

**CENTRAL ELECTRICITY REGULATORY COMMISSION  
NEW DELHI**

**Coram:**

**Shri A.K. Singhal, Member  
Shri A.S. Bakshi, Member  
Dr. M.K. Iyer, Member**

**Date of Order : 28.09.2017**

**Petition No. 30/RP/2017**

**In the matter of:**

Petition for review and modification of the order dated 15.3.2016 in Petition No. 562/TT/2014 under section 94(1)(f) of the Electricity Act, 2003

**Petition No. 31/RP/2017**

Petition for review and modification of the order dated 23.5.2016 passed by this Commission in Petition No. 313/TT/2015 under section 94(1)(f) of the Electricity Act, 2003 under section 94(1)(f) of the Electricity Act, 2003

**And in the matter of:**

Power Grid Corporation of India Limited

.....**Petitioner**

**Vs**

1. Rajasthan Rajya Vidyut Prasan Nigam Limited  
Vidyut Bhawan, Vidyut Marg,  
Jaipur - 302005
2. Ajmer Vidyut Vitran Nigam Limited  
400 kV GSS Building (Ground Floor),  
Ajmer Road, Heerapura, Jaipur
3. Jaipur Vidyut Vitran Nigam Limited  
400 kV GSS Building (Ground Floor),  
Ajmer Road, Heerapura, Jaipur.
4. Jodhpur Vidyut Vitran Nigam Limited  
400 kV GSS Building (Ground Floor),  
Ajmer Road, Heerapura, Jaipur



5. Himachal Pradesh State Electricity Board  
Vidyut Bhawan  
Kumar House Complex Building II  
Shimla-171004
6. Punjab State Electricity Board  
Thermal Shed TIA,  
Near 22 Phatak, Patiala-147001
7. Haryana Power Purchase Centre  
Shakti Bhawan, Sector-6  
Panchkula (Haryana) 134 109
8. Power Development Department  
Government of Jammu & Kashmir  
Mini Secretariat, Jammu
9. Uttar Pradesh Power Corporation Limited  
(Formerly Uttar Pradesh State Electricity Board)  
Shakti Bhawan, 14, Ashok Marg  
Lucknow - 226 001
10. Delhi Transco Ltd.  
Shakti Sadan, Kotla Road,  
New Delhi-110002
11. BSES Yamuna Power Ltd.  
BSES Bhawan, Nehru Place,  
New Delhi.
12. BSES Rajdhani Power Ltd.  
BSES Bhawan, Nehru Place,  
New Delhi
13. North Delhi Power Ltd.  
Power Trading and Load Dispatch Group  
Cennet Building, Adjacent to 66/11 kV Pitampura-3  
Grid Building, Near PP Jewellers  
Pitampura, New Delhi-110 034.
14. Chandigarh Administration  
Sector -9, Chandigarh.
15. Uttarakhand Power Corporation Ltd.  
Urja Bhawan, Kanwali Road,  
Dehradun.



16. North Central Railway,  
Allahabad.
17. New Delhi Municipal Council  
Palika Kendra, Sansad Marg,  
New Delhi-110002

.....Respondents

**For petitioner** : Shri Sitish Mukherjee, Advocate, PGCIL  
Shri Deep Rao, Advocate, PGCIL  
Ms. Pragya Vats, Advocate, PGCIL  
Shri Rakesh PD, PGCIL  
Shri S.K. Niranjana, PGCIL  
Shri B. Dash, PGCIL  
Shri S.S. Raju, PGCIL  
Shri Ramachandran, PGCIL

**For respondent** : None

### **ORDER**

Power Grid Corporation of India (PGCIL) has filed Petition No.30/RP/2017 seeking review and modification of order dated 15.3.2016 in Petition No. 562/TT/2014 wherein tariff was allowed Asset-1: 400 kV S/C Uri-I-Uri-II interconnector transmission line alongwith Bays at NHPC; Asset-2: 400 kV S/C Uri-II-Wagoora Transmission Line alongwith Bays at Wagoora Sub-station and Asset-3: 400 kV 80 MVAR Bus Reactor at Kishenpur under URI-II HEP Transmission System in Northern Region.

2. In order dated 15.3.2016 in Petition No. 562/TT/2014, the capital cost of Asset-1 was restricted to ₹8707.54 lakh as per the FR cost in the Investment Approval dated 27.10.2006 in the absence of Revised Cost Estimates (RCE). PGCIL has submitted that after the issue of order dated 15.3.2016, its Board of Directors approved the RCE on 20.1.2017 by which the completion cost has been revised to ₹8838.34 lakh for Asset-1.



PGCIL has submitted that the actual capital cost is within the limit of approved apportioned cost of ₹8992.36 lakh in the RCE. Accordingly, PGCIL has sought modification of the capital cost of Asset-1 allowed in order dated 15.3.2016 taking into consideration of the RCE and revised tariff may be granted.

3. PGCIL has filed Petition No.31/RP/2017 in Petition No.313/TT/2015 seeking the modification of the capital cost allowed for Asset I: LILO of both circuits of 400 kV D/C Bamnauli-Mundka/Bawana at Jatikalan 765/400 kV Sub-station and Asset II: Agra-Jatikalan 765 kV S/C Transmission Line under the 765 kV system for Central Part of Northern Grid Part-I in Northern Region.

4. In Petition No.313/TT/2015, PGCIL claimed estimated completion cost of ₹2433.98 lakh and ₹40704.91 lakh for Assets I and II respectively. However, the capital cost of Assets I and II was restricted to ₹1904.70 lakh and ₹35511.57 lakh respectively taking into consideration the approved apportioned cost in the FR as PGCIL failed to submit the RCE within the stipulated time. PGCIL has submitted that after the issue of order dated 23.5.2016, its Board of Directors have approved the RCE on 22.7.2016 and the completion cost of Assets I and II is within the RCE approved apportioned cost and hence the capital cost of Assets I and II may be modified considering the revised apportioned cost of the assets and revised tariff may be granted to PGCIL.

3. We have considered the submissions of PGCIL. The apportioned cost of Asset-1 in Petition No. 562/TT/2014 and of Assets I and II in Petition No.313/TT/2015 was restricted approved apportioned cost in the FR. With the approval of RCE in both the transmission schemes, the completion cost of the above said assets is within the RCE



approved apportioned cost. In the RCE, the expenditure legitimately incurred is included after the payments are settled by PGCIL. Therefore, needs to be considered to recover the actual cost incurred in tariff since the beneficiaries have enjoyed the benefits of the said assets. Accordingly, we are of the view that the capital cost allowed for Asset-1 in Petition No. 562/TT/2014 and Assets I and II in Petition No.313/TT/2015 are required to be revised so that PGCIL is able to recover its cost.

4. We notice that there has been considerable delay in filing these review petitions. PGCIL has submitted that the delay has occurred due to the time taken by the Board of Directors of PGCIL for approving the RCE. We are not satisfied with the reasons given for condonation of delay. Since RCE would have been otherwise considered at the time of truing up, we condone the delay in the filing of the review petitions as an exception.

5. The capital cost of the assets covered in the instant petition will be considered for revision at the time of truing up of the 2014-19 tariff on the basis RCE approved apportioned cost subject to prudence check and after taking into account the justification for the increase in the capital cost.

6. Accordingly, Petition No. 30/RP/2017 and 31/RP/2017 are disposed at the stage of admission.

**-Sd/-**  
**(Dr. M.K. Iyer)**  
**Member**

**-Sd/-**  
**(A. S. Bakshi)**  
**Member**

**-Sd/-**  
**(A. K. Singhal)**  
**Member**

