

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Coram:

1. **Shri Ashok Basu, Chairman**
2. **Shri K.N. Sinha, Member**

**IA No. 59/2003
in
Petition No.70/2003**

In the matter of

Approval of tariff for 315 MVA, 400 kV, 3rd ICT at Biharsharif alongwith associated bays under Bihar Grid Strengthening Scheme in Eastern Region from 1.10.2003 to 31.3.2004

And in the matter of

Power Grid Corporation of India Ltd.

..... **Petitioner**

Vs

Bihar State Electricity Board & others.

...**Respondents**

The following were present:

1. Shri UK Tyagi, DGM, PGCIL.
2. Shri C. Kannan, Chief Manager (Finance), PGCIL.
3. Shri VK Singh, BSEB.

**ORDER
(DATE OF HEARING 2.12.2003)**

It has been stated that the investment approval for implementation of strengthening of transmission system in Bihar was approved by the Board of Directors the petitioner company by its letter dated 22 8 2001 at an estimated cost of Rs 162.88 crore, including IDC of Rs 16.27 crore. The scope of project, covered the following:

Transmission Lines

- (a) Construction of Sasaram –Arrah – Khagaul 220 kV DC Line – 190 Kms approximately,
- (b) LILO of Dehri – Sahupuri 220 kV SC Line at Sasaram – 15 Kms appriximately, and

- (c) LILO of Dumraon – Arrah 132 kV SC line at Arrah (New sub-station) – 5 Kms approximately.

Sub-stations

- (a) New sub-station at Arrah with 2x100 MVA ICTs, 4 Nos 220 kV line bays and 4 Nos 132 kV line bays,
- (b) Extension of Sasaram sub-station with 2x315 MVA ICT & 4 Nos 220 kV line bays,
- (c) Extension of Khagaul sub-station (BSEB) by 2 Nos 220 kV line bays (BSEB), and
- (d) Extension of Biharsharif sub-station with 400/220 kV, 1 no. 315/MVA transformer with associated bays.

2. The petition has been filed for approval of tariff for 315 MVA, 400 kV, 3rd ICT at Biharsharif along with associated bays under Bihar Grid Strengthening Scheme. The prayer made in the IA is for approval of provisional tariff. The Interlocutory Application filed by the petitioner for approval of provisional tariff is listed for hearing after notice. The Interlocutory Application is listed for hearing after notice.

3. The apportioned approved cost of 315 MVA, 400 kV, 3rd ICT at Biharsharif along with associated bays is Rs. 1119.87 lakh. Against this, the estimated completion cost of these assets is stated to be Rs.1261.41 lakh, which includes 137.93 lakh on account of IDC and IEDC up to the date of anticipated date of commercial operation, which was stated to be 1.10.2003. At the hearing, it was stated by the representative of the petitioner that as per the revised schedule the assets were likely to be declared under commercial operation with effect from 1.1.2004. The petitioner has stated that an expenditure of Rs.930.41 lakh was

incurred up to 30.6.2003 and the balance of expenditure was the anticipated expenditure beyond 1.7.2003.

4. On consideration of the above recorded facts, we allow an annual tariff of Rs.122.48 lakh for the assets covered by the petition, on provisional basis from the date of commercial operation, subject to adjustment after determination of final tariff, considering the expenditure of Rs.930.41 lakh as on 30.6.2003. The provisional tariff allowed is 85% of the tariff corresponding to expenditure of Rs. 930.41 lakh.

5. IA No.59/2003 in Petition No.70/2003 is disposed of.

6. We further direct the petitioner to file the revised petition based on up-to-date audited figures on the date of commercial operation by 30.4.2004 on affidavit along with the revised details along with the details of the loans, in the prescribed proforma, with an advance copy to the respondents. Thereafter the petition be processed for listing for hearing at an appropriate date.

Sd/-
(K.N. SINHA)
MEMBER

Sd/-
(ASHOK BASU)
CHAIRMAN

New Delhi dated the 10th December, 2003