlinks Transmission Limited,
Vidyut Nagar, P.O Satellite Township,
Siliguri–734015.

..... Respondents

For Review Petitioner: Ms. Swapna Sheshadri, Advocate, PGCIL
Ms. Parichita Chodhary, Advocate, PGCIL
Shri S.S. Raju, PGCIL
Shri S.S. Venkatesan, PGCIL

For Respondents: None

ORDER

The instant review petition has been filed by Power Grid Corporation of India Limited (PGCIL) for review of the order dated 20.9.2018 in Petition No. 213/TT/2017. In



ROP in Petition No. 45/RP/2018

Petition No. 213/TT/2017, the Commission tried up the fee and charges of 2009-14 tariff period and determined the tariff of 2014-19 period of Asset-I: 2 Nos. OPGW links under Central Sector (127 km) and Asset-II: 3 Nos. OPGW links under Central Sector (170.234 km) under “Fibre Optic Communication System under Expansion of Wideband Communication Network” in Eastern Region in terms of Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2009 (hereinafter referred to as “2009 Tariff Regulations”) and Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2014 (hereinafter referred to as “2014 Tariff Regulations”) respectively.

Brief background

2. In the instant case, Assets-I and II were put into commercial operation on 1.11.2013 and 1.3.2014 respectively. The additional capital expenditure for Assets-I and II after their cut-off dates i.e. 31.3.2018 and 31.3.2017 respectively was disallowed by the Commission in the impugned order on the premise that there was no specific provision in the 2014 Tariff Regulations relating to ULDC and Communication System.

3. Aggrieved by the said order dated 20.9.2018, the Review Petitioner has filed the instant review petition. The Review Petitioner has submitted that Regulation 9(2)(v) of 2009 Tariff Regulations provides that any expenditure after the cut-off date that has become necessary for the successful and efficient operation can be capitalized. Similarly, Regulation 4(3)(v) of 2014 Tariff Regulations confers power on the Commission to allow additional capital expenditure after the cut-off date. The Review



Petitioner has submitted that vide affidavit dated 7.8.2018 in Petition No. 213/TT/2017, the Review Petitioner claimed ₹51.83 lakh of additional capitalization during 2016-17 in case of Asset-I and ₹25.25 lakh during 2017-18 in case of Asset-II relating to balance and retention payment for the works executed before the cut-off dates of the said assets. The additional capitalization after the cut-off in the instant case should have been allowed under the said provisions. Non-consideration of the additional capitalization in case of Assets-I and II in the impugned order is an error apparent on record.

4. Heard the learned counsel for the Review Petitioner and perused the record. Admit and issue notice to the Respondents.

5. The Review Petitioner is directed to serve a copy of the review petition on the respondents by 11.2.2019. The respondents shall file their reply by 28.2.2019, with advance copy to the Review Petitioner, who shall file its rejoinder, if any, by 11.3.2019. The parties shall ensure completion of pleadings within the due date as mentioned above.

6. Matter shall be listed for hearing in due course for which separate notices shall be issued to the parties.

sd/-
(Dr. M.K. Iyer)
Member

sd/-
(P.K. Pujari)
Chairperson

