

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 64/TT/2015

Subject : Determination of transmission tariff from anticipated COD to 31.3.2019 for "Essar Gujrat TPS-Bachau 400 kV D/C (triple) line and extension of Bachau Sub-station anticipated COD 1.4.2015" under "Transmission system for connectivity of Essar Power Gujarat Limited" in Western Region.

Date of Hearing : 25.8.2015

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

Petitioner : Power Grid Corporation of India Limited

Respondents : Essar Power Gujarat Limited (EPGL) and 8 others

Parties present : Shri Gopal Jain, Senior Advocate, PGCIL
Ms. Swapna Seshadri, Advocate, PGCIL
Shri S.K. Venkatesan, PGCIL
Shri Moh. Mohsin, PGCIL
Shri A.M. Pavgi, PGCIL
Shri Roopesh U.P., PGCIL
Mrs. Manju Gupta, PGCIL
Shri Piyush Awasthi, PGCIL
Shri Sanjay Sen, Senior Advocate, EPGL
Shri Molshree Bhatnagar, Advocate, EPGL
Shri Sakaya Singh Chaudhari, Advocate , EPGL

Record of Proceedings

The Commission observed that the some of the information sought vide RoP dated 3.3.2015 has been submitted vide letter dated 18.5.2015 and the remaining information has not been furnished by the petitioner till date. The Commission directed the petitioner to submit the following information alongwith the information sought vide RoP dated 3.3.2015, on affidavit before 28.9.2015 with a copy to all the respondents:-



- a) When EPGL has not made any advance payments towards main power plant package of turbine-island and steam generator island, clarify why it proceeded without ensuring the payment of advance for the BTG at least to the tune of 10% and without having regard to whether generation project is "likely to be commissioned in a given time frame";
- b) Elaborate the efforts made by it for matching commissioning of its assets with the commissioning of generation project in general and specially in the light of letter dated 17.8.2012 of EPGL;
- c) Element wise (i.e. Land, building and civil work, TL, S/S etc) and year wise actual capital expenditure incurred, un-discharge liability corresponding to the elements of the asset as on anticipated COD (September, 2015) and closing of each financial year along with the discharge/reversal of the same during 2014-19 tariff block, duly certified by the Auditor/Management along with the revised tariff forms;
- d) Apportioned approved cost, duly certified by Company Secretary, of the project cost approved vide Investment Approval dated 14.12.2011;
- e) Whether entire amount pertaining to initial spares would be paid as on anticipated COD (September, 2015)? If not, submit the year wise detail of payment made pertaining to initial spares for Transmission Line and Sub-station separately;
- f) Capital cost figures as stated in Auditor's certificates/Management certificates of the respective assets is similar to the figures as shown in Form-4A "Statement of Capital Cost" as per Books of Accounts (Accrual Basis) for the assets. In this connection, petitioner may be asked to clarify whether, Form-4A has been submitted on cash basis or Auditor certificate has been submitted on accrual basis?
- g) Year wise and loan wise computation of interest during construction along with editable soft copy in Excel format with links for the Asset in support of the IDC claim as per certificate to be submitted as per point (i) for the following periods:
 - (i) From the date of infusion of debt fund up to Scheduled COD i.e. 5.2.2014 as per Regulation 11 (A) (1) of Tariff Regulation, 2014; and
 - (ii) From Scheduled COD i.e. 5.2.2014 to the anticipated COD (September, 2015) of the Asset.
- h) The computation for IDC to be claimed on cash basis ;
- i) The following supporting documents for the loans to be mentioned in Form-13 as per point (i):



- a. Date of drawl,
 - b. Date of infusion of the loan into the project,
 - c. Interest rate applicable from date of drawl/infusion to anticipated COD (September, 2015);
 - d. Repayment Schedule;
 - e. Date of payment of interest;
 - f. Applicable interest rate from date of drawl/infusion of loan to anticipated COD (September, 2015); and
 - g. Exchange rate as on anticipated COD (September, 2015) and Loan agreements in respect of foreign loans deployed in the project/asset.
- j) In case of variation in the date of drawl of loan and infusion of the loan in the project, submit the treatment of the interest accrued/paid during that period;
- k) Applicable exchange rate as on date of payments of interest in case of foreign loan along with the period wise, as per agreement, amount in foreign currency paid/payable on account of interest;
- l) Whether entire amount of IEDC would paid prior to anticipated COD (September, 2015)? Furnish month wise details of IEDC paid on cash basis (i.e. from zero date to SCOD and from SCOD to anticipated COD) along with the liquidated damages recovered or recoverable, if any; and
- m) Clarify whether indemnification/implementation agreement entered with M/s. Essar Power Gujarat Limited (Generating station) in line with Regulation 3(34) of 2014 Tariff Regulations and any liquidated damages has been recovered/to be recovered accordingly.

2. The petitioner is also directed to submit editable soft copy (Excel format) IDC to be claimed on cash basis with links by 28.9.2015.

3. The respondents shall file their reply by 9.10.2015 with advance copy to the petitioner who shall file its rejoinder, if any by 20.10.2015. The additional information/replies/rejoinder shall be filed within the due date mentioned above. In case no information is filed within the due date, the matter shall be considered based on available records.

By order of the Commission

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(T. Rout)
Chief (Law)

