

**Central Electricity Regulatory Commission
New Delhi**

RECORD OF PROCEEDINGS

Petition No. 19/2011

Subject: Petition for determination of transmission tariff of combined elements under Northern Region System Strengthening Scheme-XII for the period from DOCO to 31.3.2014

Date of Hearing: 17.11.2011

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

Petitioner: PGCIL, New Delhi

Respondents: HPSEB & 16 others

Parties present: Shri S.S.Raju, PGCIL
Shri M.M.Mondal, PGCIL
Shri Rajeev Gupta, PGCIL

The present petition has been filed by PGCIL for determination of transmission tariff of (i) 2 Nos. bays at Bhiwadi Extension, and (ii) 125 MVAR 400 kV Bus reactor at Sonapat. The representative of the petitioner, PGCIL, submitted as under:-

- (a) The two assets covered under the present petition ('hereinafter referred to as Asset 6 and Asset 7') are part of Northern Region System Strengthening Scheme whereas other 5 assets commissioned earlier as part of the same Scheme are covered under Petition No. 342/2010 for which hearing is still to be held;
- (b) As per the Investment Approval for the scheme dated 26.2.2008, the project was to be commissioned within 33 months from the date of investment approval, i.e., by November 2010. Asset 6 and Asset 7 were commissioned on 1.2.2011 and 1.6.2011 respectively;
- (c) There was delay of 2 and 6 months in the commissioning of Asset 6 and Asset 7 respectively. Delay was marginal in case of Asset 6. In case of Asset 7, delay was due to litigation between the petitioner and the supplier and it was beyond the control of the petitioner.

- (d) Delay in commissioning of the assets be condoned.
- (e) Revised Management Certificate will be submitted for the capital cost and projected additional capital expenditure as on 1.6.2011.

2. The representative of the petitioner further submitted that if any recovery is made by the petitioner on account of liquidated damages as per the terms and conditions of the contract, the same is passed on to the beneficiaries. If IDC and IEDC are disallowed, the liquidated damages instead of passing on to the beneficiaries should be retained by the petitioner.

3. The Commission clarified that only when the amount recovered by way of liquidated damages is more than the loss on account of disallowance of IDC and IEDC, the difference will have to be passed on to the beneficiaries.

4. None appeared on behalf of the respondents.

5. The Commission also directed the petitioner to submit the Management Certificate for the revised cost and additional capital expenditure as on 1.6.2011, within two weeks.

5. Subject to the above, order in the petition was reserved.

Sd/-
(T.Rout)
Joint Chief (Law)