

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Review Petition No. 21/RP/2015

in

Petition No. 300/TT/2013

Coram:

Shri Gireesh B. Pradhan, Chairperson

Shri A.K. Singhal, Member

Shri A.S. Bakshi, Member

Dr. M.K. Iyer, Member

Date of Hearing: 19.11.2015

Date of Order : 21.12.2015

In the matter of:

Review under Regulation 103 (1) of Central Electricity Regulatory Commission (Conduct of Business) Regulations, 1999 of order dated 13.8.2015 in Petition No.300/TT/2013 in the matter of approval of transmission tariff for System Strengthening Scheme in Northern Region for Sasan and Mundra UMPPs for tariff block 2009-14.

And

In the matter of

Power Grid Corporation of India Limited,
Saudamini, Plot No. 2,
Sector 29, Gurgaon-122001
Haryana

.....**Petitioner**

Vs

1. Himachal Pradesh State Electricity Board,
VidyutBhawan, Kumar House Complex Building II,
Shimla- 171 004.
2. Punjab State Power Corporation Limited



Thermal Shed TI A
Near 22, Phatak
Patiala-147 001.

3. Haryana Power Purchase Centre,
Shakti Bhawan, Sector-6,
Panchkula (Haryana)-134 109.
4. Power Development Department,
Janipura Grid Station,
Jammu (Tawi) 180 007
5. UP Power Corporation Ltd.,
10th Floor, Shakti BhawanExtn.
14, Ashok Marg,
Lucknow- 226 001.
6. Delhi Transco Ltd.,
Shakti Sadan, Kotla Road,
New Delhi- 110 002.
7. Chandigarh Administration,
Sector-9, Chandigarh-160 009.
8. Uttarakhand Power Corporation Ltd.,
Urja Bhawan, Kanwali Road,
Dehradun- 248 001.
9. Rajasthan Power Procurement Centre,
Vidyut Bhawan, VidyutMarg,
Jaipur- 302 005.
10. Ajmer Vidyut Vitran Nigam Ltd.,
400 kV GSS Building (Ground Floor), Ajmer Road,
Heerapura, Jaipur-302 024.
11. Jodhpur Vidyut Vitran Nigam Ltd.,
400 kV GSS Building (Ground Floor), Ajmer Road,
Heerapura, Jaipur-302 024.
12. Jaipur Vidyut Vitran Nigam Ltd.,
400 kV GSS Building (Ground Floor), Ajmer Road,



Heerapura, Jaipur-302 024.

13. North Central Railway,
Allahabad - 211 003.

14. BSES Yamuna Power Ltd.,
BSES Bhawan, Nehru Place,
New Delhi- 110 019.

15. BSES Rajdhani Power Ltd.,
BSES Bhawan, Nehru Place,
New Delhi- 110 019.

16. North Delhi Power Ltd.,
Power Trading & Load Dispatch Group,
Cennet Building, Adjacent to 66/11kV Pitampura-3,
Grid Building, Near PP Jewellers,
Pitampura, New Delhi-110 034.

17. New Delhi Municipal Council,
Palika Kendra, Sansad Marg,
New Delhi-110 002.

.....**Respondents**

For petitioner : Ms. Swapna Seshadri, Advocate, PGCIL
Shri S.S. Raju, PGCIL

Order

This review petition has been filed by Power Grid Corporation of India Limited (PGCIL) seeking review of the order dated 13.8.2015 in Petition No. 300/TT/2013 (hereinafter “the impugned order”). In the impugned order, the Commission determined the transmission tariff for (a) Asset A consisting of 400 kV D/C Quad Agra Sikar transmission line and (b) Asset B consisting of 2 nos. 400 kV line bays for 400 kV D/C Agra-Sikar line including 2nos. 50 MVAR line reactors under bus reactor operation



mode at 400/220 kV Sikar Sub-station for System Strengthening Scheme in Northern Region for Sasan and Mundra UMPPs for 2009-14 tariff period under the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2009 (hereinafter referred to as “2009 Tariff Regulations”).

