

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 67/TT/2015

- Subject:** Approval of Transmission tariff for Combined Asset-I: HVDC Portion and Combined Asset-II: AC Portion, under the transmission system associated with “North East-Northern/Western Interconnector-I Project” in North Eastern, Northern and Western Region.
- Date of Hearing:** 3.3.2015
- Coram:** Shri A.K. Singhal, Member
Shri A.S. Bakshi, Member
- Petitioner:** Power Grid Corporation of India Limited (PGCIL)
- Respondents:** Assam Electricity Grid Corporation Limited and 33 others
- Parties present:** Shri M. M. Mondal, PGCIL
Shri S. S. Raju, PGCIL
Shri S. K. Venkatesan, PGCIL
Shri Jasbir Singh, PGCIL
Shri Vivek Kumar Singh, PGCIL
Shri Anshul Garg, PGCIL
Shri Upendra Pandey, PGCIL
Shri Rajendra Gujer, PGCIL
Shri Amit Bhargava, PGCIL

Record of Proceedings

The representative of petitioner submitted as follows:-

- (a) This petition is filed by PGCIL seeking transmission tariff for transmission assets commissioned under the transmission system associated with “North East-Northern/Western Interconnector-I Project”, for tariff block 2014-19, in North Eastern, Northern and Western Region;
- (b) As per the Investment Approval (IA) dated 27.2.2009, the assets included in the project scope were to be commissioned within 54 months from the date of IA. Accordingly, the scheduled date of commercial operation works out to 26.8.2013;



- (c) The assets are anticipated to be commissioned on 31.3.2015 and accordingly there is delay of nineteen months in commissioning of the assets;
- (d) The total approved cost of the project is ₹1113019 lakh including IDC of ₹106605 lakh. The apportioned cost of the instant asset is ₹6559.06 lakh. The estimated completion cost of the instant asset as on the date of commercial operation is ₹7705.63 lakh and the projected additional capital expenditure is ₹192.41 lakh, ₹547.49 lakh and ₹78.78 lakh during 2014-15, 2015-16 and 2016-17 respectively;
- (e) Time over-run for instant assets is mainly due to initial delay in award and contract agreement for HVDC terminal package being first of its kind in the country and involving state of art technologies, delay in execution because of land acquisition, ROW issues vis-à-vis law and order problems/threats from underground organizations, delay in transportation of converter transformers, frequent stoppage of work by various organizations, land owners etc,. Delays were also on account of extended monsoon, high flood levels, route diversion due to ROW issues and forest clearance; and
- (f) Allow 90% of the annual fixed charges as tariff in accordance with Regulation 7 (7) of the 2014 Tariff Regulations for the purpose of inclusion in POC charges.

2. None of the respondents were present.

3. The Commission directed the petitioner to submit the following information on affidavit with a copy to the respondents by 3.4.2015:-

- a) Single Line Diagram (SLD) of the instant transmission assets.
- b) Details of time over-run and chronology of the activities along with documentary evidence as there is a anticipated delay of 19 months in completion of assets covered in this petition, as per the format given below:-

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

- c) Minutes of meeting in which allocation of power from generation projects associated with the transmission was done.

- d) CEA certificate under Regulation 43 of CEA (Measures Related to Safety & Electricity Supply) Regulations, 2010 for instant assets.
- e) How the transmission assets covered in the instant petition shall be utilized?
- f) What is the capacity of this line and the basis of planning of the capacity?
- g) Minutes of RPC meeting(s) wherein the instant transmission assets were discussed and agreed to by the beneficiaries.
- h) Complete minutes of meeting dated 6.12.2015 chaired by Secretary (Power), Government of India.
- i) PPA signed by beneficiaries in respect of allocated power from the generation projects for which the instant transmission system is being implemented.
- j) BPTA for the instant assets.
- k) List/capacity of generating stations for which the instant assets were planned and their current status & likely date of completion.
- l) Status of the Commissioning of instant assets. Auditor's certificate in case of any change in the actual COD or Management Certificate in case of any change in anticipated COD along with the revised tariff forms.
- m) Supporting documents regarding declaration of commissioning of both the assets.
- n) Documents in support of Interest Rates and Repayment Schedules (as per Form-9c) of Proposed Loans, Foreign Loans deployed, for instant assets and details of any default in interest payment on loan, if any.
- o) Form-4A "Statement of Capital Cost" as per Books of accounts (accrual Basis and cash basis separately) for instant assets along with amount of Capital Liabilities in Gross Block.
- p) Computation of interest during construction (IDC) along with the editable soft copy in Excel format with links, for assets for the following periods:-
 - i. From the date of infusion of debt fund up to Scheduled COD as per Regulation 11 (A) (1) of Tariff Regulation, 2014.
 - ii. From Scheduled COD to actual COD of the asset.

- q) Details of incidental expenditure incurred (IEDC) during the period of delay in commissioning of instant assets (i.e. from scheduled COD to actual COD) along with the liquidated damages recovered or recoverable, if any.
- r) Form-9 (Details of allocation of corporate loans to various transmission elements), Form 14 (Other income generated, if any) and Form-15 (Actual Cash Expenditure) in respect of instant assets.
- s) Revised Cost Estimates (RCE), if any.
- t) The working of Income Tax on Return on Equity as per Regulation 25 while arriving at Tariff in the petition. Also to submit details of Deferred Tax Liability and its treatment for the period 2014-19.

3. The Commission further observed that due date of filing the information should be complied with and information received after due date shall not be considered while passing the order.

4. Subject to this, Commission reserved the order in the petition.

By Order of the Commission

(T. Rout)
Chief (Legal)

