

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 104/TT/2013

Subject : Determination of transmission tariff for Asset-I: Reconductoring Ckt-I of 400 kV D/C Siliguri-Purnea (HTLS Cond.) Transmission Line; Asset II: Reconductoring Ckt-II of 400 kV D/C Siliguri- Purnea (HTLS Cond.) Transmission Line under ERSS-I in Eastern Region from anticipated DOCO (1.6.2013) to 31.3.2014

Date of Hearing : 20.10.2015

Coram : Shri Gireesh B. Pradhan, Chairperson
Shri A. K. Singhal, Member
Shri A. S. Bakshi, Member
Dr. M. K. Iyer, Member

Petitioner : Power Grid Corporation of India Limited (PGCIL)

Respondents : Bihar State Electricity Board and 5 others

Parties present : Shri S.S Raju, PGCIL
Shri Rakesh Prasad, PGCIL
Shri S.K Venkatesan, PGCIL
Shri M.M Mondal, PGCIL
Shri A. Majumdar, PGCIL
Shri R.B Sharma, GRIDCO

Record of Proceedings

The representative of the petitioner submitted that:-

- a) The petition has been filed for the approval of transmission tariff for Asset-I: Re-conductoring Ckt-I of 400 kV D/C Siliguri-Purnea (HTLS Cond.) Transmission Line; Asset II: Re-conductoring Ckt-II of 400 kV D/C Siliguri- Purnea (HTLS Cond.). However, Asset-I has been commissioned on 1.4.2014 and hence a separate petition has been filed as per the 2014 Tariff Regulations. In the instant petition, tariff for ckt-II is only claimed;
 - b) As per investment approval dated 4.10.2006, the project was scheduled to be commissioned within 36 months from the date of I.A. The instant asset was
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scheduled to be commissioned by 4.10.2009 and it was commissioned on 1.6.2013 and there was time over-run of 43 months;

- c) The detailed reasons for the delay in commissioning of the assets was submitted vide affidavit dated 27.5.2014. The reasons for time over-run are:-
- (i) The project is funded by World Bank and the procedure laid down by World Bank was stringent. There was delay in award of contract as the approvals were delayed.
 - (ii) Due to earthquake and tsunami in Japan, J-Power Systems was unable to supply the conductors in time and there was delay of 6-7 months.
 - (iii) Tower collapse due to heavy storm at Pagligach.
 - (iv) There was delay in obtaining shut-down clearance by four months.
 - (v) There was five months delay due to ROW constraints in various locations during de-stringing and re-stringing phases.
- d) There is no cost over-run inspite of time over-run of 43 months;
- e) There was delay in obtaining loan from World Bank. The proposal was forwarded to Ministry of Power however, the loan was approved only on 28.3.2008;
- f) There was a delay of two years in finalization of the draft bidding for HTLS conductor; and
- g) Requested to condone the time over-run and allow tariff as prayed in the petition.

2. Learned counsel for the GRIDCO referring to its reply dated 15.10.2015 made the following submissions:-

- a) It has been stated that the capital cost of the assets is inclusive of the FERV loss of ₹173.46 lakh pertaining to IBRD IV, IBRD V (additional) and ADB IIII, should clarify what is the loss;
- b) The time over-run of 43 months is attributed to delay in award of contract, earthquake, tsunami, tower collapse, shut-down issues and ROW issues;
- c) The time over-run due to delay in award of contract is only 6 months and not 38 months as claimed by the petitioner;



- d) The petitioner has claimed delay of 7 months due to the tsunami in Japan. However, as per the correspondence submitted by the petitioner the anticipated delay due to this reason was only 4 months;
- e) The petitioner has claimed delay of 3-4 months due to collapse of tower due to heavy storm. However, the report of Standing Committee of the experts recommended strengthening of towers. The petitioner was well aware of this problem and should have taken care of the same. The delay due to this reason is attributable to the petitioner and it should not be condoned;
- f) The petitioner has claimed delay of 3-4 months due to non-availability of shut-down. It is not clear why the petitioner has applied for shutdown and rescheduling when the hydro generation is high in the region. Time over-run due to this reason is attributable to the petitioner and it should not be condoned;
- g) In view of the APTEL's judgment in Appeal No 72 of 2010, the time over-run of 6 months due to delay in award of contract and 4 months due to natural forces is justified and can be condoned.

3. The Commission directed the petitioner to file the following information, on affidavit by 30.11.2015 with a copy to the respondents in order to work out the final tariff, failing which the petition will be disposed as per the information on record:-

- a) Single Line Diagram (SLD) of the transmission assets covered in the instant petition;
- b) As per the Investment Approval, reconductoring of Siliguri-Purnea 400 kV D/C line is indicated with INVAR Moose Conductor. But in the petition it has been sated with HTLS conductor and hence the clarify whether re-conductoring has been done with INVAR Moose conductor as envisaged in the Investment Approval;
- c) Details of time over-run and chronology of the activities along with documentary evidence in regard to anticipated delay of 5 to 12 months as per the format given below:-

Asset	Activity	Period of activity				Reason(s) for delay along with reference to supporting document(S)
		Planned		Achieved		
		From	To	From	To	



- d) CEA certificate under Regulation 43 of CEA (Measures Related to Safety & Electricity Supply) Regulations, 2010 for the asset covered in the instant petition;
- e) Necessary Standing Committee approval and RPC approval for scheme;
- f) Clarify how much capacity of the line has increased by use of HTLS conductor as compared to original capacity with Moose conductor;
- g) Whether any terminal end equipment has been replaced? If yes, provide details of the same and the details of the petition where it has been claimed and when the same has been declared COD;
- h) Documents in support of the Exchange Rate proof at the Actual COD in respect of all foreign loans (ADB III, IBRD IV, IBRD IV ADDL) and Exchange Rate proof at the date of drawl of IBRD IV ADDL – ADDCAP Loan. Details of any default, if any, in the interest payment on any loan mentioned at Form-9C;
- i) Submit the editable soft copy of computation of interest during construction (IDC) in Excel format with links, from:
 - i) The date of infusion of debt fund up to SCOD of the Asset and;
 - ii) From SCOD to the Actual COD of the Asset

Further, while submitting the un-discharged liability portion of IDC/IEDC, petitioner should clarify whether it has been included in the projected add-cap claimed;

- j) Name of the Asset: "Re-Conductoring of Ckt-I of 400 kV D/C Siliguri-Purnea (HTLS Cond.) Transmission Line" suggests that the existing conductor(s) of the Transmission Line is being replaced with the new conductor(s). Clarify under which petition the subject cited Transmission Line's tariff was claimed. Accordingly, submit the Form-10B (Statement of De-capitalization) in the instant case; and



- k) Clarify whether entire liability pertaining to initial spares has been discharged as on COD, if no, year wise detail of discharging of the same, among the Substation and Transmission line separately.
4. The Commission directed the respondents to file their reply by 7.12.2015 with an advance copy to the petitioner and the petitioner to file its rejoinder, if any, by 14.12.2015. The Commission directed the petitioner and the respondents to file the additional information/replies/rejoinder within the due date mentioned above and observed that information filed after the due date shall not be considered.
5. Subject to the above, the Commission reserved the order in the petition.

By order of the Commission

sd/-
(T. Rout)
Chief Legal

