

CENTRAL ELECTRICITY REGULATORY COMMISSION

NEW DELHI

Petition No. 113/TT/2012

Subject : Determination of transmission tariff for spare interconnecting transformers (ICTs) for Northern Region for tariff block 2009-14.

Date of Hearing : 3.3.2014

Coram : Shri Gireesh B.Pradhan, Chairperson
Shri M. Deena Dayalan, Member
Shri A.K. Singhal, Member
Smt. Neerja Mathur, Member, Ex-officio

Petitioner : PGCIL

Respondents: : Delhi Transco Limited and 16 others

Parties present : Shri A.M. Pavgi, PGCIL
Shri S.S. Raju, PGCIL,
Smt. Sangeeta Edwards, PGCIL,
Smt. Seema Gupta, PGCIL
Shri P. Saraswath, PGCIL
Shri M.M. Mondal, PGCIL
Shri S.K. Venkatesan, PGCIL
Shri R.B. Sharma, Advocate, BRPL

Record of Proceedings

The representative of petitioner submitted that the transmission tariff for spare ICTs in Mandola and Ludhiana are claimed in the instant petition. As per the Investment Approval (IA) dated 8.10.2010, the instant assets were scheduled to be commissioned within 20 months from the date of IA, i.e. by 1.6.2012. The ICTs at Mandola and Ludhiana were commissioned on 1.11.2010 and 1.12.2011 and hence there is no delay. It was agreed in the 14th NRPC meeting held on 19.9.2009 to procure 2 nos. of spare ICTs, one for Delhi, UP, Uttarakhand & Rajasthan and other for rest of the States of Northern Region. The award for the transformers was placed in December, 2010 and the delivery was to be latest by December, 2011. Because of the Commonwealth Games one transformer was arranged and kept as spare at Mandola to meet any contingency. Initially combined tariff was claimed for both the transformers at the time



of filing the petition. As the transformers have been put under commercial separately, element wise tariff is claimed now. No reply is received from the respondents.

2. The learned counsel for the BRPL submitted that apportioned approved cost is more than the total estimated completion cost and there is a net savings of 18% in the capital cost. He submitted that in the 13th TCC and 14th NRPC meeting the petitioner proposed to have two spare ICTs for Mandola and Ludhiana at ₹10 cr. each. TCC members agreed to the proposal of the petitioner. As regards sharing of cost, it was decided that the same shall be pooled in the Regional Transmission Charges of NR. In the 24th standing committee meeting, it was agreed that one spare transformer will be kept at Mandola Sub-station and the other at Ludhiana Sub-station of PGCIL. These transformers will be commissioned but will not be kept in charged condition and shall be charged as per requirement. However, due to Commonwealth Games one spare transformer was arranged at Mandola in advance. As per Form 5-C, the date of award of transformer for Mandola was 18.4.2007 and date of completion of work was 31.10.2010 and accordingly DOCO for this asset has been claimed as 1.11.2010. The completion of Mandola ICT-I is not yet known. The asset which was to be arranged by the petitioner and kept as spare at Mandola during Commonwealth Games was not the asset agreed by the beneficiaries in the NRPC meetings and hence the cost of the same should not be passed on to the respondents. The timeline of 24 months is for new 400 kV A/C Sub-stations and this timeline is not applicable for existing sub-stations, as in the instant case and hence additional return of 0.5% may not be allowed as prayed by the petitioner.

3. The representative of petitioner clarified that because of Commonwealth Games they have diverted the transformer and the actual cost of the transformer installed in Mandola is only claimed in the instant petition. Additional return on equity of 0.5% is not made in the revised claim.

4. In response to a query of the Commission, the representative of petitioner clarified that it is a spare transformer and it is not charged and it is only kept in the sub-station for emergency situation.

5. The Commission observed that in case of Ludhiana ICT, petitioner has not claimed any expenditure prior to the date of commercial operation and the petitioner, vide affidavit dated 20.9.2013, has submitted that IDC & IEDC in case of both the assets is NIL. However, the petitioner has capitalized IDC & IEDC for the period 1.12.2011 to 29.2.2012 i.e. post date of commercial operation, vide management certificate dated 18.9.2013. The Commission directed the petitioner to submit the justification for claiming IDC and IEDC after the declaration of date of commercial operation of the Ludhiana ICT on affidavit before 28.3.2014, with a copy to the respondents.



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

By order of the Commission

sd/-
(T. Rout)
Chief Legal

