

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 109/TT/2013

Subject : Determination of transmission tariff of elements from DOCO to 31.3.2014 for 240 MVAR Bus Reactor at Agra 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 from NER/SR/WR via ER in Northern Region for tariff block 2009-14.

Date of Hearing : 9.10.2014

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

Petitioner : Power Grid Corporation of India Limited

Respondents : Rajasthan Rajya Vidyut Prasaran Nigam and 16 others

Parties present : Shri M.M. Mondal, PGCIL
Shri S.S. Raju, PGCIL
Shri S.K. Venkatesan, PGCIL
Mrs. Seema Gupta, PGCIL
Shri Padamjit Singh, PSPCL

Record of Proceedings

The representative of the petitioner submitted as under:-

- a. The instant petition has been filed for determination of transmission tariff of 240 MVAR Bus Reactor at Agra;
- b. As per the investment approval dated 29.8.2008, the commissioning schedule of the project is within 48 months from the date of investment approval i.e. by 1.9.2012. However, the asset was commissioned on 1.1.2013. Hence, there is a delay of 4 months; and



c. The delay was mainly on account of delay in land acquisition. Extra land was acquired at Agra as it is becoming the major pooling station in the region. The reasons for delay has been submitted vide affidavit dated 23.12.2013. The land was to be acquired by June, 2009 and handed over to the contractor by September, 2009. However, the possession of land was received progressively from May, 2011 to August, 2011. There is a delay of two years in getting possession of land. He further requested to condone the delay and allow the tariff as claimed in the petition.

2. The representative of PSPCL submitted as under:-

a. There is cost over-run. The total estimated completion cost is ₹61 crore as against the apportioned approved cost ₹55 crore;

b. The petitioner's clarification that overall scheme is within the approved cost is not admissible and apportioned approved cost of individual assets should be considered. The cost over-run should be restricted to FR cost;

c. The 765 kV Agra Sub-station has two ICTs of 1500 MVA each, which were commissioned on 1.9.2012, whereas two bus reactors (not covered in this petition) were commissioned on 1.1.2013. The petitioner has not coordinated for matching with the commissioning of 2X1500 MVA ICTs. As a result, the ICTs have come earlier than the bus reactor; and

d. The delay of four months in commissioning the instant assets should not be condoned.

3. The representative of the petitioner gave the following clarifications:-

a. The cost variation is due to the difference in FR cost and the price bids received through the open competitive bidding;

b. This is the third bus reactor at Agra. Earlier two reactors were commissioned on 1.6.2012 and they are covered under separate petitions. The instant reactor got delayed because PGCIL prioritized the commissioning of the instant reactor based on the system requirement; and

c. Though there has been a time over-run of 22 months in getting possession of land, the overall time over-run in the case of instant asset has been reduced to 4 months due to the efforts of the petitioner. The time over-run is beyond its control and hence may be condoned.

4. In response to a query of the Commission, regarding the location of the bus reactor, the representative of the petitioner submitted the reactor is installed in the existing Sub-station at Agra. In response to another query regarding acquiring excess land, he clarified that initially the actual requirement of land as per FR was shown as 17.3 acres, but actually 98 acres were acquired. He submitted that extra land has been acquired to cater to the future expansion at Agra and as it is becoming a major pooling station. Around 40 acres are used for the 765 kV Sub-station and only the cost of the land used for this project has been capitalised.

5. The Commission directed the petitioner to submit the following information on affidavit before 15.11.2014, with a copy to all the respondents:-

- (i) L 2 network chart;
- (ii) Detailed reason alongwith documentary evidences and chronology of events for delay in acquiring the land for Agra Sub-station;
- (iii) Reason for acquiring 98.45 acre land instead of 17.3 acre envisaged in FR;
- (iv) Data for capital cost bench marking; and
- (v) Supporting documents for interest rate and repayment schedule for proposed domestic loan @ 8.85% and SBI loan (21.3.2012).

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

By order of the Commission

Sd/-
(T. Rout)
Chief Legal

