

CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI

Petition No. 77/TT/2012

Subject : Determination of transmission tariff for transmission assets (Group-I) associated with 765 kV system for Central Part of Northern Grid Part-II for tariff block 2009-14 period in Northern Region.

Date of hearing : 15.1.2013

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

Petitioner : Power Grid Corporation of India Limited

Respondents : Haryana Power Purchase Centre & 16 others

Parties present : Shri S.S. Raju, PGCIL,
Shri Padamjit Singh, PSPCL
Shri R.B. Sharma, Advocate, BRPL

Record of Proceedings

The representative of the petitioner submitted that:-

- (a) The petition has been filed for determination of transmission tariff of 5 different assets covered under 765 kV Northern Grid Part-II with the anticipated date of commercial operation as 1.4.2012 and 1.7.2012;
- (b) As per investment approval (FR), the assets were scheduled to be commissioned within 30 months from the date of investment approval matching with the commissioning of transmission line of Part-I, i.e. by 30.1.2012. Thus, scheduled date of commercial operation was 1.2.2012, against which four assets were put under commercial operation on 1.6.2012 and the remaining one asset on 1.9.2012 resulting in delay of 4 months and 7 months, respectively;
- (c) The reasons for delay have been submitted vide affidavits dated 31.8.2012, 7.11.2012 and 5.12.2012. The delay was mainly on account of land acquisition and road diversion. The land acquisition process was initiated in February 2009 and possession was given only in July 2010, causing a delay

of 5 months. After acquiring possession, Tarewala road diversion work was undertaken and could be completed only in July 2011, causing a further delay of 1 year. Despite delay, all efforts have been made to complete the sub-stations in time; and

- (d) The total cost of the project is within the FR cost for which revised management certificate has been submitted. Tariff may be allowed after condoning the delay.

2. The representative of PSPCL submitted that:-

- (a) The petition covers line bay, reactor bay and reactor at Moga end of Moga-Bhiwani line, but the line and the termination bays/ equipment at Bhiwani end have not been covered in the present petition. The petitioner has not filed the instant petition based on its Board's approval as it covers only a part of the assets and important assets like sub-station at Jhattikara, Meerut and Agra extension have not been covered. As per section 2(72) of the Electricity Act, 2003 (hereinafter referred to as "the Act") transmission line includes the switchgear. However, Asset-1 in the petition which covers only part of the transmission line i.e. equipment at Moga end only and accordingly it is not in accordance with the definition of transmission line. The petitioner should have filed a petition for the complete line and not just for the equipment at Moga end only;
- (b) The Moga sub-station is to be charged at 765 kV, but the petitioner has nowhere stated about the 765 kV lines in the petitions through which this Moga sub-station will be charged and hence it is not justified to include an asset of 2x1500 MVA ICT at Moga without completion of associated transmission lines. Without the 765 kV lines, there is no use of the assets and hence their tariff should not be granted. As per approval of the Board, the commissioning of the assets in Part-II was to match with the commissioning of transmission lines of Part-I. The petitioner has to give the details as to how the provision of "matching with the commissioning of part-I" has been complied with;
- (c) It is observed that the energy flow at Bhiwani ICT is reverse i.e. Power is being injected from 400kV to 765kV bus and it indicates that 765kV ring main is not functional since the key 765kV lines of Agra – Jhattikara and Agra – Meerut have not been commissioned. The Power injection to 765kV ring main was to be from Western Region through Seoni - Bina - Gwalior section. Hence, to claim the tariff of 765kV ring main of the central part of NR Grid, the petitioner has to ensure that the sources/power lines to 765 kV ring main are available within the time frame;

