Petition No. 327/TT/2020

Subject: Petition for true-up of transmission tariff of the 2014-19 period and determination of transmission tariff of the 2019-24 period for subject assets under “Augmentation of Transformer and Bays in Western Region” in Western Region.

Date of Hearing: 10.8.2020

Coram: Shri P.K. Pujari, Chairperson
Shri I. S. Jha, Member
Shri Arun Goyal, Member

Petitioner: Power Grid Corporation of India Limited

Respondents: Madhya Pradesh Power Management Company Ltd. & 10 Others

Parties present: Shri S.S. Raju, PGCIL
Shri A. K. Verma, PGCIL
Shri B. Dash, PGCIL

Record of Proceedings

The matter was heard through video conference.

2. The representative of the Petitioner submitted that the instant petition has been filed for true-up of transmission tariff of the 2014-19 period and determination of transmission tariff of the 2019-24 period in respect of following assets under “Augmentation of Transformer and Bays in Western Region”.

a. Asset-A1: 400/220 kV, 1*315 MVA Transformer at Mapusa (ICT III) Sub-station alongwith 2 nos. 220 kV line bays;

b. Asset-B1: 400/220 kV 1X500 MVA Transformer at Navsari Sub-station;

c. Asset-B2(a): 1 no. 400kV line bays at 765/400 kV Indore Sub-station;

d. Asset-B2(b): 1 no. 400kV line bays at 765/400 kV Indore Sub-station and;

e. Asset-B3: 2 nos. 220 kV line bays at 400/220 kV Pirana Sub-station.
3. The representative of the Petitioner submitted that the Asset-A1 was put into commercial operation on 1.11.2013 during 2009-14 tariff period and the tariff was allowed vide order dated 22.2.2016 in Petition No. 86/TT/2015. Assets-B1, B2(a), B2(b) and B3 were put into commercial operation on 10.7.2014, 9.8.2014, 6.9.2014 and 21.3.2015 respectively, during the 2014-19 tariff period and the final tariff for said assets was allowed vide order dated 23.5.2016 in Petition No. 109/TT/2014. He also submitted that the time over-run in case of Assets-B2(a) and B2(b) was condoned, whereas, the time over-run in case of Asset-B1 was not condoned. He further submitted that with regard to Asset-B3, the downstream asset was not ready and hence the Commission approved the COD under proviso (ii) of Regulation 4(3) of the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2014, and as the downstream asset has not achieved COD yet, the billing for this asset is being done bilaterally, whereas, rest of the assets are under the PoC mechanism. He submitted that the RCE had been submitted and considered in the previous order. He further submitted that the Additional Capital Expenditure beyond the cut-off date during 2017-18 and 2018-19 is on account of Balance and Retention Payments, for which party-wise details have been provided in the petition. He also submitted that the information sought in the Technical Validation letter has been submitted and the rejoinder to the reply of MPPMCL has been filed.

4. In response to a query of the Commission regarding the initial spares, the representative of the Petitioner submitted that the Initial Spares have been allowed by the Commission in final tariff order. He submitted that vide order in Petition No. 86/TT/2015, the Commission had disallowed initial spares amounting to ₹21.35 lakh, which have not been claimed in the instant petition. The representative of the Petitioner further submitted that the initial spares have been claimed as per the judgement of the APTEL in Appeal No. 74 of 2017.

5. After the hearing, the Commission directed the Petitioner to submit the following information, on affidavit, by 28.8.2020, with advance copy to the Respondents: -

   i. Legible copy of IDC statements for Assets B1, B2(a), B2(b) and B3 showing date of drawl, amount of drawl, rate of interest, total interest against each drawl, annual interest payment date up to COD, interest discharged up to COD, interest payment date after COD and interest discharged after COD.

   ii. Legible copy of liability flow statement with regard to Additional Capital Expenditure claimed for all the assets covered in the instant petition for 2014-19 period in the following format:
<table>
<thead>
<tr>
<th>Asset No.</th>
<th>Head wise/Party wise</th>
<th>Particulars</th>
<th>Year of Actual Capitalisation</th>
<th>Outstanding Liability as on COD/31st March 2014*</th>
<th>Discharge (year wise)</th>
<th>Reversal (year wise)</th>
<th>Additional Liability Recognized^</th>
<th>Outstanding Liability as on 31.3.2019</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
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<td>2014-19 period</td>
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6. The Commission further directed the Petitioner to submit the information within the specified time and observed that no extension of time shall be granted.

7. Subject to the above, the Commission reserved the order in the matter.

**By order of the Commission**

sd/-
(V. Sreenivas)
Deputy Chief (Law)