

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 181/TT/2013

Subject : Determination of fees and charges for Fibre Optic Communication System in lieu of existing Unified Load Dispatch & Communication (ULDC) Microwave Links in Southern Region for tariff block 2009-14.

Date of Hearing : 17.3.2015

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

Petitioner : Power Grid Corporation of India Limited (PGCIL)

Respondents : NTPC and 12 Others

Parties present : Shri S.S Raju, PGCIL
Shri M.M Mondal, PGCIL
Shri S.K Venkatesan, PGCIL
Shri Jasbir Singh, PGCIL

Record of Proceedings

The representative of the petitioner submitted that:-

- a) The instant petition has been filed for determination of fees and charges for Fibre Optic Communication System (OPGW) in lieu of existing ULDC Microwave Line in S.R, except the TNEB portion, for the 2009-14 tariff petition. The total length of the fibre optic cable is approximately 1575 Km, which consists of Central Sector, APTRANSCO, KSEB and Puducherry portion of 1070, 155, 280 and 70 kms respectively;
- b) As per the Investment Approval (IA) dated 15.2.2011, the instant assets were scheduled to be commissioned within 30 months, i.e. by 1.9.2013. The assets were commissioned on 1.2.2013 and 1.4.2013. Hence, there is no time over-run;



- c) The expenditure upto 31.1.2013 in respect of Asset-I and Asset-II and the expenditure upto 31.3.2013 in respect of Asset-III and Asset-IV are based on the books of accounts. The Auditor's certificate for the expenditure incurred/projected to be incurred and the details of the apportioned cost, capital cost as on DOCO and the projected additional capitalization has been submitted; and,
- d) The reply to the Technical Validation dated 19.5.2014 has been submitted vide affidavit 9.10.2014.

2. The Commission observed that both Tamil Nadu and Karnataka have not been included in the instant petition and directed the petitioner to submit the reason for excluding these two states.

3. The Commission directed the petitioner to file the following information, on affidavit by 24.4.2015 with a copy to the respondents:-

- a) A detailed note regarding the Optic Fibre Scheme and specifying the states covered and left out of the scheme with reasons;
- b) Details of actual expenditure up to 31.3.2014 certified by Auditor indicating corresponding liabilities along with calculation of tariff claims for all the assets separately for the purpose of truing up;
- c) Supporting documents in respect of loans indicated in the calculations of "Weighted Average Rate of Interest" for all the assets; Supporting documents for Rates of Interest on Loan, Repayment Schedule, date of drawl of Loans and Exchange Rates for Foreign Loan/s (if any) are required to be furnished by the petitioner;
- d) Calculation of Weighted Average Rate of Interest for all the assets separately;
- e) Revised Apportioned approved cost/RCE, if any, duly approved by the competent authority;
- f) Segregated Apportioned Approved Cost for **Asset-II** (APTRANSCO Portion-DOCO:1.2.2013) and **Asset-III** (APTRANSCO Portion-DOCO : 1.4.2013);
- g) It is observed that total completion cost is ₹ 305.61 lakh against 146.17 kms of Optic Fibre Cable covered under **Asset-II** (APTRANSCO Portion- DOCO: 1.2.2013). On the other hand, a much larger amount of total completion cost of ₹ 561.11 lakh is considered for only 31.80 kms covered under **Asset-III** (APTRANSCO Portion- DOCO: 1.4.2013). Petitioner may be directed

to furnish the reasons for this mismatch and to explain the basis of apportionment;

- h) Computation of IDC on cash basis (soft copy in excel format) and IEDC capitalized on cash basis for all the assets separately; and
 - i) Clarify whether entire amount of IDC and IEDC has been paid prior to COD.
4. None appeared on behalf of the respondents.
5. The Commission further directed that due date of filing the information should be complied with and information received after the due date shall not be considered while passing the order.
6. Subject to the above, order in the petition was reserved.

By order of the Commission

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(T. Rout)
Chief Legal

