

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 475/TT/2014

Subject : Determination of transmission tariff from anticipated DOCOs to 31.3.2019 for Asset I: 01 No. 1x500 MVA ICT at 400/220 KV Subhasgram S/S along with the associated bays and 02 Nos. of 220 kV equipped line bays at 400 KV Subhasgram S/S.; Asset II: 125 MVAR Bus Reactor – I Muzaffarpur Substation alongwith bays; Asset III: 125 MVAR Bus Reactor II replacing existing 63 MVAR Bus Reactor at Muzaffarpur alongwith bays under Transmission System for “**Eastern Region Strengthening Scheme – VIII**” in Eastern Region for the tariff period 2014-19 under Regulation-86 of Central Electricity Regulatory Commission (Conduct of Business) Regulations, 1999 and Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2014.

Date of Hearing : 20.1.2015

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

Petitioner : PGCIL

Respondents : Bihar State Power (Holding) Company Ltd. and 5 others

Parties present : Shri M.M. Mondal, PGCIL
Shri S.K. Venkatesan, PGCIL
Shri Jasbir Singh, PGCIL
Shri S.S. Raju, PGCIL

Record of Proceedings

The representative of the petitioner submitted that the instant petition has been filed for determination of transmission tariff for Eastern Region Strengthening Scheme – VIII” in Eastern Region for the 2014-19 tariff period. He further requested to grant AFC for the instant assets as provided under Regulation 7(7) of the 2014 Tariff Regulations for inclusion in PoC charges. He further submitted that as per Investment Approval (28.8.2013), the assets covered under the instant petition are scheduled to be



commissioned by 27.4.2015, against which the Asset I, Asset II and Asset III are anticipated to be commissioned on 31.12.2014, 1.1.2015 and 1.2.2015 respectively. The total estimated completion cost of assets is ₹5587.71 lakh against the apportioned approved cost ₹4164.81 lakh.

2. The Commission observed that the anticipated date of commercial operation of the Asset I and Asset II have already lapsed. The Commission directed the petitioner to submit the following information, on affidavit before 11.2.2015 with a copy to all the respondents:-

- a) Status of commissioning of all the Assets. If there are any changes in DOCO of the Assets:-
 - i) In case of actual DOCO, furnish Auditor / Management certificates and Tariff Forms and DOCO Letter/s for concerned Assets; and
 - ii) In case the actual DOCO occurs after scheduled DOCO, petitioner is required to furnish the details of incidental expenditure incurred during the period of delay (i.e. scheduled DOCO to actual DOCO) along with the liquidated damages recovered or recoverable.
- b) It appears that petitioner has furnished Form-4 A "Statement of Capital Cost", in respect of all the assets, on Cash Basis. Submit the revised Form 4 A "Statement of Capital Cost" as per Books of Accounts (Accrual Basis) and also indicate the liabilities amount included in the Gross block for all the assets;
- c) The computation of interest during construction along with editable soft copy in Excel format with links for the Assets for the periods from the date of infusion of debt fund up actual DOCO. In case the actual DOCO happens after the scheduled DOCO, submit the same information for the following period:-
 - (i) From the date of infusion of debt fund up to Scheduled DOCO as per Regulation 11 (A) (1) of 2014 Tariff Regulation; and
 - (ii) Scheduled DOCO to actual DOCO / Revised DOCO, as the case may be.
- d) Revised Form 2 and Form 5B for all assets covered under ERSS-VIII, by clearly indicating all the elements covered in the instant project along with the details of apportioned approved cost, completed cost, petition Nos. of concerned assets;
- e) Form-9 (Details of allocation of corporate loans to various transmission elements) and Form-15 (i.e. Quarter wise Actual cash expenditure) in respect of all the assets;
- f) Documents in support of repayment schedule for SBI Loan;
- g) In case of any default in interest payment on loan, provide the details;

- h) Details of existing 63 MVAR Bus Reactors being replaced by Asset II & III as per Form 10 B;
- i) In case of Asset-1, the petitioner has not indicated the details of "Other Income as on DOCO" in Form 14, indicate the details;
- j) The copy of Investment Approval by Board of directors duly certified by Company Secretary;
- k) Single line diagramme (SLD) of sub-stations at Muzaffarpur & Subhasgram where strengthening works are proposed;
- l) Status of downstream 220 kV lines of WBSETCL for which 2 nos 220 kV bays at Subhasgram have been claimed;
- m) RPC approval of Assets;
- n) Completed Life of 63 MVAR Bus Reactor being replaced at Muzaffarpur;
- o) RLDC for certificate for charging and DOCO certificate issued by CEA under Regulation 43 of CEA (Measures relating to Safety and Electricity supply) Regulations, 2010;
- p) If there is delay in actual DOCO, the reason along with documentary evidence and Asset- wise chronology of activities as per format given below:-

Asset	Activity	Period of Activity				Reason for delay along with reference of documentary evidence
		Planned		Achieved		
		From	TO	From	TO	

- q) Reason along-with justification, if any, for Cost overrun of 58.83% in respect of Asset-1;
- r) There is a substantial cost variation is there in certain heads as per Form 5 (page-41,72 and 96 of petition).Clarification for cost variation along with documentary evidence in respect of following items may be furnished:-

Item Details	Asset wise % Cost variation			
	Asset-I	Asset-II	Asset-III	Reason submitted by the petitioner
Foundation for structures	232.99	75.0	75.16	As per site variation
Misc. civil works	232.99	--	---	Rates in FR lower
Switchgear (CT,PT,Circuit breakers, Isolators etc)	44.26	44.1	44.1	As per actual awarded rates
Transformers	50.0			Rates in FR lower
Control relay & Protection panel	93.63			Rates in FR lower
Bus-bars/ Conductors/ Insulators	119.54			Rates in FR lower
Emergency DG set, Outdoor lighting, Grounding System	313.67	30.17	30.17	As per higher rates received against competitive bid
Compensating equipment, Reactors, SVCs etc.	---	33.18	33.18	As per actual awarded rates

3. The petitioner's prayer for allowing tariff under Regulation 7(7) of 2014 Tariff Regulations shall be considered after receipt of the above said information.

By order of the Commission

(T. Rout)
Chief Legal