

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Record of Proceedings

Petition No. 102/TT/2012

Subject : Petition for determination of transmission tariff for Combined Assets for transmission system associated with Northern Region Bus Reactor Scheme in Northern Region for tariff block 2009-14

Date of Hearing : 24.9.2013

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

Petitioner : PGCIL

Respondents : Rajasthan Rajya Vidyut Prasaran Nigam Ltd. & 16 others

Parties present : Ms. Sangeeta Edwards
Shri S.S. Raju, PGCIL
Shri M.M. Mondal, PGCIL
Shri A. Bhargava, PGCIL
Shri Padamjit Singh, PSPCL
Shri R.B. Sharma, Advocate for BRPL

The representative of the petitioner submitted as under:-

- (a) The present petition is for determination of transmission tariff of four nos. Bus Reactors- one each at Jalandhar, Amritsar, Hissar and Nalagarh;
- (b) As per the investment approval accorded by the Board of Directors of PGCIL on 15.12.2010, the nine nos. Bus Reactors were scheduled for commissioning in 20 months from the date of investment approval, i.e., by September 2012. The Bus Reactors at Jalandhar and Amritsar were commissioned on 1.4.2012 and the Bus Reactors at Nalagarh and Hissar were commissioned on 1.5.2012. Management certificates as on the actual dates of commercial operation have been submitted vide affidavit dated 8.8.2013 and tariff may be allowed considering the Management Certificates;

- (c) Initial spares claimed in the petition are within the norms specified in the 2009 Tariff Regulations.

2. The representative of PSPCL submitted as under:-

- (a) There is discrepancy between the date of commercial operation certificates issued by the petitioner and the NRLDC Power Supply Reports. The petitioner's date of commercial operation certificates state that the Bus Reactors were charged on regular basis on 31.3.2012 and 30.4.2012 whereas the NRLDC reports state that the Bus Reactors were charged for the first time on 31.3.2012 and 30.4.2012;
- (b) The Bus Reactors at Amritsar and Jalandhar were charged for the first time at 1733 hrs. and 2046 hrs. respectively on 31.3.2012 and at the Bus Reactors at Nalagarh and Hissar were charged at 1955 hrs. and 1836 hrs. respectively on 30.4.2012. In both the cases, the time available for the petitioner to conduct the trial operation and testing is too short. The petitioner has not followed the steps specified in the 2009 Tariff Regulations for declaration of commercial operation and the petitioner should be directed to provide the necessary documentations regarding trial operation, test charging and regular service;
- (c) The cost of Foundation, Bus Reactor and Switchgear in case of Jalandhar is much higher than in case of Amritsar, Nalagarh and Hissar. The petitioner should be directed to give explanation for the same;
- (d) In case of 400/220 kV Jalandhar Sub-station (Extension), it appears that the contract for supply and erection of Bus Reactor has been awarded to both M/s PSC Engineers Pvt. Ltd. and M/s AREVA T&D.
- (e) A detailed reply would be filed by PSPCL within 15 days.

3. The learned counsel for BRPL submitted that there is a huge over-estimation in the cost of the project by the Board of Directors of the petitioner, and hence it is difficult to determine the cost over-run. The petitioner's claim for additional return on equity of 0.5% is inadmissible as all the elements of the project are not commissioned within the prescribed timeline, as required under the 2009 Tariff Regulations. The time over-run should not be condoned.

4. In response the representative of the petitioner submitted that the cost the foundation depends upon various factors like soil and it cannot be the same in all the cases. He further submitted that in case of Jalandhar Bus Reactor, supply and erection of bay equipment was awarded to PSC Engineering and supply and erection of main reactor was awarded to AREVA T&D. He also submitted that the petitioner is not pressing for the additional return on equity of 0.5%.

5. The Commission directed PSPCL to file reply within 15 days, with an advance copy to the petitioner, who may file rejoinder within one week thereafter.

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

By order of the Commission

sd/-

(T. Rout)
Chief (Law)