2. The petitioner has filed the instant review petition seeking review of the Commission’s decision in the impugned order regarding the date of commercial operation of Asset-B and time over-run in case of Assets-A and B.

3. We would deal with the above said aspects in the following paragraphs.

Date of commercial operation of Asset B

4. The petitioner had in the original petition claimed the COD of 2 nos. 400 kV line bays for 400 kV D/C Agra-Sikar line including 2 nos. 50 MVAR line reactors as 1.8.2013 and the COD of 400 kV D/C Agra-Sikar Transmission Line as 1.1.2014. The Commission in the impugned order observed that that the petitioner had not submitted technical justification for using the line reactors as bus reactor in a radial system without commissioning the Agra-Sikar and Sikar-Ratangarh transmission lines. Regarding the lack of technical justification, the Commission observed as under:

“13.....The petitioner has not submitted the voltage profile at Sikar Sub-station before commissioning of 2x50 MVAR line reactors and the status of 80 MVAR bus reactors each at Sikar and Neemrana. Similarly, the tap position of ICTs at Sikar Sub-station has not been submitted by the petitioner, which is essential to control the voltage as the system commissioned by the petitioner was in radial mode. Usually, operational issues like use of line reactors as bus reactors are discussed in the OCC meeting of NRPC. However, the petitioner has not submitted any documentary proof to show that the



problem of over voltage at Sikar Sub-station was discussed in the RPC leading to use of line reactors as bus reactor.”

In view of the above reasons, the Commission did not accept the COD of the line reactors and line bays as 1.8.2013 and decided that their COD shall be the same as the COD of 400 kV D/C Agra-Sikar Transmission Line as 1.1.2014. The petitioner was however given liberty to raise the issue of COD of the line reactors and line bays at the time of truing up as under:-

“.....However, the petitioner is at liberty to submit a detailed rejoinder to the issues raised by PSPCL in its replies, voltage profile of Sikar Sub-station from 1.6.2013 to 31.8.2013, status of bus reactor along with tap position of ICTs at Sikar&Neemrana Sub-stations and details of capital cost of Asset-B as on 1.1.2014 at the time of truing-up petition for a review by the Commission.”

5. Instead of raising the issue at the time of true up petition as per the liberty granted, the review petitioner has sought review by submitting as under:-

(a) The voltage profile of Sikar Sub-station from February, 2013 to September, 2013 has been placed on record. Based on the voltage profile, the review petitioner has submitted that the voltage profile of Sikar Sub-station was more than 420 kV during the said period for varying periods and it varied from 19% in June to 51% between April 2013 and August, 2013. The Review Petitioner has submitted that even after commissioning of 50 MVAR Reactor at Sikar Sub-station, the voltage of Sikar Sub-station was exceeding the maximum voltage limit and had the reactors not been installed, the voltage at Sikar Sub-station would have been more.



(b) The review petitioner has submitted that Power System Operation Corporation Limited (POSOCO) vide letter dated 20.11.2012 requested all to use line reactors as bus reactors to avoid the over-voltages to maintain the Grid stability and security. A copy of the POSOCO's letter has been placed on record. The Review Petitioner has submitted that in view of the suggestion of POSOCO and high voltage conditions at Sikar, Asset-B was commissioned and declared under commercial operation on 1.8.2013.

(c) The petitioner has also submitted the OLTC Tap position of ICT-1 and ICT-2 at Sikar from February, 2013 to January, 2014 at Sikar Sub-station.

6. We have considered the submissions of the Review Petitioner. In the impugned order, the COD of the 2 nos. 400 kV line bays for 400 kV D/C Agra-Sikar line including 2 nos. 50 MVAR line reactors has been recognized as 1.1.2014 in place of 1.8.2013 as claimed by the Review Petitioner. However, liberty was granted to the Review Petitioner to submit technical justification at the time of truing up which means that the date of commercial operation decided in the impugned order in respect of line bays and line reactors were tentative on which a final decision was to be taken at the time of truing up. Therefore, we do not find any error in the impugned order as the interest of the Review Petitioner with regard to the COD of the line reactors and line bays have been protected to be considered at the time of truing up. It is however noticed that in para 24 of the impugned order the Commission has not condoned the time overrun of



