

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No.132/2011

Sub: Determination of transmission tariff from anticipated date of commercial operation to 31.3.2014 for 315 MVA, 400/220 kV ICT-II at Misa sub-station along with associated bays under North East/Northern Western Interconnector-I and transmission system of Kameng HEP in NER for the period 2009-14.

Date of hearing : 18.8.2011

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

Petitioner : Power Grid Corporation of India Limited, Gurgaon

Respondent : Assam State Electricity Board, Guwahati and others.

Parties present : 1. Shri S.S Raj, PGCIL
2. Shri M.M Mondal, PGCIL
3. Shri Rajeev Gupta, PGCIL

Record of Proceedings

The representative of the petitioner submitted that the transmission asset was commissioned on 27.2.2013. Accordingly, PGCIL is entitled for 0.5% additional Return on Equity (ROE) as per the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2009 (hereinafter referred to as the 2009 regulations) as the ICT has been completed within the time line specified in the 2009 regulations. The representative of petitioner further submitted that as per the Appendix-II of the 2009 regulations, in case of scheme having combination of various types of projects, the qualifying time schedule of the activity having maximum time period shall be considered for the scheme as a whole.

2. The representative of the petitioner further submitted that in the NERPC meeting held on 11/12.8.2010, it was decided that the transmission assets would be commissioned ahead of the schedule. According to the petitioner, the beneficiaries would be benefited by reduced IDC and IEDC components

of the project cost and the utility would also be incentivized for early completion of the transmission asset.

3. The Commission observed that in the present case, the ICT has been commissioned in an existing sub-station, but no time line has been specified in the 2009 regulations for additional ROE for commissioning of an ICT only at the existing sub-station. The Commission enquired as to how additional ROE would be admissible for early commissioning of the ICT.

4. The representative of the petitioner submitted that in a number of cases, due to the expansion of the transmission systems, the existing sub-stations are required to be extended and therefore, additional ROE should be admissible for early completion of the expansion works. The Commission clarified that in that case a different time line would have been specified in the 2009 regulations for completion of work or the expansion of existing sub-station.

5. The petitioner was directed to submit the detailed justification for claiming of additional 0.5% ROE, on affidavit, with advance copy to the respondents, latest by 15.9.2011.

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

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