

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 248/TT/2017

Coram:

**Shri P. K Pujari, Chairperson
Shri A. K. Singhal, Member
Dr. M. K. Iyer, Member**

**Date of Hearing: 28.08.2018
Date of Order : 20.9.2018**

In the matter of:

Approval for truing up of fees and charges of 2009-14 block and determination of fees and charges for the period 2014- 19 block for Asset-I: 17 Nos of OPGW links (759 km), Asset II: 09 nos of OPGW links (490 km), Asset III: 10 nos of OPGW links (440 km) and Asset IV: 01 nos of WBSETCL sector portion OPGW link (78.26 km) under “Fibre Optic communication system in lieu of existing Unified Load Despatch and Communication(ULDC) Microwave links” in Eastern Region.

And in the matter of:

1. Power Grid Corporation of India Ltd. (PGCIL)
Soudamini, Plot No-02, Sector-29
Gurgaon-122001

.....Petitioner

VS

1. National Thermal Power Corporation Ltd. (NTPC)
NTPC Bhawan
Core-7, Scope Complex
7, Institutional Area, Lodhi Road
New Delhi – 110003.
2. National Hydro Power Corporation (NHPC) Ltd.
NHPC Office Complex, Lodhi Road
New Delhi



3. DVC Mejia TPS Mejia Thermal Power Station,
DVC, P.O. MTPS,
Dist: Bankura- 722183
4. West Bengal State Electricity Distribution Co.Ltd.
Bidyut Bhawan, Block DJ, Salt Lake City
Calcutta - 700 091
5. Bihar State Electricity Board
Vidyut Bhawan, Bailey Road
Patna-800 001
6. Grid Corporation of Orissa Ltd.
Vidyut Bhawan, Janpath,
Bhubaneshwar-751 007
7. Power Department
Govt. of Sikkim,
Gangtok-727 102
8. Jharkhand State Electricity Board
Engineering Building
HEC Township
Dhurwa, Ranchi – 834004
9. Damodar Valley Corporation
DVC Tower, VIP Road,
Calcutta - 700 054
10. Powerlinks Transmission Ltd.,
Vidyut Nagar,
P.O. Satellite Township,
Siliguri – 734 015

Respondents

The following were present:

Shri Vivek Kumar Singh, PGCIL
Shri S. K. Venkatesan, PGCIL
Shri S. S. Raju, PGCIL
Shri V. P. Rastogi, PGCIL
Shri Rakesh Prasad, PGCIL
Shri B. Dash, PGCIL
Shri Pankaj Sharma, PGCIL



ORDER

Power Grid Corporation of India Ltd. (PGCIL) has filed the instant petition for truing up of the fees and charges for 2009-14 period and determination of fees and charges for the 2014-19 period for Asset-I: 17 Nos of OPGW links (759 km), Asset II: 09 nos of OPGW links (490 km), Asset III: 10 nos of OPGW links (440 km) and Asset IV: 01 nos of WBSETCL sector portion OPGW link (78.26 km) under “Fibre Optic communication system in lieu of existing Unified Load Despatch and Communication (ULDC) Microwave links” in Eastern Region.

2. Asset-I, II, III and IV were put into commercial operation on 1.10.2012, 1.4.2013, 1.11.2013 and 1.3.2014 respectively. The tariff for the 2009-14 period for Asset-I to III was approved vide order dated 15.9.2016 in Petition No. 57/TT/2014. The tariff for Asset-IV which was put into commercial operation at the fag end of the 2009-14 period was not allowed in Petition No. 57/TT/2014. The petitioner has also requested to allow the tariff for the Asset-IV for 2009-14 and 2014-19 period in the instant petition.

3. The petition was scheduled for hearing on 15.3.2018. The petitioner vide letter dated 13.3.2018, requested the Commission for adjournment citing the reason that with completion of entire scope of project, the completion cost has been reassessed and RCE is under management approval. The petitioner has further stated that it shall approach the Commission for hearing on obtaining the RCE.



4. Subsequently, the petition was heard on 28.8.2018. During the hearing, the Commission directed the petitioner for submission of reply to the following queries, latest by 10.09.2018:-

- i. Details of time over-run and chronology of activities alongwith documentary evidence in the prescribed format.
- ii. RLDC/ SLDC charging certificate for Asset-IV as applicable.
- iii. The status of reassessment of cost and RCE, if any.
- iv. Revised tariff forms and Auditor's certificate w.r.t. capital cost of Asset-IV.

5. The petitioner, vide letter dated 7.9.2018, prayed before the commission that the last date for submission of the requisite information in Petition No. 248/TT/2017 may be extended by 02 weeks.

6. However, vide affidavit dated 10.9.2018, the petitioner filed a reply to the queries raised by the Commission during hearing dated 28.8.2018. In response to the query regarding time overrun, the petitioner has submitted the details of time over-run and chronology of activities alongwith documentary evidence. In response to the query regarding RLDC/ SLDC charging certificate for Asset-IV, the petitioner submitted that the subject Asset-IV had been commissioned w.e.f. 01.03.2014 i.e. in the previous tariff block 2009-14 and thus it is submitted that the RLDC/ SLDC charging certificate is not applicable in the case of instant Asset-IV. With respect to the status of reassessment of cost and RCE, the petitioner submitted that the RCE of the subject project is under preparation and the same shall be submitted to the Commission upon its approval by the POWERGRID's Board of Directors. Regarding revised tariff forms and Auditor's certificate w.r.t. capital cost of Asset-IV, the petitioner has requested the Commission to take on record the tariff forms alongwith signed Auditor's certificate submitted alongwith the petition for the purpose of tariff determination of instant Asset-IV.



7. We have perused the submission of the petitioner. From petitioner's affidavit dated 10.9.2018, it is observed that the petitioner has complied with the requirements of time overrun details and tariff forms along with Auditor's certificate. With respect to Commission's direction regarding RLDC/ SLDC charging certificate for Asset-IV, the petitioner has cited the inapplicability of the same as the Asset-IV was commissioned in 2009-14 tariff period.

8. As regards the reassessment of capital cost and RCE approval, the petitioner has submitted that RCE is under approval. We find it pertinent to mention here that the petitioner had earlier sought for the adjournment in the pleading of the instant petition on account of the reassessment of the capital cost. The same was prayed to the Commission by the petitioner vide letter dated 13.3.2018, as discussed at para 3 of this order.

9. However, the petitioner has not furnished any information regarding implications of the said reassessment on the capital cost already claimed vide the instant petition which had been filed before the said reassessment was being carried out.

10. As such, the truing up exercise for the tariff period 2009-14 and the tariff determination for tariff period 2014-19 would not be feasible in absence of such information regarding reassessment of capital cost. Requirement of the RCE approval is crucial and cannot be dispensed with.

11. In absence of the RCE approval, we are not inclined to keep this petition pending. Accordingly, we decide to dispose of the same with a liberty to the petitioner to file a



fresh petition after POWERRGID's Board of Directors approves the RCE. Till such time, the petitioner may continue the billing as per the tariff determined vide order dated 15.9.2016 in petition no. 57/TT/2014.

12. Accordingly, Petition No. 248/TT/2017 is disposed of.

sd/-

(Dr. M. K. Iyer)
Member

sd/-

(A.K. Singhal)
Member

sd/-

(P.K. Pujari)
Chairperson

