

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Record of Proceedings

Petition No. 173/TT/2013

Subject : Determination of transmission tariff from date of commercial operation to 31.3.2014 for Combined Assets of LILO of 400 kV S/C Vindhyachal- Korba T/L and 400 kV D/C Gandhar-Hazira T/L and 400/220 kV GIS Sub-station at Hazira and associated bays (actual date of commercial operation: 1.4.2013)

Petition No. 111/TT/2015

Subject : Approval of capital cost of Combined Assets of LILO of 400 kV S/C Vindhyachal- Korba T/L and 400 kV D/C Gandhar-Hazira T/L and 400/220 kV GIS Sub-station at Hazira and associated bays, referred as Stage-I (Asset-I), and truing up of Annual Fixed Cost for 2013-14

Petitioner : Essar Power Transmission Co. Ltd.

Respondents : Essar Power M.P. Ltd. & 5 others

Date of Hearing : 18.6.2015

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

Parties Present : Shri Abhayjit Sinha, EPTCL
Shri Akhil Mehta, EPTCL

The representative of the petitioner submitted as under:-

- (a) Provisional tariff for stage I, i.e. combined Assets of LILO of 400 kV S/C Vindhyachal- Korba transmission line and 400 kV D/C Gandhar- Hazira transmission line and 400/220 kV GIS Sub-station at Hazira and associated

bays, has already been allowed vide the Commission's order dated 12.9.2013 in Petition No. 173/TT/2013;

(b) The petitioner requests to determine final tariff in Petition No. 173/TT/2013 and true-up tariff in Petition No. 111/TT/2015;

2. On a query of the Commission regarding fulfillment of conditions of license granted to the petitioner to implement the transmission system, being part of the inter-state transmission system, the representative of the petitioner submitted that due to multiple packages, it was difficult to have a control on the supplier/ contractor in respect of time, cost and schedule of the project, and hence EPC contract was given to Essar Power India Ltd..

3. The Commission directed the petitioner to furnish the following information on affidavit, by 6.7.2015, with advance copy to the respondents:-

(a) Number of bids received, total price of the package and reason for not procuring packages through competitive bidding;

(b) Apportionment of approved project cost for Stage-I and Stage-II separately;

(c) Detailed justification for increase in cost;

(d) Whether EPC contract was awarded to EPIL on competitive bidding basis? If yes, submit the financial bids of all the eligible bidders applied for EPC contract.

(e) Reasons for adopting EPC contract (turnkey) even after inviting package-wise bids for the transmission system in accordance to the terms and conditions of License, where it was clearly mentioned that construction of the transmission system shall be executed through suitable packages and contract for these packages shall be awarded through competitive bidding;

(f) Element-wise and year-wise details of actual capital expenditure incurred up to 31.03.2014 along with the un-discharged liability corresponding to the elements of the asset, duly certified by auditors, for the purpose of Trueing up, in line with the 2009 Tariff Regulations;

(g) Loan agreements in respect of Loan(s) indicated in the Form-13 of the revised tariff forms, supporting documents for date of drawl, applicable interest rate of loan from time to time, and repayment schedule;

(h) Whether entire amount pertaining to initial spares has been paid up to COD? If not, year-wise details of payment against un-discharged liability corresponding to initial spares;

- (i) Period- wise and loan- wise computation of the IDC on cash basis and IEDC capitalized on cash basis for the asset.
- (j) Whether entire amount pertaining to IDC has been paid up to date of commercial operation? Year-wise details of the penalty paid in lieu of default in the payment of interest, if any;
- (k) Whether entire amount of IEDC has been paid prior to date of commercial operation? Month-wise details of IEDC paid on cash basis, along with the liquidated damages recovered or recoverable, in case of delay in the commissioning;
- (l) Year-wise applicable tax rate (MAT rate/ Corporate Tax) as per relevant Financial Year during 2009-14 block;
- (m) Justification for not entering into the contract with NTPC on similar lines as entered into with PGCIL for the construction of bays;
- (n) Details of the actual capital cost reimbursed to PGCIL for construction of bays at Sipat Pooling Station;
- (o) Rejoinder to the reply of MPPMCL.

4. The Commission further directed the respondents to file their replies by 17.7.2015, with advance copies to the petitioner who may file rejoinder, if any, by 24.7.2015.

5. The Commission 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.

6. Subject to the above, order in the petitions was reserved.

By the order of the Commission,

Sd/

(T. Rout)
Chief (Law)

