

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Record of Proceedings

Petition No. 93/TT/2012

Subject : Approval of Transmission Tariff of 420 kV, 80 MVAR, Bus Reactor at Kishenpur S/S alongwith bays associated with URI-2 Transmission System for tariff block 2009-14 period in Northern Region

Date of Hearing : 19.11.2013

Coram : Shri Gireesh B. Pradhan, Chairperson
Shri V. S. Verma, Member
Shri M. Deena Dayalan, Member
Shri A. K. Singhal, Member

Petitioner : Power Grid Corporation of India Ltd.

Respondent: Uttar Pradesh Power Corporation Ltd. and 16 others

Parties Present : Shri S. S. Raju, PGCIL
Ms. Sangeeta Edwards, PGCIL
Shri B. K. Sahoo, PGCIL
Shri A. M. Pavgi, PGCIL
Shri R. B. Sharma, Advocate for BRPL
Shri Padamjit Singh, PSPCL

The representative of the petitioner submitted as under:-

- a) Investment approval for "Uri-2 HEP Transmission System" was accorded by the Board of Directors of PGCIL on 27.10.2006 and the project was to be completed within 48 months from the date of issue of first letter of award, i.e., 14.5.2007. As against the scheduled completion on 1.6.2011, the asset was put under commercial operation on 1.6.2012 after a delay of 12 months;
- b) Main reason for delay, for which justification has already been furnished vide affidavit dated 7.8.2013, was change of location of bus reactor from Wagoora to Kishenpur. As per the original scheme of URI-2 System, the bus reactor was to be commissioned at Wagoora S/S, but due to upcoming transmission system

under NRSS-XVI, the scheme was amended for installation of bus reactor at Kishenpur;

- c) This decision to shift the location of bus reactor was agreed in the 23rd Standing Committee meeting of Northern Region transmission planning held on 16.2.2008 in coordination with CEA. Since the installation of bus reactor at Kishenpur was beyond the scope of original award, the contractor agreed to supply material to Kishenpur at an abnormally high rate. Finally, it was decided to carry out the work through open tender, and though recourse to open tender caused delay, it saved the project from the high cost claimed by the original contractor;
- d) There was, however, no cost implication and hence the beneficiaries benefited by this shifting of the location;
- e) PSPCL has filed reply and rejoinder would be filed in 10 days.

2. Learned counsel for BRPL, Respondent No. 12, submitted that he did not receive copy of the petition and that the petition was also not available on the petitioner's website. The representative of the petitioner undertook to provide a copy of the petition to him in the course of the day. Based on the submissions made by the representative of the petitioner, the learned counsel for BRPL submitted that the petitioner should conduct a study to find out how much compensating equipment is required, and share copy of the study report with all the beneficiaries.

3. The representative of PSPCL, Respondent No. 6, submitted that when the petitioner filed the petition in March 2012, it was aware of the decision regarding shifting, and hence the updated position regarding shifting should have been mentioned in the petition. He further submitted that any change in scope should be approved in CEA Standing Committee. Since the scope has been changed by the petitioner without such approval, delay of twelve months should not be condoned. He also desired to know how M/s Tata Projects Ltd. has been shown in Form 5 C of the petition as the company on which order was placed, whereas the said company does not produce bus reactors. He requested that cost of bus reactors in other similar cases must be provided by the petitioner.

4. The representative of the petitioner submitted that when the petition was filed, Revised Cost Estimates (RCE) was not available. After it was approved in September 2012, copies of RCE were sent to all stakeholders. He further submitted that since this is a turnkey project, M/s Tata Projects Ltd. acted as an agent for "Supply & F&I" in the Construction/supply/service package.

5. The Commission observed that there is over-estimation of cost in the instant petition, and directed the petitioner to submit the following on affidavit, before 15.12.2013, with advance copy to the respondents:-

(a) how the beneficiaries benefited by the shifting of the location from Wagoora to Kishenpur;

(b) the procedure devised by the petitioner for approval of RCE;

(c) copy of RCE duly certified by company secretary of the petitioner;

(d) cost of bus reactors procured by the petitioner in other similar cases.

6. The Commission also directed BRPL to file reply to the petition before 20.12.2013. The Commission further directed the petitioner to file rejoinder to the replies of respondents, if any, by 31.12.2013.

7. Subject to the above, order in the petition was reserved.

By the order of the Commission,

Sd/-
(T. Rout)
Chief (Law)