11 months in respect of Asset B reckoning the COD of Asset B as 1.8.2013. In view of the fact that COD of Asset B has been recognized as 1.8.2013 for the purpose of time overrun and IDC has been calculated accordingly, we are of the view that there is an apparent error on the face of the record. Considering the justifications given by the Review Petitioner in support of its claim for COD of the line reactors and line bays as 1.8.2013, the COD of Asset B is accepted as 1.8.2013 in place of 1.1.2014. The Review Petitioner is directed to submit the capital cost of the line reactors and line bays of Asset B as on 1.8.2013 at the time of truing up.

Time over-run in case of Asset A and B

7. The second aspect on which review has been sought is the time overrun. The Investment Approval (IA) to the transmission project was accorded by the Board of Directors of the petitioner dated 10.12.2009. The project was scheduled to be completed within 32 months from the date of investment approval i.e. by 9.8.2012. As per the petitioner, Asset-A and Asset-B were commissioned on 1.1.2014 and 1.8.2013 respectively. Thus, there is a delay of 16 and 11 months in commissioning the assets. In case of Asset A, the Commission condoned the delay of 4 months out of 16 months and in case of Asset B, the delay of 11 months was not condoned. The main reasons for not condoning the delay were as under:-

- (a) The MoEF circulars dated 4.5.2001 and 5.2.2009 and the Hon'ble Supreme Court's judgement dated 28.3.2008, advising use of forest land in National Parks and Wild life areas only in totally unavoidable circumstances, were in existence much



prior to the Investment Approval of the instant project dated 10.12.2009. The petitioner should have been aware at the time of planning the project that the instant line passes through the Sariska Tiger Sanctuary and should have taken cognizance of the judgement of the Hon'ble Supreme Court and the circulars issued by MoEF.

(b) The petitioner has not explained why there was a huge gap between the date of investment approval and the date of applying for NoC from NHAI and Railways. Once it is known that the transmission will cross the highways and railways, the petitioner should have made efforts from the beginning that necessary approval are in place and the project is executed in time.

8. The review petitioner has submitted the following justification for time over-run in commissioning of the assets:-

a) During final/check survey in early 2011, it was informed by the forest officials, Sariska Sanctuary that the route envisaged by the petitioner, which was passing through revenue land, is in the process of being notified as a buffer zone of Sariska Tiger Reserve (which was later notified vide Notification dated 9.7.2012). This necessitated immediately rerouting of line to avoid additional cost as well as indefinite delay in obtaining approval from National Board for Wildlife (NBWL) and Hon'ble Supreme Court. Accordingly, three alternative routes were surveyed in association with Forest Officials and in July, 2011, the shortest line route was finalized;



- b) ROW is very critical and routes are always subjected to change at the last moment because of ROW constraint. Therefore, Railway line crossing proposal are preferred to be submitted only after the adjacent spans are almost finalized. As such, Railway crossings are to be done as a last activity. Accordingly, the proposal of Railway crossings is submitted at appropriate time normally after finalization of adjacent sections;
- c) The normal timeframe for giving the clearances for crossing by the National Highway and Railways is 5 to 8 months from the submission of the application. The petitioner had applied for the clearances/NOC from NHAI and Railways between April, 2011 to October, 2011 (except for Single Broad gauge Agra Bateshwar Track & Alwar-Mathura Broad Gauge) well ahead of the scheduled COD i.e., September, 2012. However, the NOC in most of the cases have been received after more than 16 months;
- d) In case of National Highway-8, the petitioner applied for NOC on 1.6.2011 and after lots of persuasion from the concerned authorities NOC was given on 3.10.2013. NHAI issued NOC after 27 months. However, as per the normal practice the NOC should be granted within 5 to 8 months. NHAI took extra 19 months in granting NOC;
- e) Simultaneously, the petitioner had submitted the proposal to NHAI to issue NOC for NH-11 (Agra- Jaipur Highway) on 10.1.2012 and NOC was received on 7.8.2012. Time taken for this is around 7 months. Further, the petitioner sought



the NOC for overhead crossing of transmission line on NH-03 (Agra-Gwalior Highway) on 12.9.2012 and got NOC on 15.5.2013. Time take for this is around 8 months; and

- f) Despite the delay in obtaining the NOC/clearances from NHAI and Railways, which were beyond the control of the petitioner, the line could be completed with a delay of 16 months because of the vast experience and prudence of the petitioner.