- (d) The existing 400 kV Gwalior – Agra line should be upgraded to 765 kV and it is a necessary pre-condition before the petitioner claims tariff for any asset of the main ring;
- (e) It is the responsibility of CTU under section 38(2)(b) of the Act to coordinate with the transmission licensee and therefore PGCIL should ensure that 765 kV lines are operated at 765 kV level. Even if 765kV lines from (Eastern Region) Gaya to Agra are operating at 765 kV, this power injection cannot be used till the time Agra - Jhattikara and Agra – Merrut lines at 765 kV are commissioned;
- (f) Referring to award of ISTS projects under competitive bidding in case of North Karampura Transmission System, it was submitted that Lucknow – Bareilly line must be completed first, before Bareilly-Merrut line is commissioned. Similarly, in case of Eastern Region Integration System, Bongoigon – Siliguri transmission line should be commissioned before the commercial operation of Purinia – Biharshariff transmission line;
- (g) As per the minutes of the 75th OCC NRPC meeting held on 11.5.2012, the telemetry at Bhiwani sub-station is incomplete and the petitioner should clarify when the telemetering system of Bhiwani was made operational;
- (h) There is huge variation in cost of some of the elements;
- (i) The petitioner should submit the commissioning dates of all the inter related transmission assets which are necessary for utilization of 765 kV ring main (central part of Northern Grid); and
- (j) The date of commercial operation of assets of 765 kV ring main should be allowed only when the commissioning of Agra-Jhattikara, Agra-Merrut and Agra-Gwalior at 765 kV have been completed.

3. The representative of BRPL submitted that the petitioner has adopted a fragmented approach in project approval. He submitted that the electrical inspectors should give clearance before charging the line. The completion cost of the transmission assets is lesser than the estimated cost. However, there is huge variation in case of some of the elements. The petitioner has attributed the time over-run to ROW problem, but the petitioner itself is responsible for the delay as it has not performed its part diligently. He requested not to condone the time over-run.

4. In response to the Commission's query regarding reasons of change in tower design, the representative of petitioner clarified that Seoni 765kV sub-station is the first

of its kind undertaken by the petitioner in the year 2004 and while preparing the "FR" in the instant case in 2008-09, reliance was placed on the Seoni experience and no detailed engineering was done. During execution it has been observed that the tower quantity has gone up and it is basically due to lack of experience in handling 765kV sub-stations. He attributed cost variation to increase in the quantity of towers. In response to another query, the representative of petitioner clarified that petitions are filed on the basis of investment approval. The present system for Central Part of Northern Grid consists of three parts, viz- Part I, II & III and the investment approval in the instant case (i.e. Part-II) covers sub-stations at Jhatikara, Meerut, Moga and Agra. The Moga-Bhiwani transmission line and the Moga-Jhatikara transmission line are covered in separate petitions. Since the investment approvals for the line and its associated bays are separate, individual petitions have been filed separately covering transmission lines and bays separately. He submitted that the 765kV Moga-Bhiwani transmission line has been put under commercial operation on 1.6.2012.

5. In response to PSPCL's query regarding utilization of assets in the absence of other 765 kV lines, such as 765 kV Gawalior- Agra, 765 kV Agra-Jhattikaran etc, the representative of the petitioner clarified that the commissioning of Bhiwani – Moga transmission line has connected Haryana grid with Punjab grid with a high capacity corridor. Power upto 400-500 MW was already being transmitted through this line. Bhiwani – Moga 765 kV line is helping in transferring power beyond Bhiwani and has contributed in meeting the load requirement in Moga area. At Bhiwani a large quantum of power is being injected and absence of Bhiwani – Moga 765 kV line would have created constraints in transferring power from Bhiwani.

6. The Commission observed that the petitioner has been filing petitions based on investment approvals and it is difficult for the respondents to link-up the petitions to one another. The Commission directed the petitioner give the details of the related transmission lines and sub-stations in the petition for better appreciation of facts. The Commission also observed that the date of commercial operation will not be approved without the telemetry in place and directed the petitioner to file the details of the telemetry in the instant case.

7. The Commission directed PSPCL to submit the reply within a week and directed the petitioner to submit rejoinder to the replies of both PSPCL & BRPL reply within two weeks thereafter.

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

By the order of the Commission,

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