

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 105/TT/2018

- Subject : Petition for determination of transmission tariff from anticipated/actual COD to 31.3.2019 for the assets under Eastern Region Strengthening Scheme-III (ERSS-III) in Eastern Region under Regulation-86 of Central Electricity Regulatory Commission (Conduct of Business) Regulations, 1999 and Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2014.
- Date of Hearing : 23.4.2019
- Coram : Shri P. K. Pujari, Chairperson
Dr. M. K. Iyer, Member
Shri I.S. Jha, Member
- Petitioner : Power Grid Corporation of India Ltd. (PGCIL)
- Respondents : Bihar State Power (Holding) Company Ltd. and 5 Ors.
- Parties present : Shri R. B. Sharma, Advocate, BSP (H)CL
Shri Mohit Mudgal, Advocate, BSP(H)CL
Shri S. K. Venkatesan, PGCIL
Shri S. S. Raju, PGCIL
Shri S.K. Niranjana, PGCIL
Shri Amit Yadav, PGCIL

Record of Proceeding

The representative of the petitioner submitted that the instant petition covers six assets which are part of ERSS-III. He submitted that Asset-I is split into four elements, namely, Asset-I(A)(i), Asset-I(A)(ii), Asset-1(A)(iii) and Asset-1(B). The actual COD of Assets-I (A) (i), I(A)(ii) and I(B) was 31.3.2018, 29.9.2018 and 5.11.2018 respectively while Asset-I (A)(iii) has not yet been put into commercial operation. He submitted that CEA respectively, RLDC charging certificate, CMD certificate and COD letter except in case of Asset-I (A) (iii) are placed on record. He submitted that COD of Asset-II is proposed as 16.9.2018 under proviso (ii) of Regulations 4 (3) of 2014 Tariff Regulations as the associated downstream lines under the scope of work of JUSNL are not ready. He further submitted that information relating to revised anticipated COD of Asset-III will



be furnished shortly. Tariff for Assets IV, V and VI, was earlier claimed in Petition No. 278 /TT/2015, wherein these assets were referred as Assets 1, 4 and 6 (b). However, tariff in respect of the said assets was disallowed by the Commission for want CEA and RLDC certificates in order dated 20.9.2017 in Petition No. 278/TT/2015. He submitted that in the instant petition they have now claimed COD of Assets-IV, V and VI as 1.4.2014, 2.11.2015 and 18.11.2017 respectively and have also furnished CEA and RLDC certificates. He submitted that there is delay ranging from 32 to 76 months in putting the subject assets into commercial operation mainly due to land acquisition, RoW constraints, court cases and law and order problems and urged that the same may be condoned. He also submitted that as per Revised Cost Estimates there is no cost over-run.

2. Learned counsel for the BSPHCL submitted that there is huge cost-over-run of more than 50% in almost all the assets and no justification for the same is given in the RCE. He further submitted that the assets which are not in use, their capital cost should be removed from the existing as well as new projects under proviso 9 (6) (a) of 2014 Tariff Regulations. Besides this, he raised the issue of Optical Ground Wire, additional capitalization and IDC, initial spares and time over-run.

3. In response, the representative of the petitioner submitted that the issue raised by BSPHCL have been dealt in its rejoinder dated 11.3.2019.

4. After hearing the parties, the Commission directed the petitioner to submit the following information on affidavit with an advance copy to the respondents by 17.5.2019:

- (i) Asset-I (A) (i): Computation statement of Interest During Construction (IDC);
- (ii) Asset-I (A) (ii): Form 4 A "Statement of Capital Cost", Form 6 "Financial Package upto COD" and Form 10 B in respect of de-capitalized asset.
- (iii) Asset-I (B) and Asset-IV: Revised "Statement showing IDC discharged upto COD" indicating rate of interest against all the loan items (including loan from SBI) furnishing calculation statement of (Weighted average) rate of interest for the SBI loan amount considered in the IDC statement with supporting documents.
- (iv) Asset-II and Assets-III: Auditor Certificate, IDC calculation Statement (enclosing calculation of weighted average interest rate for all the loan items draws having fluctuating interest rate) and forms based on claimed COD.

5. Subject to above, the Commission reserved order in the matter.

By order of the Commission

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(T. Rout)
Chief (Law)