9. We have considered the submissions of the petitioner regarding time over-run in case of Assets A and B. The petitioner has submitted that the huge gap between the date of investment approval and the date of applying for clearance from the railway authorities and NHAI was on account of the fact that the final route alignment took place in July, 2011. As regards the reason for time taken for final reroute alignment, the review petitioner has submitted that the originally envisaged route was passing through the revenue land which was in the process of being notified as a buffer zone of Sariska Tiger Reserve at that point of time and was actually notified on 9.7.2012. The decision of the forest authorities to notify the revenue land as buffer zone necessitated rerouting of the transmission line which passed through national highways and railway crossing and required permission from the concerned authorities. In this connection, the petitioner has submitted that the details of reasons for delay due to national highways and railway crossing were submitted vide affidavit dated 30.6.2014 (Annexure-I) which has not been considered. The petitioner has also submitted letters dated 1.6.2011 and



10.1.2011 addressed to NHAI, Jaipur (Annexure-J and K) and letter dated 12.9.2012 addressed Project Director, Gwalior(Annexure L) in support of contention that the review petitioner has been monitoring with NHAI for approval. We have perused the affidavit dated 30.6.2014 and Annexures J, K and L. All these documents have been taken into consideration in para 23 of the impugned order. Therefore, the review of the impugned order sought by the Review Petitioner on account of non-consideration of the affidavit dated 30.6.2014 and Annexures J,K and L cannot be sustained. The petitioner has also placed on record letters dated 24.2.2009 and 4.11.2009 addressed to Dy. Conservator of Forests Department, Sariska District, Alwar and Conservator of Forests, Jaipur respectively. The letter dated 24.2.2009 seeks the status of the forest land from the Dy. Conservator of Forests as per the route alignment of 400 kV D/C Agra-Sikar line. Through the letter dated 4.11.2009, the petitioner has submitted the proposal for forest clearance for an area of 4.7656 hectares of forest land which is covered under the corridor of 400 kV Agra-Sikar line. All these documents do not explain the reasons for not taking up the matter with NHAI prior to 18.7.2011 and with railway authorities prior to 2011. Moreover, the letters dated 24.2.2009 and 4.11.2009 were in the possession of the petitioner and were not produced in the main petition. Further, these letters do not substantiate the claim of the petitioner that the revenue land falling under the originally envisaged route was subsequently changed to buffer zone for Sariska Wildlife Sanctuary. In our view, there is no error apparent on the face of record and therefore the review on this ground is not admitted.



10. In view of the above discussion, issues raised in the review petition are decided as under:-

(a) The impugned order is modified to the extent that COD of Asset B shall be considered as 1.8.2013 instead of 1.1.2014 since the petitioner has submitted technical justification for using line reactors as bus reactors in terms of the liberty granted to it. IDC has been calculated by taking the COD of Asset B as 1.8.2013 and the Review Petitioner shall submit the capital cost of Asset B as on 1.8.2013 at the time of truing up.

(b) The review sought in respect of time overrun is rejected as some of the documents produced in review (affidavit dated 30.6.2014 and Annexures J, K and L) have been considered in the impugned order and other documents (letters dated 24.2.2009 and 4.11.2009) were in the possession of the Review Petitioner at the time of issue of impugned order but were not produced in the main petition and are not relevant for deciding the issue of time overrun.

11. Review Petition is disposed of at the admission stage in terms of the above.

-sd-

(Dr. M. K. Iyer)
Member

-sd-

(A.S. Bakshi)
Member

-sd-

(A. K. Singhal)
Member

-sd-

(Gireesh B. Pradhan)
Chairperson

