

CENTRAL ELECTRICITY REGULATORY COMMISSION

NEW DELHI

Petition No.296 of 2010

**Coram: Dr. Pramod Deo, Chairperson
Shri V.S.Verma, Member
Shri M.Deena Dayalan, Member**

Date of Order: 24 -11-2010

In the matter of:

Request for extension of the Required Commercial Operation Date (RCOD) for execution of Western Region System Strengthening Scheme-II (Projects B & C)

And

In the matter of:

Western Region Transmission (Gujarat) Pvt.Ltd., Mumbai
Western Region Transmission (Maharashtra) Pvt.Ltd.,Mumbai **Petitioners**

Vs

1. Power Grid Corporation of India Limited, Gurgaon
2. Maharashtra State Electricity Distribution Company Limited, Mumbai
3. Gujarat Urja Vikas Nigam Ltd., Vadodra
4. Chattisgarh State Electricity Board, Raipur
5. Electricity Department, Govt. of Goa, Panaji
6. Electricity Department, Admn. of Daman and Diu, Daman
7. Electricity Department, Dadra and Nagar Haveli, Silvassa
8. Madhya Pradesh Audyogik Kendra Vikas Nigam Ltd., Indore
9. M. P. Power Trading Co. Ltd., Jabalpur**Respondents**

ORDER

Power Grid Corporation of India, the Central Transmission Utility in its letter: Reference Number CC/PI/2010 dated 4.11.2010 has forwarded letter No.RPTL/WRSSS-II/IA/63 dated 7.10.2010 and letter No.RPTL/WRSSS-II/IA/64 dated 13.10.2010 received from Reliance Power Transmission Limited for extension of the scheduled date of commercial operation of Project B and C under Western Region System Strengthening



Scheme-II for reasons beyond the control of the project companies. Considering the importance of the matter, these letters have been treated as a miscellaneous petition for consideration of the issue at hand, subject to payment of fees by the petitioners in accordance with Central Electricity Regulatory Commission (Payment of Fees) Regulations, 2008.

2. The Commission in its orders dated 30.12.2008 in Petition No.27/2008 and Petition No.28/2008 had granted the transmission licence to Western Region Transmission (Maharashtra) Private Limited, Mumbai and Western Region Transmission (Gujarat) Private Limited, Mumbai for construction, commissioning, operation and maintenance of the transmission lines falling under Western Region System Strengthening Scheme-II (Project-B) and Western Region System Strengthening Scheme-II (Project-C) respectively. The scheduled date of commercial operation of the projects was 31.3.2010 as per the Implementation Agreement. On account of the delay in signing of the Transmission Service Agreements by the beneficiaries, the Commission had in the above mentioned order granted nine months time for achieving the commercial operation of the projects i.e. upto 31.12.2010.

3. In its letters dated 7.10.2010 and 13.10.2010, Reliance Power Transmission Limited has submitted that the Commission in its orders dated 30.12.2008 while granting the transmission licences to the project companies had also provided a construction period of 24 months. However, this period got reduced by about 10 months



due to the following reasons:

- (a) Seven months on account of delayed signing of the Power transmission Agreements by beneficiaries and delayed receipt of approvals under sections 68 and 164 of the Electricity Act, 2003;
- (b) Three months due to unprecedented downpour immediately after receipt of section 164 approval.

4. It has been submitted that the project companies effectively got only 14 months construction period for the project. The project companies have been reporting this significant loss of project execution period for the past one year to Central electricity Authority and Ministry of Power through monthly reports and project review meetings respectively; to PGCIL through monthly reports and project coordination committee meetings; and to WRPC forum through monthly reports and project reviews for ongoing transmission projects. In its letter dated 13.10.2010, it has been informed that two transmission lines under Project B i.e. LILO of Sholapur-Karad and LILO of Lonikhand-Kalwa are scheduled for commissioning by October/November 2010 to enable charging of Powergrid sub-stations at Sholapur and Pune. The balance lines are under implementation and shall be commissioned in phased manner latest by September 2011 and June 2011 in case of Project B and Project C respectively. It has been further submitted that grant of proposed extension of time shall have no bearing on the Transmission Service Charge payable by the beneficiaries and the same shall remain unaltered as indicated in the Power Transmission Agreement.



5. Reliance Power Transmission Company Limited has requested that project companies may be provided extension in Required Commercial Operation Date (RCOD) for Project B and Project C by nine months and six months respectively as per the Implementation Agreement under clause 4.3(iii) readjusting RCOD to September 2011 and June 2011 respectively.

6. We direct issue of notices to the respondents who may file their submissions if any by 30.11.2010. The Petitioners are permitted to submit any further documents relevant to the matter after serving copies of the said documents on the beneficiaries.

7. The matter is listed for hearing and directions on 7.12.2010.

Sd/-

(M.Deena Dayalan)
Member

Sd/-

(V.S.Verma)
Member

Sd/-

(Dr. Pramod Deo)
Chairperson

