

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 379/MP/2014

Coram:

Shri Gireesh B. Pradhan, Chairperson

Shri M. Deena Dayalan, Member

Shri A.K. Singhal, Member

Shri A.S. Bakshi, member

Date of Hearing: 31.10.2014

Date of order : 13.11.2014

In the matter of

Approval under Regulation 44 of the Central Electricity Regulatory Commission (Terms and conditions of Tariff) Regulations, 2009 "Power to Relax" for reimbursement of additional expenditure towards deployment of special security forces (CISF) at Wagoora Sub-Station for the year 2013-14 in Northern Region.

And

In the matter of

Power Grid Corporation of India Ltd
Saudamini, Plot No. 2,
Sector-29, Gurgaon-122 001, Haryana
Vs

.....Petitioner

1. Rajasthan Rajya Vidyut Prasaran Nigam Ltd.
Vidyut Bhawan, Vidyut Marg, Jaipur-302 005
2. Ajmer Vidyut Vitran Nigam Limited
400 kV GSS Building (Ground Floor), Ajmer Road,
Heerapura, Jaipur
3. Jaipur Vidyut Vitran Nigam Ltd
400 kV GSS Building (Ground Floor), Ajmer Road,
Heerapura, Jaipur
4. Jodhpur Vidyut Vitran Nigam Ltd.,
400 kV GSS Building (Ground Floor), Ajmer Road,
Heerapura, Jaipur



5. Himachal Pradesh State Electricity Board
Vidyut Bhawan, Kumar House Complex Building-II
Shimla-171 004
6. Punjab State Power Corporation Ltd.
Thermal Shed T-IA, Near 22 Phatak
Patiala-147 001
7. Haryana Power Purchase Centre
Shakti Bhawan, Sector-6,
Panchkula-134 109, Haryana
8. Power Development Department
Govt. of Jammu and Kashmir
Mini Secretariat, Jammu
9. Uttar Pradesh Power Corporation Limited
Shakti Bhawan, 14 Ashok Marg,
Lucknow-226 001.
10. Delhi Transco Ltd
Shakti Sadan, Kotla Road,
New Delhi-110 002
11. BSES Yamuna Power Ltd.,
BSES Bhawan, Nehru Place,
New Delhi
12. BSES Rajdhani Power Ltd.,
2nd Floor, B-Block, BSES Bhawan,
Nehru Place, New Delhi-110 019
13. North Delhi Power Ltd.,
Power Trading and Load Despatch Group
Cennet Building, Adjacent to 66/11 kV Pitampura
Grid Building, Near PP Jewellers
Pitampura, New delhi-110 034
14. Chandigarh Administration
Sector-9, Chandigarh
15. Uttarakhand Power Corporation Ltd.
Urja Bhawan, Kanwali Road, Dehradun
16. North Central Railway
Allahabad
17. New Delhi Municipal Council
Palika Kendra, Sansad Marg,

The following were present:

1. Shri Upendra Pande, PGCIL
2. Shri R.P.Padhi, PGCIL
3. Shri Prashant Sharma, PGCIL

ORDER

The petitioner has filed this petition seeking reimbursement of additional expenditure incurred towards deployment of special security forces at Wagoora sub-station located in the State of Jammu and Kashmir, during the year 2013-14 in Northern Region under Regulation 44 of the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2009 (hereinafter referred to as “the 2009 Tariff Regulations”).

2. The Commission vide its order dated 19.6.2014 in Petition No. 64/MP/2014 has allowed reimbursement of abnormal O & M expenditure incurred towards deployment of CISF at Wagoora sub-station in Northern Region for the year 2012-13.

3. The petitioner has submitted that transmission system of PGCIL is spread all over the country. Number of transmission system such as Dulhusti, Uri, Salal, Kathalguri, Chukha, Ranganadi, etc., traverse through inhospitable terrain and are highly vulnerable and exposed to insurgencies and sabotage. The petitioner has submitted that Wagoora sub-station in Kashmir valley in NR is facing severe law and order problem since its inception and is under constant threat of

militancy/terrorism. CISF was provided at Wagoora sub-station for proper security of the assets and personnel deployed at the sub-stations. The petitioner has submitted corroborative evidence in the form of copies of the newspaper reports and correspondence with the security agencies to substantiate its claim of the prevailing law and order situation.

