

**CENTRAL ELECTRICITY REGULATORY COMMISSION  
NEW DELHI**

**Coram:**

1. Shri Bhanu Bhushan, Member
2. Shri A.H.Jung, Member

**Petition No. 50/2006**

**In the matter of**

Approval of transmission tariff for LILO of one circuit of 132 kV D/C Siliguri-Rangit transmission line at Gangtok in Eastern Region for the period from 1.10.2005 to 31.3.2009.

**And in the matter of**

Power Grid Corporation of India Limited

**..Petitioner**

Vs

1. Bihar State Electricity Board, Patna
2. West Bengal State Electricity Board, Calcutta
3. Grid Corporation of Orissa Ltd, Bhubaneswar
4. Damodar Valley Corporation, Calcutta
5. Power Department, Govt. of Sikkim, Gangtok
6. Jharkhand State Electricity Board, Ranchi

**.....Respondents**

**The following were present:**

1. Shri P.C.Pankaj, PGCIL
2. Shri U.K. Tyagi, PGCIL
3. Shri B.C.Pant, PGCIL
4. Shri M.M.Mondal, PGCIL
5. Shri Prashant Sharma, PGCIL
6. Shri V.L.Dua, PGCIL
7. Shri C.Kannan, PGCIL
8. Shri H.H.Sharan, PGCIL

**ORDER**

**(DATE OF HEARING: 16.11.2006)**

The application is made for approval of transmission charges for LILO of one circuit of 132 k V D/C Siliguri-Rangit transmission line at Gangtok (the transmission assets) in Eastern Region.

2. The investment approval for the transmission assets was accorded by the Board of Directors of the petitioner company vide letter dated 29.1.2002 at an

estimated cost of Rs. 4079 lakh, which included IDC of Rs. 376 lakh. The revised cost estimate of the transmission assets was approved by the Board of Directors of the petitioner company vide letter dated 29.1.2002 at Rs. 4646 lakh, which included IDC of Rs. 197 lakh. The transmission assets were to be commissioned by July 2004, but have been declared under commercial operation w.e.f. 1.10.2005. The petitioner has explained that the delay in completion was due to the delay in handing over the land by the authorities to the petitioner and ROW problem and hindrance in works by local people. The petitioner has further explained that land acquisition process was delayed on account of non-availability of forest land for compulsory afforestation, forest clearance and getting approval for transfer of land. The petitioner has submitted that the reasons for delay were beyond its control.

3. The details of capital expenditure submitted by the petitioner are as follows:

(Rs. in lakh)	
Expenditure up to 31.3.2005	2797.77
Expenditure from 1.4.2005 to 30.9.2005	529.96
Expenditure from 1.10.2005 to 31.3.2006	336.41
Balance estimated expenditure	787.00
Total	4451.14

4. The petitioner has claimed the following transmission charges based on the capital cost of Rs. 3327.73 lakh as on the date of commercial operation:

(Rs.in lakh)	
Period	Annual Transmission Charges
2005-06 (Pro rata)	367.00
2006-07	741.90
2007-08	748.57
2008-09	840.23

5. The petitioner has published notices in the newspapers on the tariff proposal in accordance with the procedure specified by the Commission. Reply has been filed by

West Bengal State Electricity Board. No suggestions or comments have been received from the general public.

7. The expenditure up to 31.3.2005 has been verified from audited statement of accounts and for the period from 1.4.2005 to 30.9.2005 from books of accounts yet to be audited. Further, it is noted that the certificate of non-availability of forest land for compulsory afforestation was issued on 11.6.2001 but the petitioner put up the proposal for forest clearance on 9.9.2002 and the objection to line route by site owners was first made on 16.9.2002 but petitioner took up the matter with authorities on 1.6.2004. It is also noted that one No. 132 kV bay each at Siliguri and Rangit has been mentioned but in the details of bays submitted by the petitioner has not been mentioned and four line bays of 66 kV level for outgoing feeders has been taken which are not in the scope. The petitioner is directed to clarify the said issues at the time of filing of tariff petition. It is further noted that the petitioner has not submitted yet the details of loan allocation duly reconciled with the audited accounts for the year 2005-06. In the absence of final audited accounts on the date of commercial operation and the reconciled loan allocation statement, it is not possible to determine the final tariff. In the circumstances we are inclined to consider the petition for grant of provisional tariff only.

8. Taking in to consideration the capital expenditure of Rs.3327.73 lakh as on the date of commercial operation, as claimed by the petitioner, as the base for determining the provisional tariff, we allow annual transmission charges of Rs. 697.30 lakh for the transmission assets, on provisional basis from the date of commercial operation subject to adjustment after determination of final tariff. The provisional

transmission charges allowed are 95% of the transmission charges claimed by the petitioner on capital cost of Rs. 3327.73 lakh.

9. The petitioner has sought approval for the reimbursement of expenditure of Rs. 1,05,614/- incurred on publication of notices in the newspapers. The petitioner shall claim reimbursement of the said expenditure directly from the respondents in one installment in the ratio applicable for sharing of transmission charges. The petitioner has also sought reimbursement of filing fee paid. A final view on reimbursement of filing fee is yet to be taken by the Commission for which views of the stakeholders have been called for. The view taken on consideration of the comments received shall apply in the present case as regards reimbursement of filing fee.

10. With the above, the present petition stands disposed of. The petitioner shall file the fresh petition for approval of final tariff in accordance with the Commission's regulations on the subject, latest by 31.1.2007.

**sd-/  
(A.H.JUNG)  
MEMBER**

**sd-/  
(BHANU BHUSHAN)  
MEMBER**

**New Delhi dated the 21<sup>st</sup> November 2006**