

CENTRAL ELECTRICITY REGULATORY COMMISSION
4th Floor, Chanderlok Building 36, Janpath, New Delhi- 110001
Ph: 23753942, Fax-23753923

Petition No. 44/TT/2020

Date: 5.3.2020

To

Shri S. S. Raju
Senior General Manager (Commercial),
Power Grid Corporation of India
Limited, Saudamini, Plot No. 2,
Sector-29, Gurgaon-122001

Subject: Approval for truing up of transmission tariff of 2014-19 period and determination of transmission tariff of 2019-24 period for **Asset I:** 765 KV D/C Varanasi-Kanpur(new) line & associated bays including 240 MVAR Switchable L/R in both Ckt. at Varanasi GIS S/S and 330 MVAR non-switchable L/R in both Ckt. at Kanpur GIS S/S, 765 KV S/C Kanpur (new) GIS- Jhatikra line & associated bays including 330 MVAR switchable L/R at Kanpur GIS S/S and 330 MVAR non-switchable L/R at Jhatikara S/S, 400 KV D/C (Quad) Kanpur(New) GIS -Kanpur(old) line & Associated bays, 2x1500 MVA 765/400 KV ICT-I & II & Associated bays at 765/400 KV Kanpur (new) GIS S/S, 240 MVAR, 765 KV Bus Reactor-1 & associated bay at Kanpur(new) GIS S/S, 240 MVAR, 765 KV Bus Reactor-2 and associated bay at Kanpur(new) GIS S/S, (**Combined Assets- I,II,III,V,VI,VII as per petition No. 274/TT/2015**) **Asset-II:** LILO of one Ckt. Of 400 KV D/C Sasaram-Allahabad line & Associated bays at Varanasi GIS S/S (**earlier Asset- IV as per petition No. 274/TT/2015**) **Asset-III:** 125 MVAR, 400 KV Bus Reactor & Associated bay at Kanpur (new) GIS S/S (**earlier Asset: VIII as per petition No. 274/TT/2015**) **Asset-IV:** 240 MVAR, 765 KV Bus Reactor & Associated bay at Jhatikara S/S (**earlier Asset: IX as per petition No. 274/TT/2015**) **Asset-V:** 125 MVAR, 400 KV Bus Reactor & associated bay at Varanasi GIS S/S (**earlier Asset: X as per petition No. 274/TT/2015**) **Asset-VI:** 400 kV D/C (Quad) Sarnath- Varanasi T/L along with associated bays at Varanasi GIS Substation under “**Transmission System for Phase-I Generation Projects in Jharkhand and West Bengal - Part-B**” in Northern Region.

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 12.3.2020:-

2014-19 period

- I. CEA clearance certificate for Asset I, Asset III and Asset V
- II. Reasons for Cost Variation from FR to RCE
 - a. Price Variation . Break up Price Variation in i) Change in cost estimates as on DPR and cost of awarded LOA for various contracts ii) Change in price due to price escalation within the contract along with supporting documents
 - b. Variation in Quantities of Approved Items . i) Break-up of earlier considered quantity and revised quantity ii) Per-unit cost considered in DPR and actual cost as per the contract
 - c. Land and Compensation . Compensation towards forest was envisaged for 16.8 Ha, which increased to 32.95Ha (almost double), while the compensation for the same increased almost 6 times. Reasons of increase on both aspects along with supporting documents for payment towards forest compensation.
 - d. Foreign Exchange Variation . i) Break-up of contract pay outs in USD, EURO and INR ii) Weighted average foreign currency rate considered in RCE along with supporting document iii) Break-up/details of foreign currency loans and INR loans
 - e. Decrease in IEDC . IEDC has reduced from 215.46crore to 34.72 crore, reduction of almost 83%. Reasons for the same be explained.
 - f. Increase in IDC . Break-up of increase in IDC due to increase in cost and increase in period along with justification/details for the same.
- III. PERT Chart, CPM Analysis, chronology of events depicting planned dates for each of the activity and Actual date along with reasons for the delay for Asset I, Asset III and Asset V
- IV. Initial spares discharged after COD (as per submission on affidavit dated 31.7.2017) for Assets I, II, III has not been subtracted from Capital Cost as on COD as allowed in order dated 4.2.2019 in Petition No 49/TT/2018. Explanation/justification along with detailed computation be provided.
- V. Auditor Certificate is based on the PGCIL accounts (which are on accrual basis) and no where it mentions that it is based on Actual Cash Outflow. In the para 5.10, it has been mentioned that Auditor Certificate is as per actual cash out flow. Explain the same.
- VI Form-5 (Element Wise Break Up of Project/Asset/Element cost of Transmission System), 5A (Break up Construction/Service/Supply Package), 5B (Details of all the assets covered in project) for each of the Asset (I, II, III, IV, V and VI)

- VII Form-12 (Details of time over run), 12A(IEDC) 12B(IDC & Financing charges) for the Asset I, III, and V
- VIII Form-13 (Break up of Initial Spares)for each of the Asset (I, II, III, IV, V and VI)
- IX As per the earlier submission, Additional Capitalisation proposed was on account of balance/retention payment and as per instant petition Additional Capital expenditure includes Balance Work. Explain the reasons for the same along with supporting documents.
- X Undertaking on affidavit that actual equity infused for the additional capitalization during 2014-19 is not less than 30% for the given transmission asset(s)

2019-24 period

- XI Form-5 (Element Wise Break Up of Project/Asset/Element cost of Transmission System
- XII Confirmation as to whether there is any further Additional Capitalisation expected beyond 2023-24 on account of undischarged liability/balance retention payment beyond claimed in the instant petition
- XIII Flow of liabilities statement as per enclosed **Annexure-I**.

2. In case the above said information is not filed within the specified date, the petition shall be disposed on the basis of the information already on record.

Yours faithfully,

Sd/-
(Kamal Kishor)
Assistant Chief (Legal)

