

**Before**  
**UTTARAKHAND ELECTRICITY REGULATORY COMMISSION**  
**Petition No. 19 of 2023 (Suo-moto)**

**In the matter of:**

Show Cause Notice-cum-Notice for Personal Hearing under Section 142 read with Section 149 of The Electricity Act, 2003, in the matter of non-compliance to Commission's Orders/directions with regard to delay in commissioning of 220 kV Baram Sub-station and its associated line.

**And**

**In the matter of:**

Managing Director, Power Transmission Corporation of Uttarakhand Ltd. (PTCUL)

... Respondent

**Coram**

**Shri D.P. Gairola, Member-Chairman (I/c)**

**Shri M. K. Jain, Member (Technical)**

**Date of Hearing: April 13, 2023**

**Date of Order: April 28, 2023**

**ORDER**

This Order relates to the Show Cause Notice-cum-Notice issued to MD, PTCUL (hereinafter referred to as "Respondent" or "MD, PTCUL") for Personal Hearing under Section 142 read with Section 149 of The Electricity Act, 2003, in the matter of non-compliance to Commission's Orders/directions with regard to delay in commissioning of 220 kV Baram Sub-station and its associated line.

## **1. Background**

- 1.1 The Commission vide its letter dated 25.03.2023 issued a show cause notice to MD, PTCUL, wherein the Commission had observed that despite investment approval dated 25.10.2016, being granted to Power Transmission Corporation Ltd. (PTCUL), for construction of 2x25 MVA, 220/33 kV Baram (Jauljivi) alongwith its LILO line of one circuit 220 kV Dhauliganga-Pithoragarh (PGCIL), the substation has not been charged till date i.e. even after a lapse of more than 5 years and thus, the Commission decided to initiate suo-moto proceedings against PTCUL.
- 1.2 On the assurance given by MD, PTCUL that said sub-Station shall be energized by December 2022 during the review meeting of approved capital works of PTCUL held on 19.05.2022, the Commission vide letter dated 29.06.2022, decided to stay the suo-moto proceedings against PTCUL, however, only with a condition that PTCUL shall energize the sub-Station by the target date i.e. December 2022, failing which, suo-moto proceedings shall starts afresh in the matter.
- 1.3 On the basis of the Progress Report submitted for the month of November 2022 & December 2022 by PTCUL, the Commission observed that no progress had been achieved with respect to the construction of associated LILO line.
- 1.4 The Commission taking cognizance of repeated non-compliance of its Orders/directions, subsequent reminders issued in the matter and misleading the Commission by frequently changing the Scheduled Completion Date (CoD) of the S/s and its associated line, the Commission decided to initiate a suo-moto proceeding against MD, PTCUL in accordance with the provisions of Section 142 read with Section 149 of The Electricity Act, 2003.
- 1.5 Accordingly, the Commission issued a Show Cause Notice-cum-Notice to MD, PTCUL to personally appear before the Commission on 14.03.20223 at 11:30 AM.
- 1.6 On the request of MD, PTCUL the said Personal hearing was re-scheduled for 13.04.2023.

1.7 PTCUL vide its letter dated 03.03.2023 submitted the reply to the show cause notice under affidavit before the Commission. The hearing in the matter was held on 13.04.2023 during which PTCUL submitted additional documents/information for consideration of the Commission.

## **2. Submission by Respondent**

2.1 At the outset MD, PTCUL admitted to gross laxity on the part of PTCUL which led to the delay in construction of LILO line of 220 kV Baram S/s. MD, PTCUL submitted that certain factors like delay in receiving forest clearance, lockdown during Corona 1<sup>st</sup> and 2<sup>nd</sup> wave, road blockages due to construction of all-weather road, heavy monsoon season etc. also contributed to the delay in construction of LILO of one circuit of 220 kV Dhauliganga- Pithoragarh (PGCIL) line at 220 kV Baram S/s.

2.2 MD, PTCUL informed the Commission that in the 35<sup>th</sup> and 36<sup>th</sup> 'Power System Planning of Northern Region' meeting held on 03.11.2014 and 13.07.2015 construction of 220 kV GIS Baram S/s was agreed as follows:

### **Phase-1**

Construction of 220/33 kV S/s Baram by LILO of one circuit of 220 kV Dhauliganga- Pithoragarh (PGCIL) line at 220 kV Baram S/s.

### **Phase-2**

- (i) 220 kV Baram S/s under Phase-2 to be connected to Jauljivi (ISTS) 400/220 kV S/s through 220 kV line (line and the S/s shall be under the scope of PTCUL).
- (ii) The existing link of Dhauliganga- Pithoragarh (PGCIL) line at 220 kV Baram S/s would be disconnected.

