

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 106/TT/2014

Subject : Determination of transmission tariff for 2009-14 block for Asset-1:400 kV D/C (Quad) Ranchi (New) – Ranchi (Old) – I transmission line and associated 400 kV Line bays at Ranchi (New) sub-station and Ranchi(old) sub-station and Asset-2: 765/415 kV, 3 x 500 MVA ICT II at Ranchi along with associated bays at 765 kV Ranchi (New) sub-station.

Date of Hearing : 16.11.2015.

Coram : Shri A. S. Bakshi, Member
Dr. M. K. Iyer, Member

Petitioner : Power Grid Corporation of India Limited (PGCIL)

Respondents : Maharashtra State Electricity Distribution Company Limited and 7 Others

Parties present : Shri S.K. Niranjana, PGCIL
Shri S.S. Raju, PGCIL
Shri Jasbir Singh, PGCIL
Shri Rakesh Prasad, PGCIL
Shri A.K Verma, PGCIL
Shri M.M. Mondal, PGCIL
Shri S.K Venkatesan, PGCIL
Shri Shashi Bhushan, PGCIL
Shri Ved Prakash Rastogi, PGCIL



Record of Proceedings

The representative of the petitioner submitted that:-

- a) The instant petition has been filed for determination of transmission tariff for Asset- 1: 400 kV D/C (Quad) Ranchi (New) – Ranchi (Old) – I transmission line and associated 400 kV Line bays at Ranchi (New) Sub-station and Ranchi (old) Sub-station and Asset-2: 765/415 kV, 3 x 500 MVA ICT II at Ranchi along with associated bays at 765 kV Ranchi (New) Sub-station for 2009-14 block;
- b) As per investment approval, the commissioning schedule of the project is 48 months from the date of investment approval i.e. from 29.8.2008. The instant assets were scheduled to be commissioned on 1.9.2012 and they were commissioned on 1.2.2014 i.e. Thus, there is a time over-run of 17 months from the scheduled date of completion;
- c) The time over-run is mainly on account of delay in getting forest clearance, infringement of the transmission lines with the proposed alignment of ring road around Ranchi, delay in land acquisition at Ranchi, and law & order problem at the 400 KV Ranchi Sub-station site. He further requested to condone the delay and allow the tariff as claimed in the petition;
- d) Additional capital expenditure of ₹105.87 lakh, ₹1336.70 lakh and ₹572.88 lakh for Asset-I and ₹149.04 lakh, ₹5196.00 lakh and ₹3463.99 lakh for Asset-II has been proposed during 2013-14 (COD till 31.3.2014) COD to 31.3.2014, during 2014-15 and 2015-16 respectively on account of balance and retention payments;
- e) The cost over-run is mainly on account of increase in compensation offered, increase in route length and due to higher award cost received in competitive bidding compared to the initial estimates. Further, FR cost is based on the average of last 3 LOAs and bids received and the quotes submitted by the contractor were based on the market conditions. Detailed reasons for cost was submitted in the petition and further vide affidavit dated 16.11.2015;
- f) In case of Asset-I, the line length has increased. On account of urbanisation of Ranchi, rerouting had to be done. The length of the transmission line increased from 55 km to 77 km due to re-routing and accordingly, the cost of



the transmission line increased;

- g) Revised cost estimate (RCE) is under approval and shall be submitted upon approval by the competent authority; and
- h) Actual expenditure up to March, 2014 has been submitted vide affidavit dated 16.11.2015. The transmission tariff of the instant assets for the 2009-14 block may be trued up as the actual expenditure upto March, 2014 has already been submitted.

2. In response to the Commission's query regarding completion cost of the instant assets, the representative of the petitioner submitted that estimated completion cost of Asset 1 and 2 as on 31.3.2014 is ₹17765.25 lakh and ₹6839.13 lakh respectively and the Auditor Certificate in this regard has been submitted vide affidavit dated 14.11.2015.

3. The Commission further observed that as the petitioner has filed the actual expenditure upto 31.3.2014, the tariff for the instant assets for the period 2009-14 will be decided based on actual expenditure incurred. The Commission observed that in the light of the petitioner's request there will not be any need for a separate truing up petition in support of these assets.

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

By order of the Commission

Sd/-
(V. Sreenivas)
Dy. Chief (Law)

