

# CENTRAL ELECTRICITY REGULATORY COMMISSION

NEW DELHI

## Petition No. 290/TT/2013

Subject : Determination of transmission tariff of 400 kV D/C Chamera Pooling station-Jhalandhar T/L along with bays and Line reactor at Jhalandhar under transmission system associated with Chamera-III HEP for tariff block 2009-14 period in Northern Region.

Date of Hearing : 24.6.2014

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

Petitioner : Power Grid Corporation of India Limited

Respondents : Rajasthan Rajya Vidyut Prasaran Nigam limited and 18 others

Parties present : Shri S.S. Raju, PGCIL  
Ms. Seema Gupta, PGCIL  
Shri S.K. Venkatesan, PGCI  
Ms. Sangeeta Edwards, PGCIL  
Shri Padamjit Singh, PSPCL  
Shri R.B. Sharma, Advocate, BRPL  
Shri Mishri Lal, North Central Railway

## Record of Proceedings

The representative of the petitioner submitted as follows:-

- a) The instant petition is for determination of transmission tariff for 400 kV D/C Chamera Pooling station-Jhalandhar T/L along with bays and Line reactor at Jhalandhar under transmission system associated with Chamera-III HEP for tariff block 2009-14 period in Northern Region. The FR cost approved based on 1st Quarter, 2008 price level is ₹297 Cr. and the Revised Cost Estimate (RCE) approved based on 2nd Quarter, June, 2011 price level is ₹386 Cr.



- b) As per the investment approval dated 28.4.2008, the schedule completion of the transmission assets is to be done within 39 months from the date of investment approval. Accordingly, the commissioning schedule works out to 28.7.2011 i.e. 1.8.2011. Against this the subject asset has been commissioned and put under commercial operation with effect from 1.4.2013. Accordingly, there is a delay of 20 months.
- c) The delay in commissioning of the asset is mainly on account of delay in grant of forest clearance. It required approval from three Divisions, viz- Chamba (32 Ha), Dalhousie Division (41 Ha) and Nupur Division (57 Ha). The proposal for forest clearance was submitted in June and July, 2007. However, the clearance was given only on 26.6.2012, after five years. Out of the total 160 km line, around 31 km is covered under forest area. After receiving the forest clearance the tree felling activities started during the month of November, 2012. There was heavy snow fall in the area of the line during February, 2013 which also contributed to the delay. The representative of the petitioner submitted that the delay was beyond its control and requested to condone the delay.
- d) The information sought by the Commission has been submitted vide affidavit dated 5.12.2013 and 4.4.2014. The detailed justification for the RCE has been submitted vide affidavit dated 5.12.2013. The total completion cost is ₹345 Cr. against the apportioned RCE of ₹347 Cr. The tariff may be approved on the basis of total completion cost.
- e) The detailed justification for cost variation has been submitted vide affidavit dated 4.4.2014. The major reason for the cost variation is increase in forest compensation and line length. The representative of the petitioner prayed to allow the cost variation.
- f) Since the Chamera-III generation project is already commissioned, the tariff for the instant transmission asset must be shared by the beneficiaries in accordance with the Central Electricity Regulatory Commission (Sharing of inter-State Transmission Charges and Losses) Regulations.

2. The representative of PSPCL submitted that the RCE has been approved without giving any proper justification. He further submitted that there is huge variation in items like tower steel and tools and plants and the reasons given for the variation is not justified. The transmission charges for the instant transmission system has to be borne by the NR constituents with the commissioning of Chamera III HEP and after it becomes part of the regional system. As such, the petitioner should state when the assets are



made part of the regional system and when the transmission charges will be booked on the beneficiaries. He also submitted that the petition does not contain any documentation to show that the petitioner has coordinated with the generation projects, under Section 38 of the Electricity Act, 2003.

3. The representative of BRPL submitted that the time over-run is due to improper coordination and slackness on the part of the petitioner. There are no specific regulations to deal with the issue of time over-run and the related cost. Hence, the time over-run should be governed by the principles laid down by Hon'ble Appellate Tribunal for Electricity in its judgment dated 27.4.2011 in Appeal No. 72/2010. As per the said judgement the delay in making land available to the contractor is attributable to the transmission licensee and in the instant case there was delay in handing over of land by the petitioner to the contractor and hence the cost of time over-run including the IDC and IEDC should be borne by petitioner. The initial spares may be restricted to the ceiling norms specified under Regulation 8 of the 2009 Tariff Regulations.

4. In response, the representative of petitioner submitted that the power to approve and revise the cost of transmission assets has been given by the Ministry of Power to its Board of Directors and accordingly its Board has approved the RCE. The detailed justification for revising the cost and the item wise cost variation has been submitted vide affidavits dated 5.12.2013 and 4.4.2014 respectively. The representative of the petitioner submitted that the delay in commissioning of the assets did not result in bottling-up of power and further reiterated that the reasons for delay are beyond its control and requested to condone the delay commissioning of the instant assets. The representative of the petitioner also submitted that both Chamera-III and the instant line have been commissioned and hence the transmission charges for the instant assets shall be borne by the constituents of Northern Region in accordance with Sharing of inter-State Transmission Charges and Losses Regulations.

5. The Commission directed the petitioner to submit its rejoinder to the reply filed by PSPCL and BRPL on affidavit before 21.7.2014, with a copy to the respondents. The rejoinder filed after the due date and any other documents filed without the prior permission of the Commission shall not be considered while determining the tariff of the assets covered under the petition.

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

By order of the Commission

sd/-  
(T. Rout)  
Chief Legal

