

**CENTRAL ELECTRICITY REGULATORY COMMISSION**

**4<sup>th</sup> Floor, Chanderlok Building, 36, Janpath, New Delhi- 110001**

**Ph: 23753942 Fax-23753923**

Ref: Docket No. 16/2011

Date: 24.08.2011

To  
The Deputy General Manager (Commercial),  
Power Grid Corporation of India Limited,  
Saudamini, Plot No. 2,  
Sector-29, Gurgaon-122001

Subject: Approval for determination of Transmission Tariff from projected DOCO 01.01.2012 to 31.03.2014 for 220/132 kV 100 MVA ICT and associated bays at Raebareli under the augmentation of 220/132 kV transformer capacity at Raebareli (Powergrid) by 1x100MVA Transformer, for tariff 2009-2014 period in Northern Region,

Sir,

Please refer to your petition on the subject mentioned above. In this connection, I request you to furnish the following information on an affidavit, with an advance copy to the respondents/ beneficiaries, latest by 09.09.2011

- (i) The Scope of the work covered under the project is Extension of Raebareli 220/132 kV Substation - 1X 100 MVA, 220/132 kV transformer along with associated 220 kV switchyard is owned by UPPCL. Moreover the petitioner has indicated at Para 6 of the petition that with the completion of Asset-1, the entire scope under the scheme will be completed.

Whereas, at Para 1 the petitioner states that the Raebareli substation was commissioned during 2007 with LILO of 220 kV D/C Unchahar –Lucknow line, 220kV Unchahar –Raebareli line III along with two ICTs i.e. ICT II and ICT III. ICT-I along with associated bays is likely to be put under commercial operation w.e.f 01.01.2012. Mandatory spares has been procured by POWERGRID for the assets commissioned in 2007 and balance spares are being procured along with ICT-I.

The scope of the present project is independent of the earlier Raebareli Substation which was commissioned in 2007 however they have claimed and being allowed initial spares of 1.47% as against the ceiling norms of 1.5% as per 2004-09 Regulations.

In the light of above, kindly explain how the petitioner is eligible to claim of initial spares of the different project under the present project as per 2009-14 norms and that too when the earlier project was commissioned during 2004-09 period and was allowed initial spares as per the regulations prevalent at that time.

- (ii) As the Project covers only 1x100 MVA, 220/132 kV transformer and not entire Substation, kindly explain how the petitioner is eligible to claim extra 0.5% ROE when the timelines given in Appendix-II is for New 220 kV AC Substation and in light of the fact that the asset covered in the petition is an ICT in an existing sub-station but there is no time line prescribed in the Tariff Regulations,2009 for additional RoE for extension of an existing sub-station.
- (iii) The break-up of initial spares for the subject ICT & associated bays and the balance initial spare for the other assets, already commissioned at Raebareli sub-station.
- (iv) Details of special requirements of initial spares for subject sub-station along with justification for allowing the same.
- (v) Recommendation of OEM regarding quantum of initial spare for the subject assets.
- (vi) Justification for claiming initial spare based on capital cost of other assets in Raibareily sub-station, commissioned in 2007, while the installation of ICT is a separate project as per investment approval dated 26.08.2010 and as per submission at para 5.0 of the petition.
- (vii) Reason for much lower estimated completion cost as compared to approved FR cost.

2. Further action in this matter will be taken as per Regulation 87 of the Central Electricity Regulatory Commission (Conduct of Business) Regulations 1999 on receipt of the above information/ clarification.

Your's faithfully,

Sd/-  
(P.K.Sinha)  
Assistant Chief (Legal)