

**Central Electricity Regulatory Commission
New Delhi**

RECORD OF PROCEEDINGS

Petition No. 112/TT/2011

Subject: Approval of transmission tariff for Baripada - Chandaka (Mendhasal) (Gridco) 400 kV D/C Line under ERSS - I in Eastern Region for 2009-14

Date of Hearing: 23.2.2012

Coram: Shri S.Jayaraman, Member
Shri V.S.Verma, Member
Shri M.Deena Dayalan, Member

Petitioner: PGCIL, New Delhi

Respondents: Bihar State Electricity Board & 5 others

Parties present: Shri Prashant Sharma, PGCIL
Shri S.S.Raju, PGCIL
Shri M.M.Mondal, PGCIL
Shri Rajeev Gupta, PGCIL
Shri R.B.Sharma, Advocate for BSEB and JSEB

1. The representative of the petitioner submitted as under:-
 - (a) The petition is for determination of transmission tariff for Baripada-Chandaka 400 kV D/C transmission line under ERSS-I. Remaining assets coming under system are covered under other petitions filed with the Commission.
 - (b) The expected date of commercial operation as per the investment approval was 1.11.2009. The asset was put under commercial operation on 1.9.2011. The main reason for delay was that 10 towers were located in a forest stretch of about 23 hectares which required forest clearance. While application for forest clearance was made in February 2008, clearance was given only in August 2011. The delay of 22 months may be condoned;
 2. On a query of the Commission as to why PGCIL applied for forest clearance in February 2008 when investment approval was given in October 2006, representative of the petitioner submitted that in states like Orissa there is requirement for land scheduling, which took time.
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3. The learned counsel for BSEB and JSEB, respondents 1 and 6 respectively, submitted that there was huge over-estimation of cost for the asset. He also submitted that in cases requiring land scheduling, preliminary survey is done by the petitioner which gives enough idea about the route of the transmission line in advance and hence, the delay in application for forest clearance by the petitioner was not reasonable.

4. The representative of the petitioner submitted that the details of cost variation given in Form 5B shows that the cost variation was mainly due to lower awarded rate as compared to the estimate. He also stated that the well established practice for preparing cost estimates was followed by the petitioner based on recent letters for award for similar packages. The final cost may be more or less same as compared to estimate depending on prevailing market conditions.

5. The Commission directed PGCIL to submit detailed justification for delay in making application for forest clearance.

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

By order of the Commission

Sd/-

(T. Rout)
Joint Chief (Law)
7.3.2012