4. To sum up, the petitioner has submitted following justification for deployment of CISF at Wagoora sub-station, namely:

- (i) To avoid damage to the Government property and assets such as control rooms, stores, residential buildings and other equipments, which need round the clock guarding;
- (ii) Apprehensions that miscreants may damage some of the equipment at any point of time and the procurement of the same may take months together resulting in down time of vital equipments in the sub-station; and
- (iii) To guard against any militant/sabotage activity at the sub-station, which may totally disrupt evacuation of power from Uri Hydroelectric Project which is of national importance.

5. The petitioner has stated that it has incurred expenditure of ₹ 566.46 lakh on account of deployment of CISF personnel at Wagoora sub-station during 2013-14. The petitioner's claim is supported by the auditor's certificate dated



22.5.2014. The details of expenditure made towards deployment of CISF at Wagoora sub-station are as indicated below:

S.No.	Description	(` in lakh)
1.	Salary	534.28
2.	Cost of ammunition	3.86
3.	Medical	5.68
4.	Vehicle	9.35
5.	Hardcoke	2.56
6.	Clothing/Uniform	9.22
7.	Others (Imprest, stationery, telephone and miscellaneous expenses)	1.51
	Total	566.46

6. The petitioner has supported its claim based on the prevalent security scenario by referring to certain instances of extortion, kidnapping, attack and killing in the region, also reported by the media. For this purpose, the petitioner has submitted copies of certain documents such as newspaper reports and correspondence with the security agencies.

7. No reply has been filed by the respondents despite notice. During the course of the hearing on 31.10.2014, the representative of the petitioner reiterated the submission made in the petition and submitted there is no increase in expenditure during 2013-14 except increase in salary of employees deployed in the sub-station.

8. We have considered the submissions made. While laying down norms for O & M expenses in the 2009 Tariff Regulations, abnormal security expenses were

excluded on the understanding that such expenses could be considered on case-to-case basis.

9. On consideration of the facts available on record and taking cognizance of the general law and order situation prevailing in Jammu and Kashmir, we are satisfied that the petitioner is required to make special arrangements and take preventive measures to ensure safety and security of its personnel and property, facilitating maintenance of continuous supply of electricity in the region.

10. In exercise of power under Regulation 44 of the 2009 Tariff Regulations, we allow the expenses on CISF incurred by the petitioner in relaxation of Regulation 19 (g) of the 2009 Tariff Regulations and direct that the expenses for the year 2013-14 as claimed by the petitioner shall be reimbursed by the respondents.

11. Sharing of security expenses shall be governed by the provisions of Central Electricity Regulatory Commission (Sharing of Inter-State Transmission Charges and Losses) Regulations, 2010 as amended from time to time.

12. The petitioner has sought reimbursement of fee paid by it for filing the petition. In our order dated 11.1.2009 in Petition No. 109/2009, we had decided that reimbursement of filing fee will be reimbursed in the following cases:

“85. The Commission after careful consideration has decided that filing fee will be reimbursed in the following cases:

(a) Main petitions for determination of tariff;



- (b) *Petitions for revisions of tariff due to additional capital expenditure.;*
(c) *Petitions for truing up of expenditure.*

Filing fees paid for filing the Review Petitions, Interlocutory Applications and other Miscellaneous Applications will not be reimbursed in tariff. The Commission has decided to reimburse the expenses on publication of notices as such expenses are incurred to meet the statutory requirement of transparency in the process of determination of tariff."

This petition being a miscellaneous petition, reimbursement of filing fee is not allowed.

13. We order accordingly.

14. The present petition stands disposed of.

Sd/-
(A.S.Bakshi)
Member

sd/-
(A K Singhal)
Member

sd/-
(M Deena Dayalan)
Member

sd/-
(Gireesh B. Pradhan)
Chairperson

