

**CENTRAL ELECTRICITY REGULATORY COMMISSION**  
**NEW DELHI**

**Record of Proceedings**

**Petition No. 83/TT/2012**

Subject : Determination of transmission tariff for 400 kV D/C Nabinagar Sasaram transmission line and associated 400kV line bays at Sasaram S/S (anticipated date of commercial operation:1.4.2012) associated with transmission system for immediate evacuation system for Nabinagar TPS in Eastern Region from anticipated date of commercial operation (1.4.2012) to 31.3.2014.

Date of hearing : 11.10.2012

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

Petitioner : Power Grid Corporation of India Limited

Respondents : Bihar State Electricity Board (BSEB)  
Bhartiya Rail Bijlee Company Ltd. (BRBCL)  
East Central Railway

Parties present : Shri S.S. Raju, PGCIL,  
Shri A.M. Pangi, PGCIL,  
Shri M.M. Mondal, PGCIL,  
Shri R.V.S Kaushik, PGCIL,  
Shri Prashant Sharma, PGCIL  
Shri Ajay Dua, NTPC/BRBCL  
Shri B.S. Rajput, NTPC  
Shri Dadan Singh, BRBCL  
Shri R.B. Sharma, Advocate, BSEB

This petition has been filed by PGCIL (hereinafter referred to as 'the petitioner') for approval of transmission tariff in respect of the subject transmission System in accordance with Central Electricity Regulatory Commission (Terms and Conditions of Tariff Regulation 2009) (hereinafter referred to as "the 2009 Tariff Regulations") .

2. The representative of the petitioner submitted that:-

- (i) The petition has been filed with anticipated date of commercial operation as 1.4.2012 and the actual date of commercial operation is 1.7.2012, revised management certificate and letter of date of commercial operation has been submitted vide affidavit dated 3.8.2012;
- (ii) The investment approval was accorded on 8.2.2010. As per investment approval, scheduled date of completion of the project was 28 months from the date of investment approval i.e. by 1.7.2012. The entire project has been completed. Only one element is covered in this project for which additional ROE of 0.5% has been claimed in terms of Appendix-II 2009 Tariff Regulations; and
- (iii) As the assets under this project have been executed as an extension of the earlier project, the initial spares claimed is higher than the specified norms. There is no cost variation.

3. In response to a query by the Commission regarding additional ROE and higher initial spares, the representative of the petitioner submitted that the asset were commissioned within the stipulated time and hence qualify for additional RoE. He further submitted that the project is not a greenfield project. The percentage of cost of initial spares like ICT, reactors etc for these systems are higher because of less population of equipments as compared to projects having assets in greenfield sub-station. Therefore, initial spares claimed are higher than the ceiling norms.

4. The representative of respondent Bhartiya Rail Bijlee Company Ltd. (BRBCL) submitted that and the petitioner has not fulfilled the conditions for declaration of date of commercial operation including prior approval of the Commission as prescribed in Regulation 2 (12)(c) of 2009 Tariff Regulations. The petitioner cannot seek approval of the Commission *ex post-facto*.

5. The representative of BRBCL further submitted that letter of date of commercial operation was served on all other beneficiaries except BRBCL. He further submitted that a letter was written by BRBCL to the petitioner on 9.7.2012 stating that stringing near Son River is not complete and lot of stringing work is still pending.

6. The representative of BSEB submitted that bay is not complete and hence the instant petition does not qualify for additional RoE. He also submitted that the Appellate Tribunal for Electricity, in its order dated 2.7.2012 in Appeal 123/2011 filed by Punjab State Electricity Board (PSPCL) has given the guidelines regarding declaration of commercial operation. The representative of the petitioner submitted that the petitioner has filed a review petition against the Tribunal's order dated 2.7.2012 in Appeal No. 123/2011 and the matter is *sub-judice*.

7. The representative of petitioner clarified that the assets were put under commercial operation on 1.7.2012 as per the written request of BRBCL. He further submitted that the petitioner obtained clearance from the CEA on 29.6.2012 and approval of ERPC before declaring commercial operation. As regards, the letter of BRBCL dated 9.7.2012, he

submitted that BRBCL has been informed vide its letter dated 16.8.2012 regarding the rectification work being carried out in some punch points. He further submitted that such rectifications is a normal feature and cannot be considered that the line is not ready.

8. The Commission observed that the petitioner should have taken BRBCL into confidence before the declaration of date of commercial operation. The Commission further observed that the petitioner should have obtained the prior approval of the Commission as provided in the second proviso of Regulation 2 (12) (c) of 2009 Tariff Regulation before declaration of commercial operation. The Commission directed the petitioner to amend the petition to include a prayer for permission under said proviso to Regulation 2 (12) (c) with a copy to the respondents.

9. The matter shall be listed on 8.11.2012.

By the order of the Commission,

sd/-  
(T. Rout)  
Joint Chief (Law)  
22.10.2012