

**Central Electricity Regulatory Commission  
New Delhi**

**Petition No. 94/TT/2024**

**Coram:**

**Shri Jishnu Barua, Chairperson  
Shri Ramesh Babu V., Member  
Shri Harish Dudani, Member**

**Date of Order: 25.10.2024**

**In the matter of:**

Approval under Regulation 86 of the Central Electricity Regulatory Commission (Conduct of Business) Regulations, 1999 and the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2019 for the determination of transmission tariff from COD to 31.3.2024 for **Asset 1-** Reconductoring of 400 kV Kolhapur (PG) - Kolhapur (MSETCL) TL - Ckt 1 along with upgradation of 400 kV bays at Kolhapur (MSETCL) substation and **Asset 2-** Reconductoring of 400 kV Kolhapur (PG)- Kolhapur (MSETCL) TL - Ckt 2 along with upgradation of 400 kV bays at Kolhapur (MSETCL) substation under "Transmission system strengthening beyond Kolhapur for export of power from Solar & Wind energy zones in Southern Region - Re-conductoring of Kolhapur (PG) - Kolhapur 400 kV D/c line".

**And**

**In the matter of:**

**Power Grid Corporation of India Limited,**

"Saudamini", Plot No. 2,

Sector 29, Gurgaon - 122 001 (Haryana)

... **Petitioner**

**Vs.**

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



4. **Gujarat Urja Vikas Nigam Limited,**  
Sardar Patel Vidyut Bhawan,  
Race Course Road, Vadodara-390007.
5. **Electricity Department,**  
Govt. of Goa, Vidyut Bhawan, Panaji,  
Near Mandvi Hotel, Goa-403001.
6. **Electricity Department,**  
Administration of Daman & Diu,  
Daman-396210.
7. **DNH Power Distribution Corporation Limited,**  
Vidyut Bhawan, 66 kV Road, Near Secretariat Amla,  
Silvassa-396230.
8. **Chhattisgarh State Power Distribution Company Limited,**  
P.O. Sunder Nagar, Dangania, Raipur,  
Chhattisgarh-492013.

...Respondents

**Parties Present** : Shri Vyom Chaturvedi, Advocate, MSEDCL  
Shri Mohd. Mohsin, PGCIL  
Shri Zafrul Hassan, PGCIL  
Shri Arjun Malhotra, PGCIL

### **ORDER**

The Petitioner, Power Grid Corporation of India Limited, has filed the instant Petition for the determination of transmission tariff under the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2019 (hereinafter referred to as “the 2019 Tariff Regulations”) from the commercial operation date (COD) to 31.3.2024 for **Asset 1**-Reconductoring of 400 kV Kolhapur (PG) - Kolhapur (MSETCL) TL - Ckt 1 along with upgradation of 400 kV bays at Kolhapur (MSETCL) substation and **Asset 2**- Reconductoring of 400 kV Kolhapur (PG)- Kolhapur (MSETCL) TL - Ckt 2 along with upgradation of 400 kV bays at Kolhapur (MSETCL) substation (hereinafter referred to as “the transmission assets”) under “Transmission system strengthening beyond Kolhapur for export of power from



Solar & Wind energy zones in Southern Region - Re-conductoring of Kolhapur (PG) - Kolhapur 400 kV D/c line” (hereinafter referred to as “the transmission project”).

2. The Petitioner has made the following prayers in the instant Petition:

- “1) *Condone the delay in the commissioning of assets covered under this petition.*
  - 2) *Admit the capital cost as claimed in the Petition and approve the Additional Capitalization incurred/projected to be incurred.*
  - 3) *Approve the Transmission Tariff for the tariff block 2019-24 block for the assets covered under this petition, as per para –7 above.*
  - 4) *Allow the petitioner to recover the shortfall or refund the excess Annual Fixed Charges, on account of Return on Equity due to a 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 as per para 8 above for respective block.*
  - 5) *Approve the reimbursement of expenditure by the beneficiaries towards petition filing fee, and expenditure on the 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 the petition.*
  - 6) *Allow the petitioner to bill and recover Licensee fees 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.*
  - 7) *Allow the petitioner to bill and adjust the impact on Interest on Loan due to a change in the Interest rate on account of the floating rate of interest applicable during the 2019-24 period, if any, from the beneficiaries.*
  - 8) *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 the 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.*
  - 9) *Allow interim tariff in accordance with Regulation 10(3) of Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2019 for the purpose of inclusion in the PoC charges.*
- and pass such other relief as the Hon'ble Commission deems fit and appropriate under the circumstances of the case and in the interest of justice.”*

3. The matter was heard on 28.8.2024.

4. During the course of the hearing, the Petitioner’s representative has submitted as follows:



- i. Claiming the transmission tariff for the transmission assets separately is based on the requirements of Power System Operation Cooperation Limited (POSOCO) (now 'GCIL'). The tariff for the transmission assets is not in the nature of O&M Expenses and Additional Capitalization, instead it is a system requirement.
- ii. The Commission has granted the relief separately in similar cases.
- iii. The Investment Approval (IA) of the transmission project was accorded separately by the Committee on Investment on Project vide Memorandum dated 28.3.2022. Further, the transmission project was recommended for implementation through the Regulated Tariff Mechanism (RTM) route in the 5th meeting of the National Committee on Transmission (NCT) held on 25.8.2021 and 2.9.2021.
- iv. Since the COD of the transmission assets was declared in 2023, the cash flows are being affected. Further, the Petitioner will be able to claim the Additional Capitalization of the transmission assets at the end of November when the true-up petition will be filed.
- v. Alternatively, the Commission may grant relief in the instant matter, and the concern of the Commission will be taken care of in future cases.
- vi. If the Commission does not agree to grant the relief then the matter has to be taken up with CTUIL and obtain an IA afresh. Further, the directions may be given to CTUIL in case of future projects, so that at the planning stage, this aspect may be taken care of.



5. The learned counsel for Respondent No. 3, Maharashtra State Electricity Distribution Company Limited (MSEDCL), has submitted that once the changes are incorporated by the Petitioner, it may be allowed to file the written submissions.

6. We have considered the submissions of the parties and have perused the documents placed on record.

7. The instant transmission petition covers the determination of transmission tariff for the reconductoring of Kolhapur (PG) -Kolhapur (MSETCL) 400 kV D/C line with conductor of minimum capacity of 2100 MVA/ckt.

8. The scheme is discussed in the 3<sup>rd</sup> meeting of WRPC(TP) held on 14.6.2021, 5<sup>th</sup> meeting of NCT held on 25.08.2021 and 02.09.2021. The relevant extracts of minutes of the 3<sup>rd</sup> WRPC(TP) held on 14.6.2021 are as follows:

