

CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI

Record of Proceedings

Petition No. 109/TT/2012

Subject : Approval under Regulation 86 CERC (Conduct of Business) Regulations, 1999 and CERC (Terms and Conditions of Tariff) Regulations, 2009 for determination of Transmission Tariff for (i) ICT-III at 400/220 kV Pune S/S along with associated bays (DOCO: 1.11.2011), (ii) Combined Assets of ICT-III at 400/220 kV Pune S/S along with associated bays (DOCO: 1.3.2012) (Notional DOCO: 1.3.2012) under WRSS-VI Scheme in Western Region for tariff block 2009-14 period.

Date of hearing : 26.7.2012

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 Ltd.

Respondents : Maharashtra State Electricity Distribution Co. Ltd.

Parties present : Shri S.S. Raju, PGCIL
Shri R. K. Sarkar, PGCIL
Shri A.K. Kakkar, PGCIL
Shri A.V. Pavgi, PGCIL
Shri A. Bhargava PGCIL
Shri U.K. Tyagi, PGCIL
Shri M.M. Mondal, PGCIL
Shri B.K. Sahu, PGCIL

The representative of the petitioner submitted as under:-

- (a) The instant petition has been filed for approval of transmission tariff for ICT-III at 400/220 kV Pune sub-station along with associated bays and combined assets of ICT-III at 400/220 kV Pune sub-station along with associated bays under WRSS-VI Scheme in Western Region for tariff block 2009-14 period. The assets were scheduled to be commissioned in November, 2010 but they were put under commercial operation on

1.11.2011 and 1.3.2012, respectively. Thus there was a delay of 10-12 months;

- (b) The completion cost of the ICTs is within the approved cost and hence there is not cost over-run; and
- (c) The delay in commissioning is on account of "Short Circuit Test" conducted on these ICTs. At present, such test is conducted in India only upto 220 kV and facilities for conducting such type of test for 440 kV ICTs is being set up in India. These 400 kV ICTs were sent to KEMA for testing and slot for the testing could not be obtained in time and hence there was delay in commissioning.

2. In response to the Commission's observation whether the petitioner has factored the time involved in getting the test done, the representative of the petitioner submitted that IS specifies Type Test and Special Test, and the Short Circuit Test is covered under Special Test. Normally all kinds of Type Tests are conducted on all ICTs. During 2007-08, number of ICTs failed including three MVA ICTs in Delhi, 2 at Mandola and 1 at Ballabgarh and subsequently 1,000 MVA ICT also failed. The representative of the petitioner submitted that considering the failures of the ICTs, the petitioner decided to get the cases of failures investigated and the design of the ICTs validated through the Short Circuit Tests. The award of conducting the test was given to AREVA in May 2008 and the process was initiated in August 2008.

3. In response to a query of the Commission whether such test has been prescribed in CEA Standard Specification, the representative of the petitioner submitted that this test has been specified in IS as well as IEC standards and hence, the petitioner decided to go for the same for enhancing the reliability of the ICTs.

4. In response to a query of the Commission whether the test is covered in the delivery schedule and whether the supplier is responsible for the delay in delivery, the representative of the petitioner submitted that the type test is covered in the delivery schedule of this project only and the supplier is responsible for the delivery, but he is also dependant on somebody else for conducting the test. The Commission further observed that the supplier has to supply the equipment as per the delivery schedule of the contract, after conducting all the required tests. The representative of the petitioner submitted that the supplier can be held responsible only if the delay was manageable by the supplier, but if the delay is beyond the supplier's control then he cannot be held responsible. In the present case, the supplier could not conduct the test due to non-availability of test beds at KHEMA.

5. The representative of the petitioner submitted that the instant case falls under the force majeure category. He further submitted that AREVA had supplied the transformer of 500 MVA instead of 315 MVA without any extra cost because the latter transformer could not pass the test and another transformer was diverted by them. He also submitted that when the two transformers were commissioned, the downstream assets were not ready and even if the transformers were commissioned early, the beneficiaries could not have availed the benefits of the line as their system

was not ready. He submitted that the beneficiaries have not suffered because of the delay and the actual cost is within the approved cost.

6. The Commission directed the petitioner to file submissions made during the hearing on affidavit by 20.8.2012.

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

By the order of the Commission,

Sd/-
(T. Rout)
Joint Chief (Law)
9.8.2012