

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 53/TT/2016

- Subject : Determination of transmission tariff from COD to 31.3.2019 for Asset-I 11 nos OPGW links under Central Sector, 789.635 kms, Asect-II 03 nos of OPGW links under central sector, 112.886 kM, Asset-III 5 nos OPGW links under Central Sector, 527.751 km under the project fiber optic communication system in ER under Expansion of wide-band communication network in ER.
- Date of Hearing : 5.7.2016.
- Coram : Shri Gireesh B. Pradhan, Chairperson
Shri A. K. Singhal, Member
Shri A.S. Bakshi, Member
Dr. M. K. Iyer, Member
- Petitioner : Power Grid Corporation of India Limited (PGCIL)
- Respondents : NTPC Limited and 10 others
- Parties present : Shri S.K. Venkatesan, PGCIL
Shri S.S. Raju, PGCIL
Shri Rakesh Prasad, PGCIL
Shri M.M. Mondal, PGCIL
Shri R.B. Sharma, Advocate, BSP(H)CL

Record of Proceedings

The representative for the petitioner submitted that :-

- a) The instant petition has been filed for determination of tariff for fiber optic communication in lieu of existing United Load Dispatch and Communication (ULDC) Microwave Links in Eastern Region;
- b) As per the Investment Approval dated 26.3.2012, the instant assets were scheduled to be commissioned within 30 months from the date of Investment



Approval i.e. 25.9.2014 against this the Asset I, II and III were commissioned on 1.10.2014, 20.4.2015 and 5.1.2016 respectively. Accordingly, there was a time over-run of 5 days to 15 months;

- c) The delay was mainly on account of severe ROW problem at several locations during installation of OPGW cable
- d) The petitioner requested to condone the delay and approve the tariff.

2. The learned counsel of BSP(H)CL submitted that :-

- a) The petitioner has claimed tariff for 19 no.s of links, however, the number of links mentioned in "Commissioning Schedule" and the COD letter is different. It is not clear how many number of links are covered in the instant petition. Because of confusion, no reply has been filed in the matter. The petitioner may be directed to clarify no. of links covered in the petition so that a reply could be filed in the matter;
- b) As the petitioner has claimed tariff for the instant assets separately, it has to file the Transmission Service Agreement(TSA) entered by it with the beneficiaries.If the petitioner has claimed the cost of the instant assets as under additional capital expenditure, than there is no need to file TSA;
- c) The instant petition has not been filed in accordance with 2014 Tariff Regulations like trial operation, approval of CMD, certificate of electoral inspector and detailed reason of time over-run has not been furnished.;
- d) The petitioner has to de-capitalised the existing ground wire ;
- e) The complete minutes of meeting of 16th ERPC and 16th TCC meeting has not been submitted. The petitioner has submitted only the relevant portion of the minutes of meeting. Complete set of minutes of meeting should be submitted; and
- f) The petitioner should be directed to submit the details of the revenue released from sharing the lines with the parties and adjust the same with the capital cost.

3. In response to a query of the Commission regarding no of links and kilometers of optical fiber, the representative of petitioner clarified that as per COD letter Asset I covers 11 no. of links, Asset II covers 3 no. of links and Asset III covers 5 no. of links under expansion scheme. As per Auditors certificate and tariff forms, there are total 19



no. of links. Inadvertently the no of links mentioned wrongly in the "Commissioning schedule" para of the petition.

4. The Commission directed the petitioner to file the following information, on affidavit by 25.7.2016 with a copy to the respondents:-

- 1) Details of actual O&M expenses year wise ;
- 2) Break up of optical fiber length covered and claimed in various petitions;
- 3) How are these assets being used? Whether communication signal has been established;
- 4) RLDC Certificate in this regard;
- 5) There is a delay of 5 days to 15 months in completion of assets covered in this petition. Proper details of time over run and chronology of the activities in the following format:-

Asset	Activity					Reason for delay and reference for supporting documents
		Period of activity				
		Planned		Achieved		
		From	TO	From	TO	

- 6) It is observed that the petitioner has claimed O&M expenses under fiber optic communication system in various petitions differently, like certain cases O&M expenses calculated @7.5% of the capital cost, certain petitions on the basis of actual, certain petitions on the basis of 3.32% escalation. Keeping in view,clarify the basis for claiming O&M differently in various petitions under ER;
- 7) Tariff for Asset-I: 11 Nos. OPGW links under central sector, 789.635 kM, Asset-II: 3 nos. of OPGW links under central sector, 112.886 kM and Asset-III: 5 nos. of OPGW links under central sector, 527.751 kM. Details of lines where optical fiber are laid under Asset-I, II & III;
- 8) Coloured SLD clearly indicating optical fiber links;



- 9) Auditor's Certificate of Asset-III and reconcile the financial figures of Management Certificate with Form-6 in case of Asset-III;
- 10) Documents in support of date of drawl, interest rate and repayment schedule (if any) for proposed loan 2015-16 (8.84 %) deployed as per Form-9C in Asset-III. Complete details if there is any default in the interest payment of any loan in any asset;
- 11) In case of Asset - II and III, reconcile the gross amount of each loan in Form-9C with the amount shown in IDC calculation sheets, submitted in the respective assets;
- 12) In IDC calculation sheet of Asset-II, proposed loan 2015-16 (10.10%) is mentioned but is not included in the respective Form-9C, Clarify.
- 13) In case of Asset-I, submit the computation of interest during construction (**IDC**) along with the editable soft copy in Excel format with links from the date of infusion of debt fund up to Actual COD of the Asset also clarify whether it has been included in the projected additional capital expenditure claimed in case of all the assets;
- 14) Clarify whether entire liability pertaining to initial spares has been discharged as on COD, if no, year wise detail of discharging of the same, separately for all the assets. Also, if these initial spares are already included in the additional capitalization; and
- 15) Form-15 (actual cash expenditure) in respect of all the Assets.

5. The Commission directed the respondents to file their reply by 5.8.2016 with an advance copy to the petitioner who shall file its rejoinder, if any by 12.8.2016. The Commission further observed that no extension of time shall be granted for any reason. In case no information is filed within the due date, the matter shall be considered based on the available records.

6. Subject to the above, order in the petition was reserved

By order of the Commission

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(T. Rout)
Chief (Law)

