

CENTRAL ELECTRICITY REGULATORY COMMISSION

NEW DELHI

Petition No. 375/TT/2018

- Subject** : Determination of transmission tariff from COD to 31.3.2019 for 10 nos. of assets under “Northern Regional Transmission Strengthening Scheme” in Northern Region” .
- Date of Hearing** : 8.8.2019
- Coram** : Shri P.K. Pujari, Chairperson
Dr. M. K. Iyer, Member
Shri Indu Shekar Jha
- Petitioner** : Power Grid Corporation of India Limited (PGCIL)
- Respondents** : Rajasthan Rajya Vidyut Prasaran Nigam Limited & Ors.
- Parties present** : Shri R.B Sharma, Advocate, BRPL and BYPL
Shri Mohit Mudgal, Advocate, BRPL and BYPL
Ms. Sanya Sood, Advocate, BRPL and BYPL
Shri S.S. Raju, PGCIL
Shri A.K Verma, PGCIL
Shri Ved Prakash Rastogi, PGCIL
Shri B.D. Das, PGCIL

Record of Proceedings

The representative of the petitioner submitted that the instant petition has been filed for determination of tariff of 10 assets under “Northern Regional Transmission Strengthening Scheme” in Northern Region” from COD to 31.3.2019. He submitted that the instant assets are located in Sohawal, Shahjahanpur and Jaipur Sub-stations. There is time over-run ranging from 44 to 71 months in case of the instant assets due to non-readiness of downstream network and that the reasons for time over-run are submitted and requested to condone the same.

2. The representative of the petitioner submitted that Assets-I and II are Bus Reactors at Sohwal Sub-station and are shifted from Lucknow Sub-station after LILO of the 400 kV D/C Balia-Lucknow line at Sohwal Sub-station and charged as Bus Reactors at Sohwal Sub-station. The Reactors were covered in Petition No. 560/TT/2014 under Kahalgaon Stage-II Phase-I Transmission system in Northern Region. The cost of reactors is not included in capital cost of Asset-I and Asset-II and they will be de-capitalized from the original project and recapitalized in the current petition at the time of truing up. Asset III and IX were put into commercial operation along with the downstream lines on 5.3.2017 and 14.5.2017 respectively.



He sought the approval of COD of Assets-IV, V, VI, VII, VIII and X, under proviso (ii) of Regulation 4(3) of the 2014 Tariff Regulations as they are not put into commercial operation as the associated downstream systems under the scope of UPPTCL and RRVPNL are not ready.

3. The learned counsel for BYPL and BRPL submitted that the time over-run and cost over-run may not be allowed as no proper justification has been provided by the petitioner. He submitted that PGCIL should have taken all relevant facts into consideration to fix the timeline at the time of finalising the time schedule. He submitted that the delay in achieving the COD of the instant assets is mainly attributable to the petitioner, therefore, the time over-run may not be allowed. He submitted that for invoking the provisions of proviso (ii) to Regulation 4(3) of the 2014 Tariff Regulations, the transmission licensee is required to approach the Commission through an appropriate application for approval of COD, the same has not been done in the instant case. Accordingly, the petitioner has not followed the prescribed procedure and requested the Commission to reject the instant petition. He submitted that Regulation 9(6)(a) of the 2014 Tariff Regulations clearly specifies that the assets forming part of the project but not in use shall be excluded or removed from the capital cost of the existing and new project. Accordingly, the petitioner is not entitled for any relief under the provisions of proviso (ii) to Regulation 4(3) of the 2014 Tariff Regulations. He also requested to consider the issue of trial run and trial operation, additional capitalization, IDC, non-submission of PERT Chart and CPM analysis and Transmission Service Agreement raised in its reply.

4. In response, the representative of petitioner submitted that the status of the downstream assets and the reasons for time over-run has been furnished. The Commission directed the petitioner to clearly state who is the competent authority to approve the RCE alongwith the reasons given the concerned authority for approving the RCE on affidavit with a copy to the respondents.

5. The Commission further directed the petitioner to submit the following information on affidavit with advance copy to the beneficiaries by 9.9.2019:-

- a) Asset wise breakup and year wise discharge of initial spares for all the assets.
- b) Form-4A by clearly reconciling the liability amount claimed in Form 7 for all the assets.
- c) In Petition No. 560/TT/2014 assets covered were 1x 80 MVAR bus reactors-I and II instead of 1x 63 MVAR bus reactors-I and II. Clarify, the same.
- d) Revised Auditor certificate and all revised tariff forms along with Form 10B with respect to de-capitalized asset for Asset-I and Asset-II after reducing capital cost of dismantling shifting and loading/unloading and erection charges.



4. After hearing the parties, the Commission reserved the order in the Petition.

By order of the Commission

sd/-
(V. Sreenivas)
Dy. Chief (Law)

