

CENTRAL ELECTRICITY REGULATORY COMMISSION

4th Floor, Chanderlok Building, 36, Janpath, New Delhi- 110001

Ph: 23753942, Fax-23753923

Petition No.34/TT/2014

Date:16.11.2015

To
The Deputy General Manager,
Power Grid Corporation of India Limited,
Saudamini, Plot No. 2,
Sector-29, Gurgaon-122001

Subject: -Determination Transmission tariff for (a) Asset I:Balance portion of 400 kV D/C Jamshedpur-Bariprada Transmission Line and associated bays at Jamshedpur, (b) Asset II: 02 Nos. 400 kV bays at Durgapur S/s under ERSS-I in Eastern Region for tariff block 2009-14.

Sir,

With reference to your petition mentioned above, I am directed to request you to furnish the following information under Regulation 87(2) of the Central Electricity Regulatory Commission(Conduct of Business) Regulations, 1999, on an affidavit, with an advance copy to the respondents/ beneficiaries, latest by 20.11.15 :-

(i) The capital cost in the Petition is mentioned as follows.

| Asset | Approved Cost (Appportioned) | Exp. Up to DOCO | Proposed Exp for FY 13-14 | Proposed Exp for FY 14-15 | Total est. completion cost | Spares | |
|-----------------------------------|------------------------------|-----------------|---------------------------|---------------------------|----------------------------|------------------|---------------|
| | | | | | | SS | TL |
| Asset-I | 4607.19 | 5909.05 | 161.85 | 107.9 | 6178.8 | 28.80 (1.65%) | 40 (0.90%) |
| Asset-II | 1044.34 | 755.56 | 50 | 230.16 | 1035.72 | 61.71 (5.98%) | 0 |
| Total (as submitted) | 5651.53 | 6664.61 | 201.85 | 338.06 | 7214.52 | 51.43 | 273.61 |
| Total (actual computation) | 5651.53 | 6664.61 | 211.85 | 338.06 | 7214.52 | 90.51 | 40 |

Please reconcile the difference in the total figures as shown above and submit the reasons for variations.

(ii) Details of 47 months in Asset-I and 51 months in Asset-II, indicating separately dates on which concerned authorities were approached for forest/ Railway clearance, court cases and RoW problems, etc along-with reasons for delay in approaching authorities along-with documentary proof be submitted in the format given below:

| S.No | Assets | Details of events | Date of approaching Authorities | Date of clearance including dates of follow up # | Remarks |
|------|----------|---|---------------------------------|--|---------|
| 1 | Asset-I | 1. Forest clearance 2. Railway clearance 3. Court cases 4. RoW problem 5. Others if any | | | |
| 2 | Asset-II | Same as above | | | |

With supporting documents

(iii) The reason/justification for variation in cost in the following may be submitted:

Asset-I

- i. Design & Engg: 373%
- ii. Preliminary investigation, RoW, Forest clearance, PTCC, general civil works etc. 276.5%
- iii. Tower steel: 37.8%
- iv. Earth-wire: 85%
- v. Insulators: 15.5%
- vi. Hardware fittings: 37%
- vii. Foundation for structure & Misc civil works: 206.8%
- viii. Switchgear (CT, PT, CB, Isolators etc.): 70%
- ix. Structure for switchyard: 18.7%

Asset-II

- i. Foundation for structure & Misc. Civil works: 106.0%
- ii. Switchgear (CT, PT, CB, Isolators etc.): 28%
- iii. Emergency DG set/auxiliaries: 18%

(iv) Clarify whether Board of the Company has agreed for cost overrun. Please furnish the minutes of the meeting, if any in support of above.

(v) In Asset-II, period of delay due to court case (date of filing and date of decision) has not been mentioned. The same may be submitted along with legible copy of the court proceeding (page 215-217 of the petition).

- (vi) The time taken in resolving the issue related to RoW problem may be submitted along with complete documentary evidence.
- (vii) Single line diagram indicating line length as per FR and increased line length along with associated bays be submitted.
- (viii) Submit the quarterly computation of IDC/ IEDC discharged up to DOCO on cash basis in the format attached as Annexure-I.
- (ix) Submit the information for delay against each activity element wise/ Asset wise covered under the instant Petition in the format specified below:

| Activities leading to Delay | Duration of Delay on account of such activity | Detailed Reason with quantification period for delay against each activity | Necessary Documents in support for each reason |
|-----------------------------|---|--|--|
| | | | |
| | | | |
| | | | |

- (x) The variation and reasons for variation of cost are submitted in page 254 and 255 of the petition. In this regard please submit detailed justification for the following:

| Particulars | As per original Asset | Expenditure up to DOCO | Variation | Comments/ Suggestion | Information requirement |
|--|-----------------------|------------------------|-----------|----------------------|---|
| Preliminary investigation, Right of Way, forest clearance, PTCC, general civil works | 0.85 | 3.18 | 2.34 | Increase is 276% | Compensation paid on cash basis with supporting documents |
| Towers Steel | 9.06 | 12.04 | 2.98 | Increase is 32.92%. | As submitted in the petition Transmission line length has increased by 6 Km from 135 km to 141 km whereas the increase in price is 32.92%. Justification for same |

| Particulars | As per original Asset | Expenditure up to DOCO | Variation | Comments/Suggestion | Information requirement |
|------------------|-----------------------|------------------------|-----------|---------------------|--|
| Misc Civil works | 1.85 | 5.64 | 3.79 | Increase is 205% | The reason submitted is vague and general. Kindly provide the detailed site conditions and its impact on the cost. |

(xi) On page no. 17 of para 7.1 of the Petition, it is mentioned that initial spares for sub-stations & transmission line under this petition is 30.26% and 0.90% whereas in the table in page no. 15 of para 7.1 it is shown as,

| Particulars | Spares | |
|-------------|---------------|-------------------|
| | Sub-Station | Transmission Line |
| Asset-I | 28.80 (1.65%) | 40.00 (0.90%) |
| Asset-II | 61.71 (5.98%) | 0 |

In this regard kindly justify the difference and submit the breakup of total estimated completed cost for Asset-I into Sub-station and Transmission Line.

(xii) In page 15 of the Petition No. 34/2014, it is submitted that in the ERPC meeting dated 17.01.2014 it was decided and agreed to allow Petitioner to declare the 2 number of bays at Durgapur under ERSS-I as an asset of Eastern Region for which minutes of the meeting is awaited. In this regard please submit the

- Minutes of meeting
- How 2 no. 400 kV line bays at Durgapur (PG) are being utilized

(xiii) Difference in COD mentioned in Petition and form 2 for Asset-II. Kindly reconcile the difference.

(xiv) Submit the break-up of FERV, IDC and IEDC upto SCOD and from SCOD to actual COD along with supporting calculations.

(xv) In the petition, notional equity to the extent of 30% has been considered for capital cost as on COD and for the additional capitalisation. In the compliance checklist for 2009-14 tariff block against the requirement of copies of the equity participation agreements and necessary approval for the foreign equity, it is mentioned as not applicable. In this regard please arrange to submit the following:

- i) Year-wise Actual Equity contribution for additional capitalisation
- ii) Year wise approval of equity contribution for additional capitalisation for the tariff block 2009-14.

- iii) Further, in case such approval is consolidated for a scheme or system, the allocation of such equity along with basis of allocation.

Yours faithfully,

(V.Sreenivas)
Deputy Chief (Legal)