

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

**Record of Proceedings**

**Petition No. 342/2010**

Subject : Determination of transmission tariff for Combined Elements from date of commercial operation to 31.3.2014 for Northern Region System Strengthening Scheme-XII (NRSS-XII), for tariff block 2009-14 in Northern Region.

Date of hearing : 26.4.2012

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

Petitioner : PGCIL, New Delhi

Respondents : Rajasthan Rajya Vidyut Prasaran Nigam Limited and 17 Others

Parties present : Shri S.S Raju, PGCIL  
Shri T.P.S. Bawa, PSPCL  
Shri R.B. Sharma, Advocate, BRPL

This petition has been filed by PGCIL (hereinafter referred to as 'the petitioner') for approval of transmission tariff Combined Elements from date of commercial operation to 31.3.2014 for Northern Region System Strengthening Scheme-XII (NRSS-XII)(hereinafter referred to as "scheme"), for tariff block 2009-14 in Northern Region in accordance with the Central Electricity Regulatory Commission (Terms and Conditions of Tariff Regulation 2009) (hereinafter referred to as "the 2009 Regulations").

2. The representative of petitioner submitted that:-

- (i) As per investment approval dated 26.2.2008, the schedule date of commissioning of the scheme was 33 months from the date of investment and accordingly all the 5 assets in the scheme were to be commissioned by November, 2010.
- (ii) All the assets were commissioned within scheduled time and there was no time delay in commissioning the assets. There was no cost over-run. The petitioner requested to allow the tariff and admit additional capital expenditure for 2010-11 period under Regulation 9(1) of 2009 regulations. The petitioner also claimed 0.5% additional Return on Equity (RoE) for Asset-I i.e. 2 nos. bays at Nalagarh Extension (date of commercial operation 1.7.2010), since it was completed within 30 months.

- (iii) Initial spares in case of some of the elements under the scheme exceeded the limits prescribed in 2009 regulations and requested to allow initial spares considering the project as a whole instead of considering the elements individually.
- (iv) No reply has been filed by the respondents.

3. In response to the Commission's query the petitioner submitted that bays at Nalagarh and bays at Kota are commissioned at different date but all are the part of same NRSS-XII scheme.

4. The representative of the Punjab State Power Corporation Ltd. (PSPCL) submitted that reply to the petition was filed vide its affidavit dated 2.5.2011. As per the petitioner, transmission charges with respect to Asset-3 only are to be shared by all the Northern Region beneficiaries and hence their reply is restricted to Asset-3. The petitioner should furnish the actual additional capital expenditure in case of Asset-3 for 2010-11 and excess claimed should not be allowed. He further submitted that declaration of date of commercial operation was not in accordance with the Regulation 3 (12) (c) of 2009 regulations. He emphasized that all the conditions mentioned in the regulation were not satisfied while declaring the assets under commercial operation. He requested that O&M should be allowed in accordance with the 2009 regulations.

5. The learned counsel for BSES Rajdhani Power Ltd. (BRPL) submitted that in the instant case additional RoE is not admissible as only one asset has been commissioned within the stipulated time. He stated that since this issue is already before the Hon'ble Appellate Tribunal of Electricity, the Commission may like to wait for the decision in this regard. He also submitted that the capital cost of the scheme has been over estimated. He submitted that Bus reactor at Sonapat was not commissioned along with the other elements. It was further submitted that it should have been commissioned along with other elements as this was important for proper functioning of the transmission system and without the Bus Reactor the substation was exposed to risk. The learned counsel requested to allow initial spares only as per the 2009 regulations.

6. The representative of petitioner clarified that additional capital expenditure is projected as per the 2009 regulation and actual additional capital expenditure shall be submitted at the time of truing up. The declaration of date of commercial operation is also as per the 2009 regulations. Regarding the issue of bus reactor commissioning, he stated that it was commissioned and the reasons for delay had been described in Petition No. 19/TT/2011. He further submitted that commissioning of other elements could not be delayed just because there is delay in commissioning of the Bus Reactor. The petitioner would file its rejoinder to the reply filed by the respondents.

7. The Commission directed the petitioner to file its rejoinder, if any, before 21.5.2012.

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

By the order of the Commission,

Sd/-  
(T. Rout)  
Joint Chief (Law)  
7.5.2012