

CENTRAL ELECTRICITY REGULATORY COMMISSION

4th Floor, Chanderlok Building, 36, Janpath, New Delhi- 110001

Ph: 23753942 Fax-23753923

Ref: Docket 72/TT/2012

Date: 7.8.2012

To,
The Deputy General Manager (Commercial),
Power Grid Corporation of India Limited,
Saudamini, Plot No. 2,
Sector-29, Gurgaon-122001

Subject: Approval under Regulation-86 of CERC (Conduct of Business) Regulations, 1999 and CERC (Terms and Condition of Tariff) Regulations, 2009 for determination of transmission tariff for 1 no. 400 kV 63 MVAR line reactor at Cochin (DOCO: 1.6.2012) for the period from DOCO to 31.3.2014 under Kudankulam ATS in Southern Region for tariff block 2009-14 period.

Sir,

Please refer to your petition mentioned above. In this connection, I request you to furnish the following information on an affidavit, with an advance copy to the respondents/ beneficiaries, latest by 17.9.2012:

- I. When was the reactor received at site and when was manufacturing defect detected?
- II. The reasoned justification for awarding the work of installation of reactor at a cost of ` 84 crore on a single bid as can be seen from Form-5C.
- III. The detailed justification of significant increase in cost of items under head compensating equipment (reactor, SVCs etc.), control, relay and protection panel and erection (Form 5B, page 36 of the petition) by 84.76%, 85.71% and 100% respectively. Quantify the increase in cost on account of PV.
- IV. Explain the reasons for approval of cost in RCE at ` 698 lakh when the FR cost was only ` 386 lakh.
- V. The detailed break-up of 'Balance and Retention' payments as per Regulation 9 (1) of Tariff Regulations.

VI. The detail data for capital cost bench marking in accordance with the Commission's order dated 27.4.2010 and 16.6.2010 regarding benchmarking of capital cost of 765/400 kV Transmission Lines and Sub-Stations.

2. Further action in this matter will be taken as per Regulation 87 of the Central Electricity Regulatory Commission (Conduct of Business) Regulations 1999 on receipt of the above information/ clarification.

Yours faithfully,

Sd/-
(V. Sreenivas)
Deputy Chief (Legal)