

**CENTRAL ELECTRICITY REGULATORY COMMISSION  
NEW DELHI**

**Petition No. 99/TT/2013**

Subject : Determination of transmission tariff of **Asset 1**: 400 kV Line bays at Biharshariff Sub-station alongwith 80 MVAR Switchable Line reactors for 400 kV D/C Purnea-Biharshariff Transmission Line; **Asset 2**:400 kV Line Bays at Purnea Sub-station for the 400 kV D/C Purnea-Biharshariff Transmission Line under Transmission schemes for enabling import of NER/ER surplus power by NR in Eastern Region from DOCO (1.4.2013) to 31.3.2014 for tariff block 2009-14 period.

Date of Hearing : 26.8.2014

Coram : Shri Gireesh B.Pradhan, Chairperson  
Shri Deena Dayalan, Member  
Shri A.K. Singhal, Member  
Shri A.S. Bakshi, Member

Petitioner : PGCIL

Respondents : RRVPL and 16 others

Parties present : Shri M.M. Mondal, PGCIL  
Shri S.S. Raju, PGCIL  
Shri S.K. Venkatesen, PGCIL  
Mrs. Seema Gupta, PGCIL,  
Shri Swapnil Verma, PGCIL  
Shri R.B. Sharma, Advocate, BRPL

**Record of Proceedings**

The representative of petitioner submitted as follows:-

- a) The instant petition has been filed for determination of transmission tariff for bays at Purnea and Biharshariff, which is part of the transmission schemes for enabling import of NER/ER surplus power to NR in Eastern Region for 2009-14 period. The line is to be built by M/s Sterlite (selected through TBCB route). Bays at both the ends (i.e. at Purnea and Biharshariff) are within the scope of the petitioner and this line is a D/C line.
- b) The 400 kV Line bays at Biharshariff Sub-station along with 80 MVAR Switchable Line Reactor for the 400 kV D/C Purnea-Biharshariff Transmission Line, i.e.



Asset-1(a) was commissioned on 1.4.2013, Asset-1(b), i.e. 1 no. 80 MVAR Switchable Line Reactors at 400 kV Biharshariff Sub-station was commissioned on 1.5.2013 and Asset-2, i.e. 400 kV Line Bays at Purnea Sub-station for the 400 kV D/C Purnea-Biharshariff Transmission Line was commissioned on 1.4.2013.

- c) As per the investment approval dated 19.9.2011, the schedule completion is within 18 months from the date of investment approval. Accordingly, the commissioning schedule works out to 1.4.2013. Asset-1(a) and Asset-2 were commissioned on 1.4.2013 and Asset-1(b) was commissioned on 1.5.2013. There is a delay of one month in case of Asset-1(b). He requested to condone the marginal delay of one month and allow the tariff as claimed in the petition.
- d) The reasons of cost variation, basis of apportioning of approved cost, management certificate alongwith tariff Forms were submitted vide affidavit dated 3.10.2013 and 31.12.2013. Rejoinder to the reply of AVVNL, JVVNL and Jd.VVNL was filed vide affidavit dated 3.1.2014. Rejoinder to the reply of BRPL would be filed shortly. He has further submitted that the entire scope of the project has been completed and accordingly prayed for additional return on equity of 0.5%.
- e) The transmission line to be built by M/s Sterlite Industries Limited was not ready and commissioned by 1.4.2013 & 1.5.2013 and hence requested to invoke regulation 3(12)(c) of 2009 Tariff Regulations for approval of the date of commercial operation of the instant assets. The petitioner further requested to implead M/s Sterlite as a party to the proceedings as prayed in its affidavit dated 28.3.2014.
- f) The petition was filed in April, 2013 and no provisional tariff has been granted. He requested to grant the provisional tariff in instant petition. He also submitted that in a similar case i.e. Petition No. 42/TT/2013 provisional tariff was granted for Siliguri-Bongaigaon bays, where the line was built by M/s Sterlite Industries Limited.

2. The learned counsel for BRPL submitted that there are only two assets in the instant petition. The total estimated cost in case of Asset 1 is much higher than the apportioned approved cost and in case of Asset 2 it is within the apportioned approved cost resulting in a large saving. The petitioner has not given proper justification for the increase in cost of Asset 1. The petitioner's claim for 0.5% additional return on equity is not admissible in terms of the judgment of Hon'ble Appellate Tribunal of Electricity ("The Tribunal") dated 10.5.2012 in Appeal No. 155/2011. The petitioner's request for approval of date of commercial operation by invoking Regulation 3(12)(c) of the 2009 Tariff Regulations should be decided in the light of the Tribunal's Judgment dated 2.7.2012 in Appeal No. 213/2011.

3. The representative of the petitioner clarified that at the time of filing the petition tariff was claimed for two assets (i.e. Asset 1 & Asset 2). Subsequently Asset 1 has split



in two assets (Asset 1(a) and Asset 1(b)). In case of Asset 1(a), the estimated completion cost is ₹2857 lakh against the apportioned approved cost of ₹2019 lakh. The cost over-run is mainly on account of cost of the reactor. In case of Asset 1(b) there is no cost variation.

4. In response to a query of the Commission, the representative of the petitioner clarified that since the two elements covered in the Asset 1 were commissioned on two different dates 1.4.2013 & 1.5.2013, Asset 1 has been split into 2 i.e. Asset 1(a) & Asset 1(b).

5. The Commission allowed impleadment of M/s Sterlite Industries Limited as a respondent and directed to issue notice. The Commission also directed M/s Sterlite Industries Limited to file its reply, particularly the petitioner's prayer for allowing date of commercial operation by invoking Regulation 3(12)(c) of the 2009 Tariff Regulations, by 15.9.2014 and the petitioner to file its rejoinder by 25.9.2014, with a copy to all the respondents.

6. The Commission further directed the petitioner to submit a detailed justification for splitting of the assets and cost variation and to file rejoinder to the reply of BRPL on an affidavit with a copy to all the respondents by 25.9.2014.

7. The Commission directed to list the matter on 09.10.2014 for hearing on the issue of commercial operation of the instant assets in terms of Regulation 3(12)(c) of the 2009 Tariff Regulations.

By order of the Commission

sd/-  
(T. Rout)  
Chief Legal

