

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Record of Proceedings

Petition No. 90/TT/2012

Subject : Petition for determination of transmission tariff for Assets (part-III) under Common Scheme for 765 kV Pooling Stations and Network for NR, Import by NR from ER and Common Scheme for Network for WR and Import by WR from ER and from NER/SR/WR via ER in Northern Region for tariff block 2009-14

Date of hearing : 13.8.2013

Coram : Shri V.S.Verma, Member
Shri M. Deena Dayalan, Member

Petitioner : Power Grid Corporation of India Ltd. (PGCIL)

Respondent : Rajasthan Rajya Vidyut Prasaran Nigam Ltd. & 16 others

Parties present : Ms. Sangeeta Edwards, PGCIL
Shri S.S. Raju, PGCIL
Shri M.M. Mondal, PGCIL
Shri Prashant Sharma, PGCIL
Shri D. Nikhandia, PGCIL
Shri V. Thiagarajan, PGCIL
Shri Ramchandra, PGCIL
Shri R.B. Sharma, Advocate for BRPL
Shri Padamjit Singh, PSPCL

The present petition has been filed for determination of transmission tariff for two Bus Reactors at Fatehpur, one Bus Reactor at Ballia, and two ICTs at Agra along with associated bays under Common scheme for 765 kV pooling stations and network for Northern Region.

2. The representative of the petitioner submitted as under:-

- a) Investment approval for the transmission project was accorded by the Board of Directors of PGCIL on 29.8.2008 and the project was to be completed within 48 months from the date of investment approval, i.e.,

by 1.9.2012. The assets were commissioned progressively from 1.1.2012 to 1.9.2012. There is no time over-run. The revised forms as per the actual dates of commercial operation have been submitted vide affidavit dated 8.8.2013;

b) The estimated completion cost for ICT-1 and ICT-2 is more than the apportioned approved cost, but the total completion cost of the assets covered under this petition is within the approved cost. The total completion cost for the project may be considered while approving the tariff.

3. The learned counsel for PSPCL, Respondent No. 6, submitted as under:-

a) 125 MVAR Bus Reactors at Fatehpur and Agra are not included in the scope of work given in the petition but they have been included in the cost of the project. The petitioner may be directed to give reasons for inclusion of their cost in the project;

b) The petitioner has procured 1500 MVA ICTs for its Sub-stations from both Indian and foreign manufacturers. It should share the list of such ICTs purchased during the last five years and their cost, for comparison;

c) There is a cost over-run in case of 1500 MVA ICT-1 at Agra. The petitioner generally gives the name of the supplier of ICT, but in the instant case, the name has not been given.

4. The representative of BRPL, Respondent No. 12, submitted as under:-

(a) The estimated completion cost of the assets covered in the petition is higher than the apportioned approved cost by 9.23%. Out of the five assets, three assets are within the apportioned approved cost, but there is a huge cost over-run in 1500 MVA ICT-1 and ICT-2 at Agra. The land cost has gone up 20 times and the transformer cost has seen 50% increase. The cost over-run should not be allowed in the absence of proper justification;

(b) As per investment approval, the project is to be progressively completed within a period of 48 months. As per Form 5C, each element should have its own schedule of commissioning. The actual

commissioning of the assets is on subsequent dates. Since no justification for delay has been given, IDC/ IEDC should be disallowed;

(c) Other issues are covered in the affidavit of BRPL dated 12.8.2013.

5. The representative of the petitioner submitted as under:-

(a) PSPCL and BRPL are yet to file replies and the petitioner would file rejoinder on receipt of the replies;

(b) 125 MVAR Bus Reactors are not mentioned in the scope of work since they are part of detailed DPR. This is as per normal practice followed by the petitioner;

(c) There is cost over-run on account of land cost and cost of two ICTs at Agra. The petitioner requests that the cost should be considered on the overall basis;

(d) The starting date and completion date in Form 5C are mentioned as per Letter of Award, and hence they cannot be taken as final date.

6. The Commission directed the petitioner to submit the cost of 1500 MVA ICTs purchased during the last five years, and also the name of the supplier of ICTs, with a copy to the respondents. The Commission further directed PSPCL and BRPL to provide copy of their replies to the petitioner, who may submit rejoinder by 7.9.2013.

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

By the order of the Commission,

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