

CENTRAL ELECTRICITY REGULATORY COMMISSION

Record of Proceedings

Petition No. 117/2010

Sub: Determination of transmission tariff for 220/132 kV, 100 MVA ICT-II at Sitarganj along with associated bays under System Strengthening Scheme in Uttaranchal in Northern Region from date of commercial to 31.3.2014.

Date of hearing : 19.5.2011

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

Petitioner : Power Grid Corporation of India Ltd., Gurgaon

Respondent : Uttarakhand Power Corporation Ltd., Dehradun

Parties present : Shri U.K.Tyagi, PGCIL
Shri Rajeev Gupta, PGCIL
Shri S.Raju, PGCIL

This petition has been filed for approval of transmission tariff in respect of 220/132 kV, 100 MVA ICT-II at Sitarganj (hereinafter referred to as ' the transmission asset') along with associated bays under System Strengthening Scheme (hereinafter referred to as "the transmission scheme") in Uttaranchal in Northern Region, after accounting for projected additional capital expenditure incurred/to be incurred during 2009-10 and 2010-11, based on the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2009 (hereinafter referred to as the 2009 regulations). The transmission line was declared under commercial operation on 1.8.2009.

2. As per the investment approval, the transmission asset was to be commissioned by March 2005. However, the transmission asset was declared under commercial operation w.e.f. 1.8.2009 and, therefore, there is a time over-run of 28 months. In this regard, the representative of the petitioner submitted that the delay was due to unprecedented rain/flood in the vicinity of sub-station, civil suits filed by Power Grid in various court for land acquisition and delay in supply of

transformer. In regard to delay due to rain, the Commission observed that rain is a normal phenomenon and normally it cannot be considered as a force majeure event. In response, the representative of the petitioner clarified that there is flood like situation due to heavy rain in this case which delay commencement of work.

3. The Commission observed that the reason of delay in supply of the transformer is not justified as the supplier in its letter dated 3.1.2007 mentioned that it had made requests to the petitioner several times in regard to date of delivery of transformers at sites, but the supplier did not get the date of delivery for the transformers from the petitioner. In response, the representative of the petitioner clarified that the letter was written by the supplier when the dispute regarding the land acquisition was pending before the Court.

4. In response to Commission's query as regards the penalty clause for delay in supply, the representative of the petitioner submitted that penalty provisions for delay in the supply has been made in the respective Letters of Award.

5. The Commission directed the petitioner to file the following documents/justifications in regard to delay on affidavit latest by 31.5.2011, with an advance copy to the respondents:

- (i) Reason for delay in supply of the transformer;
- (ii) Whether delay was due to supplier or in construction of foundation due to land dispute;
- (iii) Detailed reasons and justification of delay for the entire 28 months along the relevant documents; and
- (iv) Name of the responsible agency for each reason of delay.

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

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