

CENTRAL ELECTRICITY REGULATORY COMMISSION

Record of Proceedings

PETITION NO. 68/2008

Sub: Determination of final transmission tariff for 315 MVA 400/220 kV ICT I & II along with associated bays and four nos of 220 kV transmission line bays at Kaithal sub-station (ii) 315 MVA 400/220 kV ICT I & II along with associated bays and four nos of 220 kV transmission line bays at Mainpuri sub-station (iii) 2nos of 220 kV bays at Abdullapur sub-station under Rihand Stage-II Transmission System in Northern Region for tariff block 2004-09.

Date of hearing: 24.7.2008

Coram : Dr. Pramod Deo, Chairperson, and
Shri Bhanu Bhushan, Member

Petitioner : Power Grid Corporation of India Ltd., Gurgaon

Respondents : Rajasthan Rajya Vidyut Prasaran Nigam Limited, Jaipur
Ajmer Vidyut Vitaran Nigam Ltd., Ajmer
Jaipur Vidyut Vitaran Nigam Ltd, Jaipur
Jodhpur Vidyut Vitaran Nigam Ltd, Jodhpur
Himachal Pradesh State Electricity Board, Shimla
Punjab State Electricity Board, Patiala
Haryana Power Generation Corporation Ltd, Panchkula
Power Development Department, Govt. of J&K, Jammu
Uttar Pradesh Power Corporation Ltd, Lucknow
Delhi Transco Ltd, New Delhi
BSES Yamuna Power Limited, New Delhi
BSES Rajdhani Power Ltd., New Delhi
North Delhi Power Ltd., New Delhi
Chief Engineer, Chandigarh Administration, Chandigarh
Uttaranchal Power Corporation Ltd, Dehradun
North Central Railway, Allahabad

Parties present : Shri U.K. Tyagi, PGCIL
Shri M.M.Mondal, PGCIL
Shri R.Prasad, PGCIL
Shri C.Kannan, PGCIL
Shri S.S.Raju, PGCIL
Shri Atul Parsija, HPPC

The petitioner has sought approval of transmission charges for the transmission elements given in the table below, with their dates of commercial operation, under Rihand STPS Stage-II Transmission System (the transmission system) in Northern Region for the tariff block 2004-09, based on the Central

2004 :

S.No	Name of Asset	Date of commercial operation
1.	315 MVA 400/220 kV ICT I & II along with associated bays and four nos of 220 kV transmission line bays at Kaithal sub-station	1.6.2005
2.	315 MVA 400/220 kV ICT I & II along with associated bays and four nos of 220 kV transmission line bays at Mainpuri sub-station	1.10.2005
3.	2 nos of 220 kV bays at Abdullapur sub-station	1.12.2005

2. The investment approval for the transmission system was accorded by Central Government in Ministry of Power under letter dated 9.12.2002 at an estimated cost of Rs 104444 lakh, including IDC of Rs 15749 lakh.

3. The Commission by its order dated 27.9.2007 in Petition No. 2/2007 had approved tariff of certain other assets of the transmission system.

4. The Commission by its orders dated 21.9.2006 and 22.5.2007 in Petition Nos. 38/2006 and 2/2007 respectively had allowed provisional tariff for the transmission elements covered in the present petition.

5. In response to a query by the Commission regarding the detailed scope of work of 2 x 220 kV bays at Abdullapur sub-station, the representative of the petitioner submitted that the bays were part of the detailed scope of work of the project. The representative of the petitioner undertook to submit the extract from detailed feasibility report in this regard.

6. Explaining the reasons of delay of about 11 months in commissioning of bays at Abdullapur sub-station, the representative of the petitioner submitted that these were constructed on the specific requirement of Haryana Vidyut

Prasaran Nigam Limited (HVPNL) for the thermal power station at Yamunanagar. He stated that 220 kV D/C transmission line from Yamunanagar TPS to Abullapur sub-station was within the scope of HVPNL. The representative of the petitioner further submitted that HVPNL had been insisting on early completion of the bays. Therefore, efforts were made to complete the bays before January 2006 matching with commissioning of the first generation unit. However, when the bays were on the verge of completion in January 2006, the transmission line being constructed by HVPNL was not ready, and was delayed considerably. This forced the petitioner to wait for commissioning of 220 kV evacuation line by HVPNL, but the bays were ultimately declared under commercial operation w.e.f. 1.11.2006. The representative of the petitioner emphasized that there was no delay on the part of the petitioner. Rather, he submitted, the petitioner was held back from commissioning. He informed that the transmission line had not yet been completed by HVPNL.

7. It was pointed out on behalf of the petitioner that since the beneficiary, HVPNL is responsible for the delay in the commissioning of the bays on account of non-commissioning of 220 kV evacuation transmission line, it should pay the transmission charges for this element till 220 kV evacuation transmission line is commissioned and thereafter this element may be pooled in the regional system for which the transmission charges are shareable by all the beneficiaries.

8. The representative of the HVPNL submitted that he would seek the direction from its management and would revert back on the issue.

9. Regarding capitalization and de-capitalization on account of shifting of certain assets i.e. one number ICT each from Kaithal and Mainpuri sub-stations the following methodology was suggested by the Commission to the petitioner:

“The dates on which these ICTs were taken out of service from the respective sub-stations, they should be considered de-commissioned. The day these assets were restored, they should be considered re-commissioned. The petitioner should not be paid tariff for these ICTs for the period they were not in service i.e tariff should be reduced in proportion to the capital cost of the ICTs. As and when the ICTs were restored the petitioner should start getting the original tariff. “

10. In response, the representative of the petitioner submitted that the ICTs in question installed at sub-stations under Rihand Stage-II transmission system, were shifted to the sub-station under Rihand Stage-I transmission system. The representative of the petitioner expressed a view that the methodology suggested could be adopted, but since it is linked with the treatment of additional capital expenditure on account of new / repaired ICTs to be installed at sub-stations under Rihand Stage-I transmission system, the present petition be clubbed with the separate petition filed for re-determination of tariff for Rihand Stage-I transmission system on account of additional capital expenditure. Accordingly, the representative of the petitioner requested for an adjournment.

11. The Commission decided to club the petitions for approval of transmission charges in respect of Rihand Stage-I and Rihand Stage-II transmission systems, and adjourned the present petition for hearing on a date to be notified after rectification of defects by the petitioner in the petition for Rihand Stage-I transmission System.

Sd/-
K.S.Dhingra
Chief (Legal)