

CENTRAL ELECTRICITY REGULATORY COMMISSION

NEW DELHI

Petition No. 100/TT/2012

Subject : Approval of transmission tariff for transmission assets (Group 2) 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 : 11.3.2014

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

Petitioner : PGCIL

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

Parties present : Ms. Sangeeta Edwards, PGCIL
Shri S.S. Raju, PGCIL
Ms. Seema Gupta
Shri M.M. Mondal, PGCIL
Shri P. Saraswat, PGCIL
Shri S.K. Venkatesan, PGCIL
Shri R.B. Sharma, Advocate for BRPL & Gridco
Shri Padamjit singh, PSPCL
Shri T.P.S. Bawa, PSPCL

Record of Proceedings

The representative of the petitioner submitted as under:-

- (a) The petition has been filed for approval of transmission tariff for 4 Nos. 1500 MVA ICTs at Jhatikara sub-station and 2 Nos. 1500 MVA ICTs at Meerut sub-station



which form part of 765 kV System for Central Part of Northern Grid Part-II for tariff block 2009-14;

- (b) As per investment approval dated 30.7.2009, the transmission scheme was scheduled to be commissioned within 30 months from the date of investment approval, i.e. by 1.2.2012. However, 4 Nos. 1500 MVA ICTs at Jhatikara sub-station were commissioned on 1.10.2012 after a delay of eight months, and 2 Nos. 1500 MVA ICTs at Meerut sub-station were commissioned on 1.2.2013 after a delay of 12 months. The reasons for time over-run were submitted vide affidavits dated 10.3.2014;
- (c) The time over-run was mainly due to severe RoW issues in 2 Nos. 1500 MVA ICTs at Meerut sub-station. Commissioning of 765 kV S/C Agra-Meerut line under project NCR (Part I) covered under Petition No. 199/TT/2012 and 765/400 kV ICT at Meerut covered under the instant petition were to be commissioned at the same time frame. However, due to severe RoW issues, Agra-Meerut 765 kV S/C line could not be completed in time, and hence 765/400 kV ICT at Meerut could not be charged due to non-availability of 765 kV voltage at Meerut, resulting in delay in commissioning of ICTs at Meerut sub-station. Likewise, Jhatikara- Bhiwani 765 kV S/C line and LILO of both ckts of Mundka/Bawana-Bamnouli 400 kV D/C line at Jhatikara sub-station could not be commissioned in time due to severe RoW issues. The petitioner approached CEA for approval for commissioning of line reactors along with 765/400 kV transformers at Meerut to help in mitigating over voltage problem at Meerut sub-station during light load conditions. CEA vide letter dated 31.1.2013 conveyed its approval for the same. The delay was for reasons beyond the control of the petitioner and the same may be condoned;
- (d) Revised management certificate based on actual date of commercial operation has been submitted vide affidavit dated 7.10.2013;
- (e) Overall cost is within apportioned approved cost.



2. The representative of PSPCL, Respondent No. 6, submitted as under:-

- (a) As the transmission scheme was to match with the commissioning of transmission lines of Part-I, the commissioning of 4x1500 ICTs at Jhatikara can be considered only when the 765 kV transmission lines are ready. The 1500 MVA ICTs at Jhatikara or at Meerut are of no use unless there is a 765 kV line which gives power into the network. The petitioner should submit the DOCO certificates of each of the 1500 MVA ICTs at Jhatikara and Meerut giving the necessary details of trial operation and regular service;
- (b) Memorandum has not been enclosed with the copy of investment approval given to PSPCL;
- (c) As against the approved cost of ₹ 8046 lakh towards transformer at Jhatikara, the actual cost incurred is ₹ 3578 lakh as per Form 5B of the petition. As per Form 5C, the petitioner has purchased 1500 MVA ICTs from Hyosung Corporation, a Chinese/ Korean company at about 45% of the approved cost which implies that the quality aspects need to be examined. He requested to give details of quality control measures to ensure that the low cost equipment would be able to give full service for 25 years; provisions for warranty in the contract; and whether any spare 500 MVA ICT has been procured as spare/ standby for the 12 Nos. 500 MVA single phase ICTs;
- (d) The CEA letter dated 31.1.2013 is from System Planning & Project Appraisal Division whereas inspector gives clearance for charging assets.

3. The learned counsel for BRPL, Respondent No. 12, submitted as under:-

- (a) There is huge overestimation in the approval of the project scheme by the petitioner's Board of Directors, and hence it is difficult to estimate cost over-run;
- (b) Though the transmission scheme was to match with the commissioning of transmission lines of Part-I, the petition is silent on how the commissioning of the assets mentioned in the petition will be matched as contemplated in the investment approval. The petitioner was expected to award the work contract keeping in mind the requirements of matching with the commissioning of transmission lines of Part-I. However, there is time over-run of five months in the commissioning of Asset-I and Asset-II and six months in the commissioning of Asset-III and Asset-IV. However, there is a huge time over-run of twenty seven



months in the commissioning of Asset V and Asset-VI. Time being the essence of the contract, IDC and IEDC during the period of time over-run may not be allowed;

4. The representative of the petitioner clarified that Agra-Jhatikara was nowhere stated to be a pre-condition for the system. He further stated that Hyosung Corporation was awarded the contract as it quoted less in international competitive bidding. Regarding initial spares, he submitted that details would be furnished

5. The Commission directed the petitioner to submit the following, on affidavit, with copy to the respondents:-

- (a) DOCO certificates of each of the 1500 MVA ICTs at Jhatikara and Meerut giving details of trial operation and regular service;
- (b) Memorandum of investment approval;
- (c) Details of quality control measures to ensure that the low cost equipment would be able to give full service for 25 years; provisions for warranty in the contract; and whether any spare 500 MVA ICT has been procured as spare/ standby for the 12 Nos. 500 MVA single phase ICTs.

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

By order of the Commission

Sd/-
(T. Rout)
Chief Legal

