

CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI

Record of Proceedings

Petition No. 94/TT/2011

Subject : Approval under regulation - 86 of CERC (Conduct of Business) Regulations 1999 and CERC (Terms and Conditions of Tariff) Regulations 2009 for determination of Transmission Tariff of 400 kV S/c Chamera - II Pooling Station transmission line, 400/ kV GIS Pooling Station at Rajera with 400/220 kV 315 MVA ICT - I & ICT -II and 80 MVAR Bus Reactor at pooling point under Establishment of 400/220 kV GIS Pooling station near Chamera -II HEP for tariff block 2009-14 period in Northern Region.

Date of hearing : 3.5.2012

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

Petitioner : PGCIL, New Delhi

Respondents : Rajasthan Rajya Vidyut Prasaran Nigam Limited and 18 Others

Parties present : Shri S.S. Raju, PGCIL
Shri Prashant Sharma, PGCIL
Shri Mukesh Khanna, PGCIL
Shri T.P.S. Bawa, PSPCL
Shri M.M. Manoj, PGICL
Shri Rajeev Gupta, PGCIL

The representative of the petitioner submitted that the petition is for determination of transmission tariff of 400 kV S/c Chamera - II Pooling Station

transmission line, 400/ kV GIS Pooling Station at Rajera with 400/220 kV 315 MVA ICT - I & ICT -II and 80 MVAR Bus Reactor at pooling point under Establishment of 400/220 kV GIS Pooling station near Chamera -II HEP for tariff block 2009-14 period in Northern Region

2. The representative of the petitioner submitted that the investment approval was accorded in September, 2007 and as per the investment approval the completion schedule was 30 months for Sub-station package for Part-I i.e. Budhi HEP and 36 months for Sub-station package for Part II i.e. Chamera III. The assets were scheduled to be commissioned on 1.4.2010 and 1.10.2010 respectively, but the transmission assets were commissioned on 1.11.2011. There was delay in commissioning by 19 months in case of Part I and 13 months in the case of Part II of the transmission assets. The delay in commissioning of the assets was attributed to delay in land acquisition and hindrance on account of local inhabitants. The land was acquired from private landowners and NHPC. The process for land acquisition was initiated in February 2006 and Notification was issued in June 2007 and work commenced only in June 2008 due to hindrance created by local people.

3. The representative of the petitioner submitted that the petitioner was ready by August 2011, however two bays of NHPC at Chamera were delayed and there was a delay of 3 months on account of this. The 400kV D/C to Jalandar was delayed due to delay in forest approval. He requested to condone the delay as the delay is beyond the petitioner's control. It was also submitted that there is no cost over-run.

4. The representative of Punjab State Power Corporation Limited (PSPCL) submitted that for declaration of DOCO, as per Regulation 3(12)(c) of the 2009 regulations, the subject asset should be put into regular service after successful charging and trial operation. The representative of PSPCL submitted that the petitioner has not furnished the trial operation reports and the date of start of regular service. He further submitted that since the asset will be part of the regional system, on commissioning of Chamera III, the petitioner should inform about the expected date of commissioning of Chamera III.

5. The representative of PSPCL further submitted that there is cost over-run in certain items like Towers Steels, Land, Township & Colony, Control Room & Office Building including HVAC, Outdoor lightning, Sub-station Equipments, etc.

6. In response to PSPCL'S submission, the representative of the petitioner submitted that standard procedures specified in the regulations regarding the date of commercial operation were adopted and necessary details have already been furnished in its letter dated 4.11.11 with copy to all the respondents. He also submitted that the cost of the tower steel increased due to use of 3 no. D type towers. The FR/Estimate is

based on 2007 1st quarter price level whereas actual cost is based on the awarded cost plus PV upto 2011.

7. In response to the Commission's query regarding high land cost, the representative of the petitioner submitted that major portion of the land for sub-station around 10 hectares was purchased from NHPC at the prevailing market rates in consultation with the local revenue authorities.

8. The Commission directed the petitioner to give justifications for cost variation for land, Township & Colony, the outdoor lightning and other items and reply to the issues raised by PSPCL, on affidavit before 25.5.2012, with a copy to all the respondents.

9. Subject to the above, order in the matter was reserved.

By order of the Commission,

Sd/-

(T. Rout)
Joint Chief (Law)
8.5.2012