

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 22/TT/2015

- Subject : Approval of transmission tariff for 765 kV D/C Wardha-Aurangabad Line-2 along with Bays and equipment at both ends under System Strengthening in Wardha- Aurangabad Corridor for IPP projects in Chhattisgarh (IPP-G) in Western Region from anticipated DOCO to 31.3.2019 under Regulation 86 of Central Electricity Regulatory Commission (Conduct of Business) Regulations, 1999 and Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2014.
- Date of Hearing : 6.2.2015
- 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 : Madhya Pradesh Power Management Company Limited and 7 others
- Parties present : Shri S.K. Venkatesan, PGCIL
Shri Rakesh Prasad, PGCIL
Shri Mohd. Mohsin, PGCIL

Record of Proceedings

The representative of the petitioner submitted that the instant petition has been filed for determination of transmission tariff for 765 kV D/C Wardha- Aurangabad Line-2 along with Bays and equipment at both ends for the 2014-19 tariff period. He further requested to grant 90% AFC for the instant asset as provided under Regulation 7(7) of the 2014 Tariff Regulations for inclusion in PoC charges. He submitted that the instant asset was anticipated to be commissioned on 1.1.2015, however it is now revised and anticipated to be commissioned on 15.3.2015. As per Investment Approval (IA) dated 9.2.2012, the instant asset was scheduled to be commissioned within 36 months from the date of IA, i.e. by 9.2.2015. The total estimated completion cost is ₹136660.19 lakh against the apportioned approved cost of ₹131084.58 lakh. There is a cost over-run.



2. The Commission, for the purpose of consideration of grant of AFC under Regulation 7(7) of the 2014 Tariff Regulations, directed the petitioner to submit the management certificate as per the revised anticipated date of commercial operation within seven days from the date of issue of this Record of Proceedings on affidavit with a copy to all the respondents.

3. The Commission further directed the petitioner to submit the following information, on affidavit before 2.3.2015 with a copy to all the respondents:-

- a. Status of the commissioning of the assets, if there is any change in the DOCO. If yes, submit the auditor's certificate in case of actual DOCO or Management certificate in case of anticipated DOCO along with the revised tariff forms;
- b. RLDC certificate for charging of asset on commissioning;
- c. The copy of Investment Approval by Board of directors duly certified by Company Secretary;
- d. In case of any default in interest payment on loan, provide the details. Basis and details of claiming the proposed loan and documents in support of interest rate and repayment schedule for all the Assets including proposed Loan (as per Form-9c);
- e. Computation of interest during construction on the basis of drawl of loan allocated to this project and the interest paid by the petitioner as under:-
 - i. From the date of infusion of debt fund up to Scheduled DOCO as per Regulation 11 (A) (1) of 2014 Tariff Regulation;
 - ii. From Schedule DOCO to actual DOCO or Revised anticipated DOCO as the case may be.
- f. Details of incidental expenditure incurred during the period of delay (i.e. from zero date to schedule DOCO and from Schedule DOCO to actual DOCO separately) along with the liquidated damages recovered or recoverable in respect of all the assets;
- g. Amount of opening gross block (as on DOCO) as per Form-4A "Statement of Capital Cost" as per Books of Accounts (Accrual Basis) for all the assets and indicate the undischarged liabilities included in the gross block;
- h. Basis of claiming additional RoE in line with the 1st proviso of Regulation 24 (2) of the 2014 Tariff Regulations without commissioning of the project;



- i. The other income generated, if any, as per Form 14 of the Tariff Regulations and allocated to the project covered;
- j. The proper details of chronology of the activities as per the format given below:-

Activity	Time taken				Reason(s) for delay alongwith reference of documentary evidence submitted
	Planned		Achieved		
	From	To	From	To	

- k. CEA certificate under Regulation 43 of the CEA (Measure Related to Safety & Electricity Supply) Regulations, 2010 within 15 days of declaration of COD;

- l. The reason for overall cost variation of 4.25%;

- m. There is cost variation under the following heads as per Form-5:

Items	Cost variation (%)
Preliminary investigation, RoW, forest clearance, PTCC, general civil works, compensation, etc.	123.22
Tower Steel	16.37
Earthwire	14.13
Isolators	15.37
Hardware fittings	10.21
Conductor & Earthwire accessories	17.14
Erection, stringing & civil works including foundation	12.89
Foundation for structures	2071.68
Control relay & protection panel	54.36
Structure for switchyard	205.0
Auxiliary system	88.16

- n. Explain the difference in FR estimated cost and Actual cost ;

- o. Single Line Diagram (SLD) showing the details of bays claimed; and

p. The working of Income Tax on Return on Equity as per Regulation 25 while arriving at tariff in the petition. The details of Deferred Tax Liability and its treatment for the period 2014-19.

4. The petitioner's prayer for allowing tariff under Regulation 7(7) of 2014 Tariff Regulations shall be considered after receipt of the information stated in para 2 above.

By order of the Commission

sd/-
(T. Rout)
Chief Legal

