

**CENTRAL ELECTRICITY REGULATORY COMMISSION  
NEW DELHI**

**Petition No. 675/TT/2020**

- Subject** : Petition for determination of transmission tariff of 2019-24 period for three number of assets under “Transmission System associated with Nabinagar-II TPS (3X660 MW)” in Eastern Region.
- Date of Hearing** : 26.10.2021
- Coram** : Shri P.K. Pujari, Chairperson  
Shri I.S. Jha, Member  
Shri Arun Goyal, Member  
Shri P.K. Singh, Member
- Petitioner** : Power Grid Corporation of India Ltd.
- Respondents** : Bihar State Power (Holding) Company Ltd.  
& 5 Others
- Parties present** : Ms. Rohini Prasad, Advocate, BSPHCL  
Ms. Swapna Seshadri, Advocate, NPGCL  
Ms. Ritu Apurva, Advocate, NPGCL  
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 determination of transmission tariff of 2019-24 period in respect of the following assets under “Transmission System associated with Nabinagar-II TPS (3 X 660 MW)” in Eastern Region:
- Asset-I:** 400 kV D/C Nabinagar-Patna line along with 2X80 MVAR switchable line reactor and associated bays at Patna Sub-station;
- Asset-II:** 765/400 kV 3X500 MVA ICT-IV along with associated bays at Gaya Sub-station; and



**Asset-III:** 80 MVAR Switchable Line reactor in 400 kV Barh-I line at Patna Sub-station alongwith associated bay.

b. Assets-I, II and III were put under commercial operation on 21.7.2019, 1.6.2019 and 30.1.2020 respectively.

c. RLDC, CEA and CMD certificates have been submitted in support of COD of instant assets.

d. Information sought vide RoP dated 22.6.2021 has been filed vide affidavit dated 30.6.2021, wherein clarification regarding Asset-III has been given.

e. Due to space constraints at Patna Sub-station, the scope of work was modified and approved by CEA and ERPCTP and the same is as follows:

- Termination of one of the circuits in existing 80 MVAr Bus Reactor bay along with conversion of existing 80 MVAr Bus Reactor as Switchable Line Reactor;
- Installation of originally identified Switchable Line Reactor for this circuit as Switchable Line Reactor in one circuit of Barh-Patna line.

f. Decapitalization details of reactor have been provided vide affidavit dated 30.6.2021. Date of decapitalization may be considered as 20.7.2019 and the date of re-commissioning as 21.7.2019. Carrying cost may be considered from the date of actual de-capitalization to the date of re-commissioning.

g. There is no cost over-run with regard to the instant assets.

h. There is time over-run of one month and nineteen days in case of Asset-I and eight months in case of Asset-III while there was no time over-run in case of Asset-II. The time over-run may be condoned taking into consideration the detailed justification given in the petition. The time over-run in Asset-I was mainly on account of delayed clearance from National Highways Authority of India, RoW and law and order issues. Delay in Asset-III is mainly on account of non-availability of shut-down. Detailed chronology of mitigating steps taken by the Petitioner has also been submitted.

i. Rejoinders to the replies of NPGCL and BSPHCL have been submitted vide affidavits dated 30.7.2021 and 21.6.2021 respectively.

3. Learned counsel for BSPHCL referred to her reply and made the following submissions:

a. The Petitioner failed to make the application for determination of tariff for the instant assets within 60 days of the anticipated date of commercial operation as mandated under Regulation 9 of the 2019 Tariff Regulations and as such, explanation may be sought regarding the same.

b. The Petitioner has failed to explain the uncontrollable nature of the time over-run as well as mitigating steps taken.



c. The Petitioner has failed to submit documents evidencing the submission of proposal for clearance regarding National Highway-98 on 18.8.2017. Further, the Petitioner had already a provisional NoC available to it on 28.12.2017 with regard to National Highway-110.

d. Initial Spares may be considered as per Regulation 23 along with Regulation 3(14) and Regulation 3(46) of the 2019 Tariff Regulations.

e. Additional Capital Expenditure (ACE) has been claimed beyond the cut-off date for Assets-I and II and the same may be disallowed.

f. ACE can only be claimed under the heads provided under Regulation 24 of the 2019 Tariff Regulations.

g. MAT rate may be taken into consideration only as per Regulation 31 of the 2019 Tariff Regulations and there is nothing in the said Regulation which allows the Petitioner to recover the shortfall directly from the beneficiaries.

h. The claim regarding GST is premature and the said claim cannot be made by a transmission Company.

i. Nothing in the 2019 Tariff Regulations allows the Petitioner to claim floating rate of interest.

j. Security expenses may only be allowed after prudence check and anything not covered by regulations may be disallowed.

k. Security expenses may be claimed for all the assets in one petition.

4. The learned counsel for NPGCL referred to her reply and made the following submissions:

a. Discussions held with CEA as well as reply furnished by the Petitioner to the RoP dated 22.6.2021 clearly shows that Asset-III is not at all related to the ATS of NPGCL and is not connected to the evacuation of electricity from NPGCL's generating station. Therefore, NPGCL on account of delay in commissioning of its generating station cannot be made to pay for Asset-III which is not at all related to its generating station.

b. Further, NPGCL's LTA was operationalised w.e.f. 28.8.2019 whereas Asset-III was admittedly put under commercial operation only on 30.1.2020. This further goes on to show that Asset-III is not related to the ATS of NPGCL's generating station.

5. In response to the submissions of BSPHCL, the representative of the Petitioner submitted that ACE is within the cut-off date. Further, the Petitioner has already submitted all the details and documents with regard to the time over-run and the Commission may kindly condone the same.



6. In response to the submissions of NPGCL, the representative of the Petitioner submitted that while Asset-III is a part of the instant project, the same is not for evacuation of power from NPGCL's generating station.

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

**By order of the Commission**

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

