Subject: Petition for determination of transmission tariff from COD to 31.3.2019 for four no. of assets under Eastern Region Strengthening Scheme-V (ERSS-V) in Eastern Region.

Date of Hearing: 13.7.2020

Coram: Shri. I.S. Jha, Member
Shri Arun Goyal, Member

Petitioner: Power Grid Corporation of India Ltd. (PGCIL)

Respondents: Bihar State Power Holding Company Limited (BSPHCL) & Ors.

Parties Present: Shri Navin Prakash, Advocate, BSP(H)CL
Shri S.S. Raju, PGCIL
Shri Zafrul Hasan, PGCIL
Shri A.K Verma PGCIL
Shri V.P Rastogi PGCIL
Shri B. Dash, PGCIL

Record of Proceedings

The matter was heard through video conference

2. The representative of the Petitioner submitted that the instant petition has been filed for determination of transmission tariff from COD to 31.3.2019 in respect of the following assets under Eastern Region Strengthening Scheme-V (ERSS-V) in the Eastern Region:-

(a) Asset-I: LILO of 400 kV SIC Subhasgram-Jeerat Transmission Line and associated bays at Rajarhat, 01 no. 400/220 kV 500 MVA ICT (151) and associated bays along with 04 nos. 220 kV line bays at Rajarhat GIS;
(b) Asset-II: 2 nos. 400 kV 80 MVAR Switchable Line Reactors (charged as Bus Reactors) along with associated bays at 400 kV Purnea Sub-station;
(c) Asset-III: 125 MVAR Bus Reactor (1st) and associated bay at Rajarhat GIS, and
(d) Asset IV: 125 MVAR Bus Reactor (2nd) and associated bay at Rajarhat GIS.
3. The representative of the Petitioner submitted that tariff for the instant assets was earlier claimed in Petition No. 44/TT/2017 on the basis of anticipated CODs. As the assets were not put into commercial operation on the anticipated dates, the Commission vide order dated 23.7.2018 directed the Petitioner to file a fresh petition after the assets are put into commercial operation. The Petitioner has now declared the commercial operation of Assets-I, II, III and IV on 3.2.2019, 1.11.2018, 24.3.2019 and 31.3.2019 respectively after a time over-run of 32-35 months and has filed the instant petition. The time over-run was due to serious RoW (Right of Way) issues at Rajarhat Sub-station. Time over-run in case of Assets-I, III and IV was due to the law and order problems, ROW issues which resulted in obstruction of work, excessive demand for of compensation, manhandling in and around Rajarhat Sub-station etc. In case of Asset-II, it was mainly due to RoW issues as a result of which the 400 kV D/C Rajarhat-Purnea Transmission Line has not yet been completed. He submitted that due to time over-run, there has been increase in IDC. He further submitted that there is a cost over-run in comparison to approved FR capital cost and the reasons for cost over-run have been submitted in the petition in Form-5.

4. The representative of the Petitioner submitted that originally the 2 nos. of 80 MVAR Switchable Line Reactors (SLR) were envisaged to be executed alongwith the 400 kV D/C Rajarhat-Purnea Transmission Line. Since the completion of the Rajarhat-Purnea transmission line was getting delayed and there was frequent over-voltage problem at 400/220 kV Purnea Sub-station, it was agreed in the 149th OCC held on 24.9.2018 that 2 nos. of 80 MVAR SLR at Purnea Sub-station should be charged as Bus Reactors to cope up with the over voltage at 400/220 kV Purnea Sub-station. Accordingly, these 2 nos. of 80 MVAR SLR were charged as Bus Reactors and were put into commercial operation w.e.f. 1.11.2018. Later, this arrangement was ratified in the 39th ERPC meeting held on 17.11.2018. He submitted that a detailed chronology of events responsible for delay in completion of the subject assets has been given in the petition and requested to condone the entire time over-run.

5. Learned counsel for BSP(H)CL submitted that the time over-run in declaring the commercial operation of subject assets should be not condoned as it is attributable to the Petitioner. He further submitted that the claim of the Petitioner in the petition with respect GST is pre-mature and same may be disallowed. He also sought two weeks’ time to file a reply.

6. The Commission directed the Petitioner to submit the following information on an affidavit with advance copy to the Respondents by 11.8.2020:-

   a) Year wise and Asset wise discharge statement of Initial Spares and IEDC for Assets-I, II, III and IV.
   b) Legible copy of Auditor’s certificate for Asset-II.
   c) In case of Asset-I, foreign loan IBRD V (COD loan 4) and SUMITOMO MITSUI JPY- ADD CAP Loan 1 mentioned in Form-9C is not included in IDC statement. The reasons may be given alongwith supporting documents for both the foreign loans.
d) Clarification regarding the name and mismatch of the loan amount of SBI mentioned in IDC statement and Form-9C in case of Asset-II which shows a difference of ₹53.23 lakh.

e) In case of Assets-III and IV there is difference of ₹45.55 lakh and ₹37.38 lakh respectively in SBI loan amount as per IDC statement and Form 9C. This may be clarified.

f) Details of year-wise discharge of the Initial Spares.

g) CPM & PERT Chart based on actual COD for all the assets covered in the instant petition.

h) Detailed reasons for time over-run with correspondence exchanged, if any, and chronology of the time over-run along with documents in the following format:-

<table>
<thead>
<tr>
<th>Asset</th>
<th>Activity</th>
<th>Period of activity</th>
<th>Time over-run</th>
<th>Reason(s) for time over-run</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Planned</td>
<td>Achieved</td>
<td></td>
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<tr>
<td></td>
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<td>From</td>
<td>To</td>
<td>From</td>
</tr>
</tbody>
</table>

Land Acquisition

LOA

Supplies (Structure, equipment's, etc.)

Civil works & Erection

Testing & commissioning

Any other Activities for time over-run , if any

7. The Commission directed the Respondents to file their reply by 4.8.2020 and the Petitioner to file rejoinder, if any, by 11.8.2020. The Commission also directed the parties to comply with the directions within the specified timelines and further observed that no extension of time shall be granted.

8. Subject to the above, the Commission reserved the order in the matter.

By order of the Commission

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