

**CENTRAL ELECTRICITY REGULATORY COMMISSION  
NEW DELHI**

**Petition No. 38/TT/2017**

Subject : Approval of transmission tariff from COD to 31.3.2019 for Assets (10 nos) of ERSS IX Project in Eastern Region.

Date of Hearing : 18.1.2018

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

Petitioner : Power Grid Corporation of India Limited

Respondents : Bihar State Power (Holding) Company Limited and 5 others

Parties present : Shri S.S. Raju, PGCIL  
Shri B. Dash, PGCIL  
Shri Rakesh Prasad, PGCIL  
Shri Vivek Kumar Singh, PGCIL  
Shri V.P. Rastogi, PGCIL  
Shri R.B. Sharma, Advocate, BRPL

**Record of Proceedings**

The representative of the petitioner submitted that the instant petition has been filed for the purpose of final tariff. The assets were scheduled to be commissioned on 25.2.2016. However, Assets I, II and X were put under commercial operation on 23.10.2016, 30.12.2016 and 9.2.2017 respectively, whereas Assets III, IV, V, VI, VII, VIII and IX are yet to be commissioned.

2. Since the petitioner has not submitted proper reply regarding requirement of regional spares vis a vis their current availability, the Commission directed to submit a proper reply. The Commission further directed to set up a Committee consisting of representatives from PGCIL, NLDC and CEA under the Chairmanship of the Chief (Engineering) of the Commission to assess the requirement of regional spares including bus reactors, line reactors, ICTs, etc., present availability and other related issues and submit a comprehensive report on the requirement of spare bus reactors, line reactors, ICTs and related equipment in different regions of the country to the Commission by 9.3.2018. The Commission also observed that final tariff in the matter would be allowed only after consideration of the Report to be submitted by the Chief (Engineering) of the Commission.



3. Learned counsel for the BRPL submitted that Asset V, i.e. installation of 1X125 MVAR bus reactor, is being replaced by the petitioner with existing 1X50 MVAR bus reactor at 400 kV Rourkela Sub-station and hence the existing bus reactor needs to be decapitalised. Learned counsel further submitted that Asset VIII, i.e. procurement of one 500 MVA single phase unit of 765/400 kV ICT for Eastern Region, at Gaya Sub-station (diverted to Ranchi) is a spare transformer which is stationed for petitioner's benefit and it is not requirement of Gaya Sub-station. The spare ICTs and reactors are benefitting the petitioner to improve the NATAF and the spare ICTs and reactor are not benefitting the beneficiaries. Therefore, the beneficiaries cannot be burdened with its cost.

4. The representative of the petitioner submitted that the reasons for cost variation along with cost of each reactor and the different equipments installed were submitted vide affidavit dated 10.1.2018. In response to the query of the Commission regarding cost variation, it was submitted that the rating and location of different reactors are main reason for variation in cost. The Commission observed that the petitioner has not indicated rating of different reactor and directed the petitioner to submit the same.

5. The Commission directed the petitioner to submit the following information on affidavit with an advance copy to the respondents by 16.2.2018:-

(a) Commissioning status of Assets - III, IV, V, VI, VII, VIII and IX along with their RLDC commissioning certificates and their revised tariff Forms along with Auditor certificate in case of above assets.

(b) RLDC charging certificate along with COD letter under Regulation 5 (2) of the 2014 Tariff Regulations.

(c) CEA certificate under Regulation 43 of CEA (Measures Related to Safety & Electricity Supply) Regulations, 2010 for all the assets covered in the petition.

(d) Clarify which of the instant assets are being installed/ commissioned after de-capitalization of the old assets at the same location for system strengthening purpose and submit Form-IOB for all such assets.

(e) Also, as per the project scope attached with the RCE dated 30.3.2017, existing old 50 MVAR Bus Reactors shall be used as a regional spare. In this context, petitioner is required to inform their policy for considering various equipment as regional spares;

(f) Documentary proof of the rate of interest for SBI 10000 (01.05.2014) - 8.90% and SBI (2016-17) (Q4) - 8.90% for Asset - II and X respectively;

(g) Details of IEDC as per Form- 12A for all the assets;

(h) The computation of interest during construction (IDC) on cash basis for Assets - III, IV, V, VI, VII, VIII and IX, from:-



- i) The date of infusion of debt fund up to SCOD
- ii) From SCOD to Actual COD of the Asset;

(i) Date of drawl of each loan for the purpose of IDC calculation and to clarify un-discharged liability portion of IDC and IEDC has been included in the projected add-cap.

(j) Clarify whether entire liability pertaining to initial spares has been discharged as on COD, if no, year wise detail of discharging of the same, among the sub-station and transmission line, separately;

(k) CMD certificates for Assets I, II and X;

6. The Commission further directed to submit the editable soft copy in excel format with links for the information sought in point (h) above by 16.2.2018.

7. The Commission directed the petitioner to submit the information within the specified time failing which the matter would be decided on the basis of the information already available on record.

8. Subject to the above, Commission reserved the order in the petition.

By order of the Commission

Sd/-  
(T. Rout)  
Chief (Law)

