

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 477/TT/2014

- Subject:** Approval of Transmission tariff for 80 MVAR Bus Reactor at Kotputli Sub-station under Northern Region System Strengthening scheme-XV in Northern Region.
- Date of Hearing:** 20.1.2015
- 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:** Rajasthan Rajya Vidyut Prasaran Nigam Limited and 16 others
- Parties present:** Shri M. M. Mondal, PGCIL
Shri S. S. Raju, PGCIL
Shri S. K. Venkatesan, PGCIL

Record of Proceedings

The representative of petitioner submitted as follows:-

- (a) This petition is filed by PGCIL seeking transmission tariff for transmission assets commissioned under Northern Region System Strengthening scheme-XV, for tariff block 2014-19 period in Northern Region;
- (b) As per the Investment Approval (IA) dated 20.2.2009, the assets included in the project scope were to be commissioned within 33 months from the date of IA. Accordingly, the scheduled date of commercial operation works out to 19.11.2011, i.e. 1.12.2012;
- (c) The assets were commissioned on 10.9.2014 and accordingly there is time over-run of thirty three months and 21 days in commissioning of the assets;
- (d) Time over-run is mainly due to land acquisition process. The action for possession of land was initiated in June, 2009 and possession of land was handed over to petitioner in December, 2011 after about thirty



months. District administration took another six months to allow building of approach road. Although, land was to be handed over to contractor by December, 2009, the work could be started as late as October, 2012, after a delay of almost 36 months;

- (e) Condone the time over-run and allow tariff as claimed in the petition; and
- (f) Allow 90% of the annual fixed charges as tariff in accordance with Regulation 7 (7) of the 2014 Tariff Regulations for the purpose of inclusion in POC charges.

2. The Commission directed the petitioner to submit the following information on affidavit with a copy to the respondents by 11.2.2015:-

- a) Reasons for delay of 33 months in commissioning of the Asset along with documentary evidence and chronology of the activities as per the format given below:-

Asset	Date/ period of activity	Activity	Time taken		Reason(s) for delay duly referring to their supporting documents
			Planned	Achieved	

- b) The ICT and 220 kV bays at Kotputli Sub-station was commissioned on 1.4.2014 (Petition No. 100/TT/2014), the reactor in this petition was further delayed till 1.9.2014. Indicate the specific reasons for delay from 1.4.2014 to 1.9.2014;
- c) Certificate for trial operation from RLDC and DOCO certificate;
- d) There is cost variation in certain heads as per Form 5 (page 127 of petition). The reasons and explanation for cost variation along with documentary evidence for the following items:-

Items	Variation
Site preparation	83.1%
Switchgear (CT,PT, Circuit breakers, SVCs etc)	72.9%
Compensatory equipments (Reactor SVCs etc)	31.9%
Control panel & protection panel	40.23
Bus Bars, conductors , insulators	74.6
Structure for switchyard	56.1

- e) Reason for difference in FR estimated cost and actual cost may be explained along with the basis of cost estimate of 80 MVAR reactor;
 - f) L2 network/ PERT chart indicating important activities including planned date and actual date of land handed over land to the contractor;
 - g) A copy of Investment Approval by Board of Directors duly certified by the Company Secretary;
 - h) The computation of interest during construction along with editable soft copy in Excel format with links for the Assets for the following periods:-
 - (i) Date of infusion of debt fund up to scheduled date of commercial operation (i.e. 19.11.2011).
 - (ii) From 21.11.2011 to actual COD.
 - i) Furnish details of incidental expenditure incurred during the period of delay (i.e. from 20.11.2011 to actual COD) along with the liquidated damages recovered or recoverable;
 - j) Details regarding "Income recovered" given in Form 12A;
 - k) Statement of Capital Cost as per Books of Accounts (Accrual Basis) for all the assets and amount of Capital Liabilities in Gross Block should also be indicated in Form-4A;
 - l) Details of default in interest payment on loan, if any; and
 - m) Details of allocation of corporate loans to various transmission elements in Form-9.
3. The Commission observed that further action in the matter will be taken after receipt of the above said information.

By Order of the Commission

Sd/-
(T. Rout)
Chief (Legal)

