

CENTRAL ELECTRICITY REGULATORY COMMISSION

Record of Proceedings

PETITION No. 48/2010

Sub: Approval of revised cost due to additional capital expenditure incurred during the year 2008-09 and actual O & M charges for Unified Load Despatch and Communication scheme in Eastern Region.

Date of hearing : 30.11.2010

Coram : Dr. Pramod Deo, Chairperson
Shri S.Jayaraman, Member
Shri V.S.Verma, Member
Shri M.Deena Dayalan, Member

Petitioner : Power Grid Corporation of India Ltd., Gurgaon

Respondents : Bihar State Electricity Board, Patna & Others

Parties present : Shri U.K.Tyagi, PGCIL
Shri M.M.Mondal, PGCIL
Shri R.Prasad, PGCIL

This petition has been filed for approval of revised cost due to additional capital expenditure incurred during the year 2008-09 and actual O & M charges for Unified Load Despatch and Communication Scheme (ULDC) in Eastern Region in accordance with Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2004 (herein after referred to as the 2004 regulations)

2. The petitioner vide its affidavit dated 28.5.2010 has submitted that the increase in repair and maintenance cost during 2008-09 was due to payment of licence fee and royalty charges of ₹71.52 lakh to Department of Telecommunication. In response to Commission query whether the licence fee and royalty charges were not paid in other years other than

2008-09, the representative of the petitioner submitted that the payment of licence fee and royalty charges was made during the year 2008-09 only based on the demand of Department of Telecommunication.

3. In regard to travel expenses, It was pointed out that since the ULDC system was new technology implemented through AREVA T&D, France, the foreign training was imparted to the executives from PGCIL and constituents towards transfer of technology and maintenance of ULDC system which was envisaged as part of the contract. In response to Commission query whether trainings cost would have been included in ULDC package and it should not be reflected in travel expenses separately, the representative of the petitioner submitted that though the training expenses were envisaged as part of the contract, the travel expenses associated to training were not included in the contract price.

4. While replying the Commission's query in regard to expenditure for maintenance under additional capital expenditure instead of O & M, the representative of the petitioner submitted that the maintenance of RTUs and Microwave system during the warranty period was part of the contract price which was paid in year 2008-09.

5. The Commission directed the petitioner to submit the clarifications along with related documents on the above, on affidavit latest by 20.12.2010, with an advance copy to the respondents.

6. Subject to above, order in this petition was reserved.

sd/-
(T. Rout)
Joint Chief (Law)