

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 56/TT/2015

Subject : Determination of transmission tariff from DOCO to 31.3.2019 for Installation of 1X315 MVA, 400/220 kV ICT at Bhadrawati HVDC Back to Back station under" Installation of Transformer & Procurement of spare convertor Transformer at Bhadrawati Back to Back station"

Date of Hearing : 3.3.2015

Coram : Shri A.K. Singhal, Member
Shri A.S. Bakshi, Member

Petitioner : Power Grid Corporation of India Limited

Respondents : Madhya Pradesh Power Management Company Limited and 7 others

Parties present : Shri S.K. Venkatesan, PGCIL
Shri M.M. Mondal, PGCIL
Shri Prashant Sharma, PGCIL
Shri Rakesh Prasad, PGCIL

Record of Proceedings

The representative of the petitioner submitted that the instant petition has been filed for determination of tariff of Installation of 1X315 MVA, 400/220 kV ICT at Bhadrawati HVDC Back to Back station in Western Region for tariff block 2009-14. 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. As per Investment Approval (IA), the project is scheduled to be commissioned within 24 months from the IA. The date of IA is 28.8.2013. Hence the commissioning schedule comes to 27.8.2015 against which the asset was anticipated to be commissioned on 1.2.2015. Accordingly, there is no anticipated time over-run. The total estimated completion cost is ₹2481.32 lakh against the apportioned approved cost of ₹1980.94 lakh. Hence, there is a cost over-run.



2. The Commission observed that the anticipated date of commercial operation of the has already lapsed. The Commission directed the petitioner to submit the following information, on affidavit by 20.4.2015 with a copy to all the respondents:-

- (a) Trial operation certificate from RLDC and DOCO certificate;
- (b) Revised Auditor certificate as per actual DOCO;
- (c) Reason for cost over-run;
- (d) Clarification for cost variation along with documentary evidence in respect of items under various heads as per Form 5 (page 40 of the petition);
- (e) There is huge cost variation under the following heads, clarification along with documentary evidence:-
 - (i) Foundation for structure: 223.36%;
 - (ii) Switchgear CT, PT, CB, Isolators etc. 212%; and
 - (iii) Auxiliary system: 166.1%.
- (f) Status of spare convertor transformer (234 MVA, 1-phase 3-winding) 3 nos. which has been included in the Investment Approval;
- (g) Status of line bays of the instant ICT and downstream system;
- (h) Documents in support of interest rates and repayment schedules (as per Form-9C). Proposed Loan deployed for the Asset. If there is any default in interest payment on loan, provide the details;
- (i) The Investment Approval certified by Company Secretary;
- (j) Form-4A "Statement of Capital Cost" as per Books of Accounts (Accrual Basis) for the Asset. Amount of Capital Liabilities in Gross Block should also be indicated;
- (k) The computation of interest during construction along with editable soft copy in Excel format with links for the Asset for the following periods:-
 - (i) From the date of infusion of debt fund up to Scheduled DOCO as per Regulation 11 (A) (1) of Tariff Regulation, 2014;
 - (ii) From scheduled DOCO to actual DOCO of the Asset;



- (l) Details of incidental expenditure incurred (IEDC) during the period of delay in commissioning of the Asset (i.e. from scheduled DOCO to actual DOCO) along with the liquidated damages recovered or recoverable, if any;
- (m) Form-9 (Details of allocation of corporate loans to various transmission elements) and Form-15 (Actual Cash Expenditure) in respect of the asset;
- (n) Revised Cost Estimates (RCE), if any;
- (o) If there is any change in the DOCO, submitted Management certificate (in case of revised anticipated DOCO) or Auditor's certificate (in case of actual DOCO) along with revised tariff forms for POC charges as well as for final tariff;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.

3. The Commission also directed the petitioner to file the information within the specified date and observed that information received after the due date shall not be considered while passing the final order in the petition.

By order of the Commission

(T. Rout)
Chief Legal

