

CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI

Petition No. 204/TT/2012

Subject : Determination of transmission tariff for 315 MVA, 400/220/33 kV 3-phase Spare ICT at Raipur sub-station, 315 MVA, 400/220/33 kV 3-phase Spare ICT at Pune sub-station and 420, 80 MVAR 3-phase spare shunt reactor at Wardha sub-station under Provision of spare ICTs and Reactors for Western Region from date of commercial operation to 31.3.2014

Date of hearing : 22.1.2013

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

Petitioner : Power Grid Corporation of India Limited

Respondents : Madhya Pradesh Power Management Co. Ltd. & 7 others

Parties present : Shri S.S. Raju, PGCIL,
Shri M.M. Mondal, PGCIL

Record of Proceedings

The representative of the petitioner, PGCIL submitted as under:-

- (a) The petition has been filed for determination of transmission tariff of 315 MVA, 400/220/33 kV 3-phase Spare ICT at Raipur sub-station, 315 MVA, 400/220/33 kV 3-phase Spare ICT at Pune sub-station and 420, 80 MVAR 3-phase spare shunt reactor at Wardha sub-station. The spare ICTs at Raipur and Pune sub-stations have been declared under commercial operation on 1.7.2012 and the Spare shunt reactor at Wardha sub-station has been declared under commercial operation on 1.8.2012. PGCIL has also filed auditor's certificate along with the petition, giving details of the actual expenditure incurred up to the date of commercial operation;
- (b) The issue of spare ICTs was discussed in 15th WRPC meeting held in November 2010;

- (c) Investment approval for "Provision of Spare ICTs and Reactors for Eastern, Southern and Western Regions" was accorded by Board of Directors of PGCIL on 4.8.2011 and the project was to be completed within 16 months from the date of investment approval, i.e., by 1.1.2013. Since the assets were put under commercial operation on 1.7.2012/1.8.2012, an additional return on equity of 0.5% has been claimed in the petition;
 - (d) In WRPC meeting it has been decided to consider the spare reactor as a regional asset;
 - (e) Reply has been filed by the Madhya Pradesh Power Management Co. Ltd. and the petitioner will be filing rejoinder.
2. None appeared for the respondents.
3. The Commission observed that as per Appendix-II to the 2009 Tariff Regulations, additional return on equity can be allowed only if such project is completed within the timeline, and in the instant case, only a component of the transmission line has been commissioned, and hence it is not eligible for additional return on equity.
4. In response to a query of the Commission that the charges of these spare ICTs/ reactor will be borne by the beneficiaries of Western Region only, the representative of the petitioner clarified that ultimately it will be connected to grid benefitting all the regions.
4. The Commission directed the petitioner to file rejoinder on affidavit with a copy to the Madhya Pradesh Power Management Co. Ltd. within 15 days.
5. Subject to that, order in the petition was reserved.

By the order of the Commission,

(T. Rout)
Joint Chief (Law)
.1.2013