

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Record of Proceedings

Petition No. 86/TT/2012

Subject : Approval under Regulation 86 of CERC (Conduct of Business) Regulations, 1999 and CERC (Terms and Conditions of Tariff) Regulations, 2009 for determination of transmission tariff for (i) Vindhyachal IV-Vindhyachal Pooling Station 400 kV D/C (QUAD) (Bypassing Vindhyachal Pooling Station) TL and (ii) 400 kV D/C Sasan-Vindhyachal Pooling Transmission Line (Ant. DOCO: 1.3.2012) associated with Vindhyachal IV and Rihand III (1000 MW) generation project (under interim/contingency arrangement for power evacuation) in Western Region for tariff block 2009-14 period.

Date of Hearing : 11.3.2014

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

Petitioner : Power Grid Corporation of India Ltd.

Respondent: Madhya Pradesh Power Trading Co. Ltd. and 24 others

Parties Present : Shri P. Saraswat, PGCIL
Ms. Sangeeta Edwards, PGCIL
Shri S. S. Raju, PGCIL
Shri T. P. S. Bawa, PSPCL
Shri S. K. Venkatesan, PGCIL
Shri M. M. Mondal, PGCIL
Shri R. B. Sharma, Advocate, BRPL
Shri Padamjit Singh, PSPCL

The representative of the petitioner submitted as follows:-

- (a) The petition is filed for approval of 400 kV D/C (QUAD) Vindhyachal IV-Vindhyachal Pooling Station (Bypassing Vindhyachal Pooling Station) (Asset-I) and 400 kV D/C Sasan-Vindhyachal Pooling Transmission Line (Asset-II).



- (b) As per the Investment Approval dated 17.3.2010, the instant assets were to be commissioned within 32 months from the date of Investment Approval i.e. by 1.12.2012. The assets were commissioned on 1.1.2013 after a marginal delay of one month.
- (c) The time over-run of one month is due to delay in getting forest clearance. The application for forest clearance was submitted in July, 2011, whereas the clearance was given only in November, 2012.
- (d) There is marginal cost over-run in case of Asset-II. The apportioned cost of Asset-II is ₹1029.03 lakh against estimated completion cost of ₹1081.68 lakh.
- (e) As there is delay in commissioning of Vindhyachal-IV transmission system an interim arrangement was worked out for evacuation of power from Vindhyachal-IV generation project. The interim arrangement involves bunching of Vindhyachal Pooling Station-Sasan 400 kV D/C line and interconnecting it with Vindhyachal-IV at one end, bypassing Vindhyachal Pooling Station and interconnecting with Sasan at other end. The interim arrangement would also be able to utilize the transmission system associated with Sasan UMPP from Sasan onwards.
- (f) The interim arrangement resulted in construction of two extra towers and this led to increase in the cost of Asset-II. This interim arrangement was discussed and agreed to in the 33rd SCM meeting and 17th RPC meeting.
- (g) Requested to condone the delay of one month and allow the tariff as claimed in the petition.

2. The representative of PSPCL submitted as follows:-

- (a) The petitioner's prayer for additional return on equity of 0.5% may not be allowed as there is delay of one month in commissioning the assets.
- (b) The petitioner is responsible for the interim arrangement and, hence, the cost related to this arrangement should be borne by the petitioner and it should not be included in the capital cost.
- (c) The petitioner has claimed the cost of switchgear in the petition. Bypassing of the Vindhyachal Pooling Station would not require any switchgear and, hence, the petitioner should clarify whether the cost of switchgear is included in the capital cost.
- (d) The petitioner should file the actual DOCO certificates.

3. The learned counsel for BRPL submitted that the petition was filed by the petitioner on 1.3.2012, with the anticipated date of commercial operation as 1.3.2012, under Regulation 5 of the 2009 tariff Regulation. As per Regulation 5, a transmission tariff petition can be filed for completed assets or assets projected to be completed within six months from the date of application. Accordingly, the assets should have been commissioned before 1.9.2012 however the instant assets were commissioned on 1.1.2013, after 10 months. As the assets came up after more than 6 months, the petitioner may be directed to revise the petition. He also wanted the petitioner to furnish the reasons for having the contingency arrangement and the difficulties in execution of

the original plan. As per Form 5C, the date of award was 22.3.2010 and the date of completion was 7.7.2011 and 22.9.2011, however the project was commissioned on 1.1.2013. If there was any delay in execution of work by the contractors, liquidated damages should be claimed from the contractors and IDC and IEDC for that period should not be allowed.

4. In response, the representative of the petitioner has submitted that the interim arrangement of bypassing the Vindhyaachal Pooling Station was discussed and agreed in the 33rd SCM meeting and the 17th WRPC meeting. He also submitted that revised cost certificates as per the actual date of commercial operation was filed, vide affidavit dated 20.9.2013, and only cost of the line is claimed and the cost of the sub-station is not claimed. The cost of the sub-station would be included after the same is commissioned. He also submitted that the date of commercial operation certificates has already been submitted.

5. In response to a query of the Commission, the representative of the petitioner submitted that out of the total 56 hectares of land, 32 hectares belonged to government and 25 hectares was in private hands. Action was initiated for acquisition of land in 2009 before Investment Approval and there was delay in acquisition of private land. There was encroachment on government land and this led to delay. He also submitted that forest clearance was issued in November, 2012.

6. The representative of PSPCL submitted that a detailed reply would be filed by PSPCL.

7. The Commission directed PSPCL to file its reply before 30.3.2014 and the respondents to file rejoinder, if any, by 10.4.2014 with a copy to the respondents.

8. Subject to the above, Commission reserved the order.

By the order of the Commission,

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