

CENTRAL ELECTRICITY REGULATORY COMMISSION

(LEGAL DIVISION)

Record of Proceedings

PETITION No.: 70/2008

Subject: Approval of provisional transmission tariff for ckt-II and ckt-I of 400 kV D/C Nagda-Dehgam transmission line along with associated bays at both ends, commissioned under 'Sipat-I Transmission System' in Western Region.

Date of Hearing : 15.7.2008

Petitioner : Power Grid Corporation of India Ltd.

Respondents : Madhya Pradesh Power Trading Company Ltd.
Maharashtra State Electricity Distribution Co. Ltd.
Gujarat Urja Vikas Nigam Ltd.
Chhattisgarh State Electricity Board.
Electricity Department of Goa.
Electricity Department of Daman & Diu.
Electricity Department of Dadar Nagar Haveli.
MP Audyognik Kendra Vikas Nigam (Indore) Ltd.

Coram : Shri Bhanu Bhushan, Member and
Shri R. Krishnamoorthy, Member

Parties Present : Shri U.K. Tyagi, PGCIL
Shri C. Kannan, PGCIL
Shri Prashant Sharma, PGCIL
Shri M.M Mondal, PGCIL
Ms. Yogmaya Agnihotri, Advocate, CSEB

Through this petition, the petitioner has sought approval of provisional transmission tariff for ckt-II and ckt-I of 400 kV D/C Nagda-Dehgam transmission line along with associated bays at both ends which were commissioned on

1.1.2008 and 1.2.2008 respectively, under 'Sipat-I Transmission System' in Western Region for the period from the respective dates of commercial operation to 31.3.2009.

2. Giving the background of the case, Shri Tyagi stated that the petition covered 400 kV Nagda-Dehgam D/C transmission line along with associated bays which is a part of Sipat-1 (3x660 MW) transmission system in Western Region. Initially, Ministry of Power vide its letter dated 10.12.2003, had accorded approval for the transmission system at estimated cost of Rs 1672.98 crore, including IDC of Rs 123.23 crore (based on price level of 4th quarter of 2002). The estimated cost included (i) Rs 1454.79 crore (including IDC of Rs 108.28 crore) for Powergrid's portion and (ii) Rs 218.19 crore (including IDC of Rs 14.95 crore) for IPTC's portion. However, the participation of IPTC did not materialize and Ministry of Power vide letter dated 5.3.2008 issued RCE of Rs 2331.14 crore, including IDC of Rs 160.72 crore based on price level of 4th quarter of 2006. As per RCE, the system was scheduled for commissioning by March 2008.

2. Explaining the reasons for delay in commissioning of the transmission line qua the original approval, Shri Tyagi stated that 400 kV Nagda-Dehgam D/C transmission line along with associated bays was initially envisaged to be executed through IPTC route. Since IPTC route did not materialize, the same was executed by the petitioner as directed by the Commission.

3. The petitioner has placed the auditor's certificate dated 12.3.2008 and as per this, the expenditure incurred upto 31.3.2007 is audited and expenditure incurred from 1.4.2007 to the date of commercial operation has been verified from the books of accounts of the transmission system. The necessary details of expenditure are as under:

Details	(Rs lakh)	
	Ckt -II of 400 kV Nagda-Deham line with Associated bays	Ckt -1 of 400 kV Nagda-Deham line with Associated bays
Apportioned approved cost	30099.48	9908.10
Expenditure up to 31.3.2007	19812.05	5335.09
Expenditure from 1.4.2007 to date of commercial operation	7406.36	3779.90
Gross block as on date of commercial operation	27218.41	9114.99
Balance estimated expenditure	2622.75	766.15
Total estimated expenditure	29841.16	9881.14

4. Learned counsel for CSEB stated that CSEB had not received copy of petition and sought adjournment. Although the petitioner produced documentary evidence in support of despatch of the petition, a copy was provided to the learned counsel during the hearing. The respondent was directed to file its reply within two weeks with advance copy to the petitioner. It was also made clear to the learned counsel that the provisional tariff would be approved based on records, unless any issue of substance emerged in the reply, necessitating re-hearing of the petition.

Sd/=
(K.S.Dhingra)
Chief (Legal)
18.7.2008