

**CENTRAL ELECTRICITY REGULATORY COMMISSION
New Delhi**

Petition No. 295/TT/2022

- Subject** : Petition for truing up of transmission tariff of the 2014-19 tariff period and determination of transmission tariff for 2019-24 tariff period for Series Compensation on Panki-Muradnagar 400 kV S/C line of UPPCL in the Northern Region & approval under Regulation 76 and Regulation 77 of Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2019, "Power to Relax" and "Power to Remove Difficulty" for one-time reimbursement of unrecovered depreciation for Series Compensation on Panki-Muradnagar 400 kV S/C line of UPPCL in the Northern Region.
- Date of Hearing** : 27.9.2023
- Coram** : Shri Jishnu Barua, Chairperson
Shri Arun Goyal, Member
Shri P.K. Singh, Member
- Petitioner** : Power Grid Corporation of India Limited
- Respondents** : Ajmer Vidyut Vitran Nigam Limited and 15 others
- Parties Present** : Ms. Swapana Seshadhari, Advocate, PGCIL
Shri Utkarsh Singh, Advocate, PGCIL
Ms. Sneha, Advocate, PGCIL
Ms. Supriya Singh, PGCIL
Shri Bipin Bihari Rath, PGCIL
Shri Vivek Singh, PGCIL
Shri Amit Yadav, PGCIL
Shri Sandeep Kumawat, CTUIL
Shri Siddharth Sharma, CTUIL
Shri Akshayvat Kislay, CTUIL

Record of Proceedings

The learned counsel for the Petitioner has made the following submissions:

- a. The Investment Approval for the transmission asset was accorded by the Board of Directors as per the Memorandum dated 30.8.2001 at an estimated cost of ₹2588 lakh including the IDC of ₹149 lakh based on the 4th quarter 2000 price level.
- b. The tariff for the transmission asset was first approved by the Commission vide order dated 16.6.2005 in Petition No. 191/2004 wherein the time over-run of 13 months was condoned.
- c. Depreciation was approved by the Commission at 3.59% as per the 2001 Tariff Regulations.



- d. The Petitioner vide affidavit dated 19.2.2023 submitted the reasons for its entitlement to the unrecovered depreciation for the transmission asset in the instant petition.
- e. The transmission asset was in use for 22 years and then was switched-off as per the decision of the system operator. The computation of depreciation has been constant in tariff regulations for all the tariff periods.

2. Thus, the Petitioner has submitted that the unrecovered depreciation in the instant case may be allowed under provisions of Regulation 76 (Power to Relax) and Regulation 77 (Power to Remove Difficulty) of Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2019 as an one time reimbursement.

3. The learned counsel for the Respondent, CTUIL, submitted the following:

- a. The Petitioner was directed to conduct a cost-benefit analysis for the transmission asset being relocated and it was observed that the cost of relocation would be higher compared to the installation of capacities in the meeting held on 3.8.2021 under chairmanship of CEA and 49th NRPC Meeting held on 27.9.2021.
- b. Further, the Fixed Series Compensation (FSC) line is an old line, and the line length does not match any new line.
- c. The unrecovered depreciation claimed by the Petitioner may not be granted.

4. After hearing the Petitioner, the Commission directed the Respondents to file their replies by 25.10.2023 with an advance copy to the Petitioner, who may file its rejoinder, if any, by 2.11.2023. The Commission also observed that the due date for filing the reply and rejoinder should be strictly adhered to, and no extension of time will be granted.

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

By order of the Commission

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

