

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 9/TT/2018

Subject : Petition for truing up of transmission tariff for 2009-14 period and determination of tariff for 2014-19 period for assets of transmission system of Vindhyachal - IV & Rihand - III (1000 MW) Generation Project.

Date of Hearing : 15.3.2018

Coram : Shri P.K. Pujari, 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 : Madhya Pradesh Power Management Company Limited & 24 Others

Parties present Shri Ramji Srinivsan, Senior Advocate, PGCIL
Ms. Swapna Seshadri, Advocate, PGCIL
Shri Aryaman Sexana, PGCIL
Shri S.S. Raju, PGCIL
Shri V.P. Rastogi, PGCIL
Shri A. Choudhary, PGCIL
Shri B. Dash, PGCIL
Shri Rakesh Prasad, PGCIL
Shri R.B. Sharma, Advocate, BRPL

Record of Proceedings

Learned Senior Counsel for the petitioner made the following submissions:-

- (a) Instant petition is for truing up of transmission tariff for 2009-14 period and determination of tariff for 2014-19 period for the assets of Transmission System of Vindhyachal - IV and Rihand - III (1000 MW) Generation Project covered in Commission's orders dated 4.9.2014 in Petition No. 86/TT/2012, dated 18.3.2016 in Petition No. 113/TT/2013, dated 17.7.2015 in Petition No. 295/TT/2013 and dated 31.12.2015 in Petition No. 192/TT/2014.
- (b) The Commission in its order dated 17.7.2015 in Petition No. 295/TT/2015 did not condone the time over-run of 15 months in commissioning of 765 kV



Satna-Gwalior line-I in the absence of documents/reasons for delay in applying for forest clearance however, liberty was granted to the petitioner to place the material for consideration before the Commission at the time of truing up.

- (c) Similarly, in order dated 31.12.2015 in Petition No. 192/TT/2014 time over-run of 15 months in case of in case of Line Reactor and bays at Gwalior Sub-station was not condoned but granted liberty to the petitioner to place the matter for final view at the time of truing up.
- (d) Subsequent to passing of the aforesaid two orders, the Commission vide order dated 31.5.2016 in Petition No. 71/TT/2015 condoned the entire delay of 28 months on account of delay in land acquisition, delay in forest clearance and further delay due to litigation by the land owners in respect of 765 kV Gwalior-Jaipur Line-1. The Gwalior-Jaipur Line-1 is ultimately connected to Vindhachal and all the associated lines covered in the instant petition are also connected to Vindhyachal-IV and Rihand-III (1000 MW) and hence the time over-run in case of the said two assets also need to be condoned.
- (e) As per the Investment Approval of Rihand-III and Vindhyachal-IV dated 17.3.2010, the scheduled completion period is 32 months which expired on 1.12.2012. Due to condonation of delay of 28 months by the Commission in order dated 31.5.2016, the period extended from 1.12.2012 to 2.4.2015 meaning thereby that the new cut-off date is now 2.4.2015.
- (f) The delay in commissioning of 765 kV S/C Satna-Gwalior line-1 occurred initially due to delay in land acquisition of Vindhyachal Pooling Station and subsequently due to ROW issues which ended in February, 2014. The delay of delay of 13 months in commissioning of Asset-F: 3 X 80 MVAr 765 kV line reactor alongwith associated bays at Gwalior Sub-station is due to delay in commissioning of the associated 765 kV S/C Satna-Gwalior line-1. The line reactor was part of the line and was installed for compensating the reactive power of the line to control the voltage for which CEA had given in principle approval for use of line reactors as bus reactors to the petitioner till the associated line is commissioned. The delay in commissioning of 3 X 80 MVAr 765 kV line reactor alongwith associated bays at Gwalior Sub-station (for 765 kV S/C Gwalior-Jaipur Line-I) (Asset G) is due to delay in commissioning of the associated 765 kV S/C Gwalior-Jaipur Line-1. The delay in commissioning of the line reactor was because of delay in getting forest clearance for associated transmission line. Requested to condone the time over-run taking into consideration the information filed.



(g) Regarding de-capitalization of the additional equipment used from the existing spare bank, it is submitted that after withdrawal of contingency arrangement, spares have been returned to the borrowing store.

2. Learned counsel for the BRPL on the issue of time over-run submitted that the issues like land acquisition and ROW are being encountered day in and day out during the construction of transmission projects and these aspects should be taken care of while formulating schedule for completion period of the projects. No specific regulation is there to deal with the issue of time over-run. The cardinal principles enunciated in Appeal No. 72 of 2010 of Appellate Tribunal for Electricity vide judgment dated 7.4.2011 regarding condonation of delay in case of time over-run are not attracted in case of the petitioner. The petitioner is required to clarify the use of additional equipment for contingency arrangement. The petitioner's claim for grant of IDC is untenable under Regulation 9(1) of 2009 Tariff Regulations.

3. Learned senior counsel for the petitioner submitted BRPL filed the reply only on 14.3.2018 and requested permission to file written submissions in the matter. The Commission acceded to the request and granted 7 days' time to file written submissions.

4. After hearing the parties, the Commission directed the petitioner to file the following information, on affidavit by 5.4.2018, with a copy to the respondents:-

- a. Details of final tariff order under which the final tariff for Asset F was approved.
- b. Form 5 B for all assets for the 2009-14 period.
- c. Legible copy of interest rate in support of IFC A, B and ICFF loan.
- d. Clarify whether the claimed capital cost includes FERV component for any of the assets? If so, Auditor's certificate be submitted.
- e. Revised Form 7 for the period 2014-19 be submitted clearly indicating the asset-wise and element-wise ACE claim alongwith specific regulation thereof.
- f. Reasons be submitted for FRVs RCE for cost variation among various assets.
- g. The details of reasons for the assets covered in the instant petition for time over-run and chronology of the time over-run alongwith documentary evidence in the following format alongwith additional information, if need be:-

Srl. No.	Asset	Reasons for delay	Start	Scheduled end	Actual end	Remarks



5. The Commission directed the respondents to file their replies by 27.4.2018 with an advance copy to the petitioner who shall file its rejoinder, if any, by 10.5.2018. The Commission further directed that due date of filing the reply and rejoinder should be strictly adhered to failing which the order shall be passed on the basis of the documents available on record.

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

By order of the Commission

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

