

CENTRAL ELECTRICITY REGULATORY COMMISSION

NEW DELHI

Petition No. 100/TT/2013

Subject : Approval of transmission tariff for Asset-I: 400/220 kV, 315 MVA ICT-II at Samba S/S along with associated bays and 3 Nos. 220 kV line bays, and Asset-II: 1 No. 400 kV, 80 MVAR Bus Reactor at Samba S/S along with associated bays under NRSS-XXII under Northern Region System Strengthening Scheme-XXII for tariff block 2009-14

Date of Hearing : 22.4.2014

Coram : Shri Gireesh B. Pradhan, Chairperson
Shri M. Deena Dayalan, Member
Shri A.K. Singhal, Member

Petitioner : Power Grid Corporation of India Ltd. (PGCIL)

Respondents : Rajasthan Rajya Vidyut Prasaran Nigam Limited and 16 others

Parties present : Ms. Seema Gupta, PGCIL
Shri S.S. Raju, PGCIL,
Ms. Sangeeta Edwards, PGCIL
Shri S. Venkatesan, PGCIL
Shri R.B. Sharma, Advocate, BRPL
Shri Padamjit Singh, PSPCL
Shri T.P.S. Bawa, PSPCL

Record of Proceedings

The representative of petitioner submitted as under:-

- i) Investment approval for the project was accorded on 15.12.2010 and as per investment approval the assets were to be commissioned within 32 months from the date of investment approval, i.e. by 1.9.2013. The petition was filed in April 2013 with anticipated date of commissioning of both the assets as 1.6.2013. Both



the assets were commissioned on 1.4.2013. Revised tariff forms and management certificate as per the actual date of commercial operation have been submitted vide affidavit dated 20.11.2013;

- ii) Though there is slight increase in cost of Asset-II, the total estimated cost is within the approved limit, and the same may be allowed;
- iii) Reply has been received from JVVN, UPPCL, PSPCL, and BRPL. Rejoinders to the replies of JVVN and UPPCL have been filed and rejoinders to the replies of PSPCL and BRPL would be filed.

2. The representative of PSPCL, Respondent No. 6, submitted that there is cost over-run in Asset-II. The increase should not be allowed even if the total estimated cost is within the approved limit. He requested the petitioner to confirm whether the petitioner has got approval for this excess in completion cost. He further submitted that though an additional return on equity of 0.5% has been claimed in the petition, the request should be considered in the light of overall scheme which is for 6 Nos. 220 kV bays and 2 Nos. ICTs. The petitioner has not submitted whether the total scheme has been completed. The petitioner should give the status of actual loading of the 3 Nos. 220 kV outgoing line bays and should establish that they have loaded all of them and are utilizing them. He further requested the petitioner to give complete Form 5B.

3. The representative of BRPL, Respondent No. 12, submitted as under:-

- (a) that there is overestimation in approval of the revised cost estimates, and hence it is not possible to assess the cost over-run;
- (b) The Commission has laid down the benchmark capital cost for sub-station and transmission lines associated with 400/765 kV transmission system in its orders dated 16.6.2010 and 27.4.2010 respectively. This has not been furnished by the petitioner and hence the reasonability of capital cost cannot be assessed;
- (c) The claim of additional return on equity of 0.5% is inadmissible as the petitioner has not completed all the elements of the scheme contained in the investment approval;
- (d) Initial spares should be allowed as per norms prescribed in the 2009 Tariff Regulations.



4. The representative of the petitioner clarified that all the assets covered under the project have been commissioned and letters regarding their respective dates of commercial operation have been furnished vide affidavit dated 20.11.2013.

5. The Commission observed that the petitioner is claiming 50% of the additional capital expenditure on account of balance and retention payment, and directed the petitioner to submit details of expenditure under the head "balance and retention payment", by 20.5.2014 with copy to all the respondents. The Commission also directed the petitioner to submit rejoinder to the reply filed by PSPCL and BRPL, by 30.5.2014.

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

By order of the Commission

Sd/-
(T. Rout)
Chief (Law)

