

CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI

Petition No. 147/TT/2011

Subject: Approval under regulation-86 of CERC (Conduct of Business) Regulation, 1999 and CERC (Terms and Conditions of Tariff) Regulations' 2009 for determination of Transmission tariff from projected notional DOCO: 1.10.2011 to 31.3.2014 for Combined Elements of 315 MVA 400 kV/220 kV ICT-I (DOCO: 1.7.2010) & ICT-II (Projected DOCO: 1.10.2011) at GIS Sub-station at Gurgaon (New) along with associated bays under Transmission System associated with Northern Region System Strengthening Scheme- VI (NRSS-VI) for tariff block 2009-14 period in Northern Region.

Date of hearing: 27.11.2012

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

Petitioner: PGCIL

Respondents: Haryana Power Purchase Centre

Parties Present: Shri S.S. Raju, PGCIL
Shri A.M. Pavgi, PGCIL
Shri K. Rathore
Shri T.P.S. Bawa, PSPCL

Record of Proceedings

The representative of the petitioner submitted as under:-

- (a) The petition is filed for approval of tariff for 315 MV A 400 kV/220kV ICT II at Gurgaon, which is part of the Northern Region System Strengthening Scheme VI. LILO of Ballabgarh-Bhiwadi 400 kV S/C line at Gurgaon and 315 MV A 400 kV/220kV ICT I at Gurgaon also form part of the Transmission System associated with NRSS VI and tariff for these assets was approved by the Commission in Petition No.323/2010;
- (b) The petition was filed with the anticipated date of commercial operation of 1.10.2011. The scheduled commissioning was 30 months from the date of first letter of award, which works out to August 2009. However, the actual date of commercial operation was 1.2.2012 and thus there was a delay of 30 months. The reasons for delay have already been submitted to the Commission. The revised Management Certificate was filed vide affidavit dated 25.4.2012. The revised cost estimates approved by the Board of Directors of the petitioner company was submitted vide affidavit dated

16.11.2011. The estimated completion cost of the asset was ₹70.55 crore which is within the apportioned approved cost of ₹72.34 crore;

- (c) The other two assets of the Transmission System were commissioned in July 2010 and the Commission condoned the delay in commissioning the two assets from August 2009 to July 2010 in Petition No.323/2010. The delay in commissioning of these two assets was due to delay in obtaining forest clearance and land acquisition in Gurgaon. He requested to condone the delay from August 2009 to July 2009 in the instant case as in the case of first two assets;
- (d) The award for supply of ICT II at Gurgaon was given to L&T, which in turn awarded it to BHEL. As per the LoA, BHEL was required to conduct a short circuit test and the short circuit test failed. The detailed reasons for conducting the short circuit test has already been submitted in Petition No.109/TT/2012. The facility for conducting the short circuit test of 315 MVA ICT is not available in India and hence it was sent to Khema in Netherlands. This is the first time the test was done and the results were known in February 2011 and immediately corrective action was taken by the petitioner. The type test was taken in the interest of consumers and requested to condone the delay on account of this reason; and
- (e) The ICT II at Gurgaon is a Gas Insulated Sub-station (GIS) and the spares required for a GIS are higher than a normal sub-station. The present norm for initial spares for a GIS is 2.5%. The petitioner has filed a petition seeking higher spares of 3.5% for a GIS and it is being considered by the Commission. In the instant case initial spares of 3.5% may be allowed, which has been prayed for by the petitioner in the petition filed before the Commission.

2. The Commission observed that the petitioner should have included the time required for conducting the short circuit test in contract. The petitioner should claim Liquidated Damages (LD) from the manufacturer for the delay in supplying the ICT.

3. The representative of the PSPCL submitted that only Haryana has been made a respondent in the instant petition. As per the Sharing of Inter-State Transmission Charges and Losses, Regulations, 2010, all the constituents of the Northern Region must be made respondents. O&M expenses should be allowed as per the norms specified in the 2009 Tariff Regulations. He submitted that PSPCL did not get the benefit of the transmission line for the delayed period of 30 months and hence no IDC and IEDC should be allowed for the 30 months. He also submitted that the petitioner should be directed to file the details of the cost of land acquired from HVPNL.

4. The representative of the petitioner clarified that Haryana is the only downstream beneficiary of the ICT at Gurgaon and hence only Haryana has been made respondent in the instant petition. In Petition No.323/2010 LILO of Ballabgarh-Bhiwadi was involved and hence all the constituents of the NR have been made beneficiaries. He also submitted that the petitioner filed Petition No.199/MP/2011 seeking clarifications

regarding publication of notices regarding tariff petitions, wherein the Commission has observed that the identified beneficiaries of a transmission line do not change after its inclusion in PoC and held that the existing system of publication of notices shall continue in terms of Regulation 3(6) of the Procedure for making of application for determination of tariff, publication of the application and other related matters Regulations, 2004. Accordingly, making Haryana as the only respondent in the instant petition by the petitioner is in order. He further clarified that the details pertaining to the cost of land has already been filed.

5. The Commission directed PSPCL to file its reply to the petition before 5.12.2012 and the petitioner to file its rejoinder, if any, before 20.12.2012.

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

By order of the Commission

Sd/-
T. Rout
Joint Chief (Law)