

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 379/TT/2020

Subject : Petition for truing up of transmission tariff of 2014-19 period and determination of transmission tariff of 2019-24 period for five no. of assets under “Immediate Evacuation System associated with Barh-II TPS” in Northern Region.

Date of Hearing : 31.8.2021

Coram : Shri P.K. Pujari, Chairperson
Shri Arun Goyal, Member
Shri Pravas Kumar Singh, Member

Petitioner : Power Grid Corporation of India Ltd.

Respondents : Rajasthan Rajya Vidyut Prasaran Nigam Ltd.
& 23 Others

Parties present : Ms. Rohini Prasad, Advocate, BSPHCL
Shri S. S. Raju, PGCIL
Shri D.K. Biswal, PGCIL
Shri Ved Prakash Rastogi, PGCIL
Shri A.K. Verma, PGCIL

Record of Proceedings

Case was called out for virtual hearing.

2. The representative of the Petitioner made the following submissions:

a. The instant petition has been filed for truing up of transmission tariff of 2014-19 period and determination of transmission tariff of 2019-24 period in respect of the following assets under “Immediate Evacuation System associated with Barh-II TPS” in Northern Region:

Asset A1: 80 MVA line reactor of Barh-I Line (charged as bus reactor) at Gorakhpur Sub-station;

Asset A2: 80 MVA line reactor of Barh-II Line (charged as bus reactor) at Gorakhpur Sub-station;



Asset B: Barh-II TPS-Gorakhpur 400 kV D/C (Quad) line along with 400 kV line bays at Gorakhpur Sub-station (excluding switchable line reactor);

Asset C: 125 MVAr Bus Reactor at Gorakhpur Sub-station; and

Asset D: Converting 2X80 MVAr Line Reactors at Gorakhpur end of 400 kV Barh–Gorakhpur (Quad) transmission line to 2X80 MVAr Switchable Line Reactors.

b. Assets-A1, A2, B, C and D were put under commercial operation on 4.11.2014, 2.11.2014, 7.6.2015, 26.5.2014 and 9.2.2017 respectively.

c. Transmission tariff for 2014-19 period in respect of Assets-A1 and A2 was determined vide order dated 30.12.2015 in Petition No. 78/TT/2015, for Asset-B vide order dated 23.3.2016 in Petition No. 184/TT/2015 and for Asset-C vide order dated 18.12.2015 in Petition No. 241/TT/2014. Transmission tariff for 2014-19 period in respect of Asset-D was claimed in Petition No. 38/TT/2017 but the Commission vide order dated 22.5.2019 did not allow tariff for Asset-D.

d. In terms of the Commission's order dated 22.5.2019 in Petition No. 38/TT/2017, the Petitioner has claimed the tariff of Asset-D in the instant petition.

e. The Commission vide its order dated 30.12.2015 in Petition No. 78/TT/2015, granted liberty to the Petitioner to seek condonation of time over-run for a period of two months with reference to Assets-A1 and A2 at the time of truing up. Assets-A1 and A2 are linked with Asset-B and for Asset-B delay in commissioning of 9 months and 11 days has already been condoned by the Commission vide its order dated 23.3.2016 in Petition No. 184/TT/2015. Details regarding reasons for time over-run have been submitted in the petition.

f. Initial Spares have been calculated on overall project cost basis due to which there is minor variation in the admitted and claimed cost.

g. Liability flow statement has been submitted vide affidavit dated 30.6.2021 along with ACE justification of all the assets covered in the instant petition.

h. Additional information has been filed vide affidavit dated 26.8.2021 wherein cost apportionment of all the assets has been done as per RCE-II and detailed justification of cost variation of Asset-B along with Form-5 have been submitted.

i. Two weeks' time may be given to file rejoinder to the reply of BSPHCL.

3. Learned counsel for BSPHCL has submitted that Asset-D is the converted asset in the present petition and the Petitioner has failed to submit the details of supporting documents regarding cost of conversion as per Commission's order dated 22.5.2019 in Petition No. 38/TT/2017. Admitted capital cost with reference to Assets-A1 and A2 as allowed by the Commission vide order dated 30.12.2015 in Petition No. 78/TT/2015



does not match with the claimed capital cost in the present petition. There is delay of 69 days in commissioning of Asset-1 and 67 days in respect of commissioning of Asset-A2. The Commission vide order dated 23.3.2016 in Petition No. 184/TT/2015 has condoned delay of 9 months and 11 days i.e. from SCOD (27.8.2014) to the actual date of commissioning of Asset-B on 7.6.2015. SCOD of Assets-A1 and A2 is 28.8.2014, against which they were commissioned on 4.11.2014 and 2.11.2014 respectively i.e. prior to the commissioning of the transmission line covered in Petition No. 184/TT/2015. The Petitioner is required to clarify this aspect of the matter. COD of Asset-B is on 7.6.2015 and there is cost over-run in case of Asset-B even after RCE-I has been provided by the Petitioner on 23.2.2015. RCE-II has been issued on 17.9.2020. The Petitioner is required to clarify how can there be cost over-run in the duration of 4 months after issuance of RCE-I with respect to Asset-B.

4. Learned counsel for BSPHCL also made detailed submissions from her reply on the issues of tax, grossed up RoE, MAT, RCE-II, time over-run, IDC, IEDC, floating rate of interest, GST and filing fees. She further submitted that the Petitioner may be directed to submit detailed justification for cost of conversion of Asset-D. She further submitted that there is no provision in the 2019 Tariff Regulations which allows the Petitioner to claim floating rate of interest. She submitted that the Petitioner has failed to establish the necessity of RCE-II dated 17.9.2020 in the present petition.

5. The Commission directed the Petitioner to file rejoinder to the reply of BSPHCL on or before 20.9.2021 along with RLDC certificate and other necessary documents for Asset-B, Board Resolution approving RCE-II, detailed justification for revising the cost estimate of the present project through RCE-II after commissioning of the project. The Petitioner is also directed to place on record guidelines/ financial practice based on which RCE is considered and issued after completion of project. The Commission further directed the Petitioner to adhere to the timeline and observed that no extension of time shall be granted.

6. After hearing the parties, the Commission reserved order in the matter.

By order of the Commission

sd/-
(V. Sreenivas)
Deputy Chief (Law)

