

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 1/TT/2022

Subject : Petition for determination as well as truing up of transmission tariff for 2014-19 period and determination of transmission tariff for 2019-24 period in respect of eleven number of assets under “Establishment of Communication System under Expansion/Up-gradation of SCADA/EMS System at SLDCs of Eastern Region (BSPTCL)”.

Date of Hearing : 14.9.2022

Coram : Shri I.S. Jha, Member
Shri Arun Goyal, Member
Shri P. K. Singh, Member

Petitioner : Power Grid Corporation of India Ltd.

Respondent : Bihar State Power (Holding) Company Ltd.

Parties present : Ms. Rohini Prasad, Advocate, BSPHCL
Shri B.B. Rath, PGCIL
Shri Mukesh Khanna, PGCIL
Shri D.K. Biswal, PGCIL
Shri Vipin Jacob Joseph, PGCIL

Record of Proceedings

The representative of the Petitioner has made the following submissions:

a. Instant petition has been filed for determination as well as truing up of transmission tariff from COD to 31.3.2019 and for determination of transmission tariff of 2019-24 period in respect of the following transmission assets under Establishment of Communication System under Expansion/Up-gradation of SCADA/EMS System at SLDCs of Eastern Region (BSPTCL)”:

Asset-I: 01 number of OPGW link along with communication equipment for BSPTCL;

Asset-II: 10 number of OPGW link along with communication equipment for BSPTCL;

Asset-III: 01 number of OPGW link along with communication equipment for BSPTCL;



Asset-IV: 12 number of OPGW link along with communication equipment for BSPTCL;

Asset-V: 09 number of OPGW link along with communication equipment for BSPTCL;

Asset-VI: 11 number of PLCC link and associated equipment for BSPTCL;

Asset-VII: 07 number of PLCC link and associated equipment for BSPTCL;

Asset-VIII: 10 number of PLCC link and associated equipment for BSPTCL;

Asset-IX: 06 number of PLCC link and associated equipment for BSPTCL;

Asset-X: 02 number of PLCC link and associated equipment for BSPTCL; and

Asset-XI: 03 number of PLCC link and associated equipment for BSPTCL.

b. The transmission assets were put under commercial operation during 2014-19 tariff period.

c. The transmission scheme was discussed in 21st TCC & ERPC meeting held on 20.4.2012 and 21.4.2012 at Kolkata and 25th TCC & ERPC meeting held on 20.9.2013 and 21.9.2013.

d. Scheme was approved in 313th Board of Directors meeting of PGCIL held on 17.4.2015.

e. As per the Investment Approval, SCOD of the transmission project is 23.10.2017.

f. There is no time over-run in commercial operation of Asset-I. Details of time over-run with respect to Asset-II to Asset-XI have been given in the petition and these assets were delayed mainly on account of revision in the scope of LOA at the behest of BSPTCL, non-availability of permit to work, entry permission, shut-down at BSPTCL's end, non-readiness of front/ space constraint at site by BSPTCL, addition in scope etc. The said reasons for delay were beyond the control of the Petitioner.

g. Cost variation is mainly due to quantity variation as compared to DPR and variation in FERV.

h. ACE claimed within the cut-off date and beyond the cut-off date is within the original scope of work.

h. Initial Spares claimed are within the norms.

i. No O&M Expenses have been claimed for the transmission assets.

j. Revised Cost Estimate (RCE) has been submitted vide affidavit dated 3.3.2022 and total completion cost of the transmission project is within the approved apportioned cost as per RCE.

k. Reply to the technical validation letter has been filed vide affidavit dated 29.3.2022.



3. Learned counsel for BSPHCL made the following submissions:
- a. BSPTCL communicated the change in scope with regard to Asset-I, Asset-II and Asset-III to the Petitioner on 18.12.2015. However, contract with the agency was amended only on 9.9.2016. The Petitioner has failed to explain the delay of nearly 9 months in amending the contract with the agency for implementation of change of scope.
 - b. Communications annexed by the Petitioner reveal that shut-down of just one circuit was required. However, the Petitioner unnecessarily insisted for shut-down of two circuits. The communications further show that shut-downs were being requested at very short intervals. Therefore, delay claimed on account of non-availability of shut-down was a controllable factor.
 - c. The shut-downs were requested much prior to the date of scheduled COD. Chronological details of request for permission and grant of permission for shut-downs have not been provided by the Petitioner.
 - d. The Petitioner has failed to justify delay on account of non-readiness of front/space constraint at site by BSPTCL and chronological details for the same have not been provided.
 - e. As per Minutes of the Meeting of the Petitioner with BSPTCL held on 9.2.2018, space constraint issue was persisting only at Darbhanga as on 9.2.2018.
 - f. The Petitioner in its e-mails accept that there has been delay in award of packages involved in communication system and delay was mainly on account of the fact that the requirement of OPGW and communication projects has gone up in the country. Therefore, the said delay cannot be attributed to BSPTCL.
 - g. With respect to Asset-IV and Asset-V, the Petitioner has submitted that the time over-run is on account of increase in quantity of OPGW links. Survey for these assets was finalised in December, 2015 but amendment to the contract was issued only in February, 2017. However, the Petitioner has submitted that it received links in January, 2017 which is contrary to the fact that the amendment to the contract was done only in February, 2017. The Petitioner has failed to provide justifications for the time over-run in respect of these transmission assets on account of space constraints.
 - h. With respect to Asset-VI to Asset-XI, the Petitioner contended that the time over-run was on account of non-availability of air conditioners for installation of the communication system. However, Minutes of the Meeting shows that the same was provided in February, 2018 but COD is much later.
 - i. E-mails placed on record by the Petitioner show that works for Asset-X and Asset-XI were in progress till 2019. E-mails with respect to Asset-X and Asset-XI available on record show that for one out of two links and for two out of three links, works were in progress. In such a situation, they cannot be considered as executed in any event and as such reasons for time over-run there against cannot be considered.



j. In addition to above, submissions with regard to ACE, MAT rate, O&M Expenses, floating rate of interest etc. were made.

k. Permission was sought to upload the reply on the e-filing portal.

4. The Commission permitted learned counsel for BSPTCL to upload reply on e-filing portal by 23.9.2022 with advance copy of the same to the Petitioner who may file rejoinder, if need be, by 6.10.2022. The Commission further directed the Petitioner to furnish an affidavit explaining in detail the reasons for delay in chronological order on account of change in scope and award of LoA by 30.9.2022, with a copy to the Respondents. The Commission also directed the parties to adhere to the timelines specified for completion of pleadings and observed that no further extension of time shall be granted.

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

By order of the Commission

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

