

**CENTRAL ELECTRICITY REGULATORY COMMISSION  
NEW DELHI**

**Record of Proceedings**

**Petition No. 92/TT/2012**

Subject : Determination of transmission tariff of LILO of 400 kV S/C Meramundali- Jeypore Transmission Line and associated bays at Bolangir Sub-station alongwith 2 Nos. 50 MVAR Shunt Reactor, 1 No. 80 MVAR Bus Reactor and 2 Nos. 315 MVA ICT associated with Eastern Region Strengthening Scheme- III in Eastern region

Date of hearing : 11.10.2012

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

Petitioner : PGCIL

Respondents : Bihar State Electricity Board, and 5 others

Parties Present : Shri S.S. Raju, PGCIL,  
Shri Prashant Sharma, PGCIL,  
Shri M.M. Mondal, PGCIL  
Shri R.B. Sharma, Advocate, BSEB

The representative of the petitioner, PGCIL, submitted as under:-

- (a) This petition has been filed for approval of transmission tariff for LILO of 400 kV S/C Meramundali-Jeypore Transmission Line and associated bays at Bolangir Sub-station alongwith 2 Nos. 50 MVAR Shunt Reactor, 1 No. 80 MVAR Bus Reactor and 2 Nos. 315 MVA ICT associated with Eastern Region Strengthening Scheme- III (hereinafter referred to as "the system");
- (b) Investment approval for the transmission project was accorded by Board of Directors of PGCIL on 7.7.2010 and the project was to be completed within 28 months from the date of investment approval, i.e., by 1.11.2012.
- (c) Out of the three elements covered under the system, LILO of 400 kv S/C Meramundali-Jeypore line at Bolangir and associated bays along with 2 Nos. 50 MVAR Shunt Reactors, 1 No. 315 MVA ICT (ICT-II) and associated bays and 2 Nos. 220 kV line bays has been commissioned on 1.9.2012, and 1 No. 80 MVAR Bus Reactor and associated bays at Bolangir Sub-station has been

- commissioned on 1.10.2012. Only one element, i.e., 1 No. 315 MVA ICT (ICT-I) and associated bays and 2 Nos. 220 kV line bays (Line III and IV) remains to be commissioned, and is likely to be commissioned on 1.11.2012;
- (d) Management certificate dated 21.9.2012 regarding the commissioning on 1.9.2012 has already been submitted.
  - (e) Since the asset(s) have been commissioned ahead of schedule, and cost is within approved cost, additional return on equity of 0.5% may be granted.

2. The Commission observed that additional return on equity is allowable only if all the elements of the project are commissioned within the stipulated time and this has been the Commission's consistent view, which has also been upheld by Hon'ble Appellate Tribunal for Electricity by its judgment dated 10.5.2012 in Appeal No. 155 of 2011.

3. The learned counsel for BSEB, Respondent No. 1, has submitted that there is cost over-run and some other issues which he will raise in his reply to be filed shortly.

4. The respondent BSEB was permitted to file its reply by 31.10.2012 with advance copy to the petitioner who may file rejoinder, if any, by 7.11.2012.

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

By the order of the Commission

Sd/-

(T. Rout)  
Joint Chief (Law)  
22.10.2012