

CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI

Petition No. 12/RP/2013

Subject : Review of order dated 9.5.2013 in Petition Nos. 2/TT/2011 and 57/TT/2011 in the matter of approval of transmission tariff for Koldam-Nalagarh 400 kV D/C(quad) line along with bays at Nalagarh S/S and bays at Ludhiana under transmission system associated with Koldam Hydro-Electric Project for the tariff block 2009-14

Date of hearing : 15.10.2013

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

Petitioner : PGCIL, New Delhi

Respondents : Haryana Power Purchase Centre (HPPC)
& 17 others

Parties present : Shri M.G.Ramchandran, Advocate, PGCIL
Shri S.S Raju, PGCIL
Shri M.M. Mondal, PGCIL
Ms. Sangeeta Edwards, PGCIL
Shri Padamjit Singh, PSPCL
Shri Ajay Dua, NTPC
Shri Abhay Srivastava, NTPC
Shri Amit Arora, NTPC
Shri K.K. Narang, NTPC
Ms. Megha Bajpeyi, BRPL



Record of Proceedings

The learned counsel for the petitioner submitted as under:-

- (a) The petitioner entered into an Indemnification Agreement with NTPC according to which NTPC had to bear IDC for up to 6 months from the scheduled date of commissioning;
- (b) All the four indemnification clauses in the Indemnification Agreement refer to IDC only.
- (c) The genesis of the Indemnification Agreement can be traced back to the letter of the Ministry of Power, Government of India, dated 29.2.2000 which provided that NTPC would pay full IDC up to a period of six months from the scheduled date of commissioning in the event of delay in commissioning of generation project;
- (d) The petitioner requested to allow the IEDC for six months which has been disallowed in the impugned order as the reasons for delay are not within the control of the petitioner and Indemnification Agreement with NTPC does not cover IEDC.

2. The representative of Respondent No. 6, PSPCL submitted as under:-

- (a) The amount of IDC paid by NTPC to PGCIL for six months as per Indemnification Agreement should not be capitalized in the Koldam project of NTPC as it would be ultimately loaded to the beneficiaries of the generation project;
- (b) It is an admitted fact that the petitioner had slowed down the transmission project in view of the fact that the generating station was getting delayed. However, the petitioner commissioned the transmission system without waiting for the commissioning of the generating station. This has resulted in a situation where the beneficiaries are made to pay the transmission charges for an idle and unutilized asset. Therefore, the total transmission charges of the transmission asset till the commissioning of the generating station should be borne by NTPC.

3. The representative of BRPL submitted that its reply is on record and may be considered.

4. The representative of Respondent No. 18, NTPC submitted that the liability of NTPC is limited to the terms and conditions of the Identification Agreement. Since all the beneficiaries including Punjab had agreed to arrange evacuation of power, NTPC should not be liable to pay any transmission charges. In response to a query of the Commission, the representative of NTPC submitted that whether IDC paid by NTPC to PGCIL would form part of its generation tariff is not within the scope of this review petition and should be decided at the time of consideration of the tariff petition for the generating station.

5. After hearing the petitioner and the respondents, the Commission reserved order in the petition.

By the order of the Commission,

Sd/-
T. Rout
Chief (Law)

