

CENTRAL ELECTRICITY REGULATORY COMMISSION

NEW DELHI

Petition No. 17/TT/2014

Coram:

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

Date of Order : 03.03.2017

In the matter of:

Revision of fees and charges of fibre optic communication system in lieu of existing Unified Load Despatch and Communication (ULDC) Microwave links in North Eastern Region of tariff block 2009-14, pursuant to order dated 31.10.2016 in Review Petition No. 30/RP/2016.

And in the matter of:

Power Grid Corporation of India Limited
"Saudamini", Plot No.2,
Sector-29, Gurgaon -122 001

.....Petitioner

Vs

1. North-Eastern Electric Power Corporation Limited,
(NEEPCO limited),
15, NBCC Tower, Bhikaji Cama Place,
New Delhi
2. National Hydro Power Corporation Limited,
NHPC Office Complex, Lodhi Road,
New Delhi
3. Assam State Electricity Board,
Bijulee Bhawan, Paltan Bazar,
Guwahati-781 001, Assam
4. Meghalaya Energy Corporation Limited,
(Formerly Meghalaya State Electricity Board)
Short Round Road, Shillong-793 001
5. Government of Arunachal Pradesh,
Itanagar, Arunachal Pradesh



6. Power & Electricity Department,
Government of Mizoram,
Mizoram, Aizwal
7. Electricity Department,
Government of Manipur,
Keishampat, Imphal
8. Department of Power,
Government of Nagaland,
Kohima, Nagaland
9. Tripura State Electricity Corporation Limited,
Bidyut Bhawan, North Banamalipur,
Agartala, Tripura-700 001
10. DONER Advisor (Power)
Government of India,
North Eastern Council Secretariat,
Shillong, Meghalaya

....Respondents

ORDER

Power Grid Corporation of India Limited (PGCIL) had filed a Review Petition No. 30/RP/2016 under Section 94 of Electricity Act, 2003 read with Regulations 103, 111 and 114 of the Central Electricity Regulatory Commission (Conduct of Business) Regulations, 1999 read with Order 47, Rule 1 of Code of Civil Procedure, 1908 for review of order dated 31.5.2016 in Petition No.17/TT/2014. Fees and charges for 117.172 km (37.874 km of Central portion +79.298 km of State portion) of fibre optic communication system in North Eastern Region were approved for the 2009-14 period in Petition No.17/TT/2014.

Brief facts of the case

2. PGCIL had earlier filed Petition No. 61/TT/2012 for approval of fees and charges of the ULDC/Microwave links in North-Eastern Region for 2009-14 tariff period, wherein PGCIL had claimed fees and charges for ULDC/Microwave links only till June, 2013.



Thereby, meaning that the ULDC/Microwave links would be replaced by the fibre optic system. PGCIL further confirmed vide affidavit dated 31.3.2013 that the ULDC/Microwave links would be in operation upto June, 2013 and the target date for replacement of ULDC/Microwave links with fibre optic was June, 2013. Accordingly, tariff for ULDC/Microwave links was allowed upto June 2013 vide order dated 22.2.2014.

3. Thereafter, PGCIL filed Petition No. 17/TT/2014 for approval of fees and charges for Fibre Optic Communication System which replaced the existing ULDC/Microwave Links, w.e.f. 1.4.2013. As fees and charges for ULDC/Microwave links were already approved upto June, 2013, allowing fees and charges for fibre optic system from 1.4.2013 would have amounted to double fees and charges for the period 1.4.2013 to 30.6.2013, fees and charges for the fibre optic system, commissioned in lieu of ULDC/Microwave Links, were allowed for nine months from 1.7.2013 to 31.3.2014 period, vide order dated 31.5.2016 in Petition No. 17/TT/2014.

4. PGCIL filed Review Petition No. 30/RP/2016 against order dated 31.5.2016 in Petition No. 17/TT/2014. PGCIL submitted that the ULDC/Microwave Links were dismantled by June, 2012 and Fibre Optic Communication System was commissioned on 1.4.2013. However, it was inadvertently wrongly stated in Petition No.17/TT/2014 that the ULDC/Microwave Links in NER was to be replaced by fibre optic system completely by June, 2013 instead of June, 2012. PGCIL's prayer was allowed vide order dated 31.10.2016. The relevant portions of order dated 31.10.2016 is extracted hereunder:-

"7. PGCIL has submitted in the instant petition that by inadvertent mistake, it was stated in Petition No.61/TT/2012 that the ULDC Microwave Links were to be dismantled completely by June, 2013 and that the mistake is unintentional and it was a typographical error. We are not able to agree with PGCIL. If it was an inadvertent mistake, PGCIL



should have brought the mistake to the notice of this Commission immediately after fees and charges for Microwave links were allowed upto June, 2013. PGCIL has not done so. PGCIL has noticed its error in the affidavit dated 31.3.2013 only after the fees and charges for fibre optic were allowed only from 1.7.2013 and not from 1.4.2013 as claimed by it and approached for review of the order. Therefore, we do not find any error in the face of record as the order was passed based on the submissions made on affidavit.”

“9. It is however noticed that the ULDC Microwave Links were dismantled in June, 2012 and the optic fibre were put into service with effect from 1.4.2013. Since the ULDC Microwave links were dismantled from June, 2012, we are of the view that PGCIL is not entitled for fees and charges for Microwave links beyond June, 2012. Accordingly, the fees and charges allowed for Microwave links upto June, 2013 in Petition No.61/TT/2012 shall be restricted to June, 2012 in truing up Petition No.17/TT/2015. Further, since the optic fibre were commissioned with effect from 1.4.2013 and were rendering service to the constituent beneficiaries, PGCIL is entitled for fees and charges for optic fibre with effect from 1.4.2013. Denying the fees and charges for the period 1.4.2013 to 30.6.2014 will result in denial of the legitimate fees and charges for the services rendered during the said period. We find that there are “sufficient reasons” to allow the review. Accordingly, we direct that PGCIL shall be entitled for fees and charges for fibre optic with effect from 1.4.2013. Accordingly, fees and charges for the fibre optic shall be revised in Petition No.17/TT/2014. The Staff of the Commission is directed to process the relevant petitions for revision of fees and charges.”

5. As per the directions issued in order dated 31.10.2016, the fees and charges allowed for fibre optic communication system in NER in order dated 31.5.2016 is revised. The fees and charges are allowed for fibre optic communication system on annualized basis w.e.f. 1.4.2013 instead of 1.7.2013. The revised fees and charges are as follows:-

(₹ in lakh)

Period	Central Portion	State Portion
2013-14	33.47	12.52

6. Consequently, para-31 of the order dated 31.5.2016 in Petition No. 17/TT/2014 shall stand deleted. All other terms and conditions of the order remain unchanged.

sd/-
(M.K. Iyer)
Member

sd/-
(A.S. Bakshi)
Member

sd/-
(A.K. Singhal)
Member

sd/-
(Gireesh B. Pradhan)
Chairperson