2.3 MD, PTCUL informed that PGCIL vide its letter dated 02.12.2021 stated that, since 400 kV GIS S/s shall be ready by January 2022, PTCUL should connect the associated line of 220 kV Baram S/s at 400 kV GIS S/s Jauljivi (PGCIL).

2.4 It was informed by MD, PTCUL that the consent for connecting 220 kV GIS Baram S/s directly to 400 kV S/s Jauljivi (PGCIL) was granted in 80th BoD meeting dated 22.07.2022.

- 2.5 MD, PTCUL further informed that subsequent to the above consent of the BoD, common route of 220 kV LILO of Dhauliganga-Pithoragarh line (Loc. No. 1 to Loc. No. 26) was to be carried out by the existing contractor M/s Drake & Skull Water & Energy India Pvt. Ltd. MD, PTCUL submitted that on the assurance of the contractor that the balance work from Loc. No. 1 to Loc. No. 26 shall be completed within 04 months from the date of award of time extension, PTCUL awarded 3rd time extension to the contractor on 10.03.2023, however, the contractor has not submitted its acceptance of the 3rd time extension order issued by PTCUL till date. Contractor is neither responding to any communication from PTCUL nor is attending the meetings called upon by PTCUL, which shows that the contractor is not interested in doing the work. MD, PTCUL informed that BG of the contractor has been encashed and contract agreement with contractor has been terminated.
- 2.6 For the diverted route work from Loc. No. 27 to 400 kV S/s Jauljivi (PGCIL), MD, PTCUL informed that a separate tender has been floated on 13.03.2023.
- 2.7 MD, PTCUL further averred that the firm of the contractor has been admitted under Hon'ble National Company Law Tribunal, ("NCLT") and that management and control of M/s Drake & Skull Water & Energy India Pvt. Ltd. has been taken over by M/s PEEI GmbH, Germany.
- 2.8 MD, PTCUL informed the Commission that a separate forest proposal for the diverted line has been prepared by PTCUL and submitted to DFO, Pithoragarh vide letter dated 03.04.2023 which has been forwarded to Forest Conservator, North Kumaon Circle, Almora on 06.04.2023.
- 2.9 MD, PTCUL assured the Commission that the work on the line shall be done on war-footing and every effort shall be made to energise the line by November,2024.

### **3. Commission Observations, View & Decision**

- 3.1 Investment Approval for construction of 2x25 MVA, 220/33 kV Baram (Jauljivi) alongwith its LILO line of one circuit 220 kV Dhauliganga-Pithoragarh (PGCIL), was accorded by the Commission on 25.10.2016,

wherein, PTCUL had *inter-alia* prayed that the proposed 220 kV substation Baram (Jauljivi) and its associated 220 kV LILO line would improve the voltage, reliability and quality of power supply in Jauljivi and nearby areas and shall also facilitate evacuation of Power from identified/proposed SHPs in the region.

- 3.2 The Commission observes that there has been almost more than 06 years since the Investment Approval was accorded by the Commission, however, to this date, the 220 kV S/s Baram has not been charged. Further, the Commission has been monitoring the progress of 220 kV Baram S/s since 7<sup>th</sup> Co-ordination Forum meeting held on 12.12.2019 wherein PTCUL assured the Commission that the Baram S/s shall positively be commissioned by May 2020. In the said co-ordination Forum meeting it was recorded that:

*“2... The Commission expressed its displeasure over frequent revision of completion date of the sub-station which was previously stated as August 2019 and now it has been advanced to May 2020. With regard to its associated 220 kV line, it was informed by PTCUL that out of overall 39 towers, plinth work of 6 nos. towers is in progress and the contractor has been directed to increase the manpower so that the work of the line is completed by the aforesaid scheduled date i.e. May 2020. The Commission advised PTCUL to augment manpower of contractor, in a scientific manner, keeping in view the quantum of balance work and the scheduled date of completion.”*

- 3.3 The Commission in its Order dated 30.06.2021 in the matter of Petition filed by M/s Himalaya Hydro Pvt. Ltd. seeking directions to UPCL to ensure efficient and effective evacuation of power from the Petitioner's Motighat (5MW) and Tanga (5MW) small hydro plants using 33/11 kV Darati Sub-station had very categorically expressed displeasure over the negligent approach of PTCUL and had stated that:

*“Notwithstanding the above, the Commission observes that, the investment approval for 220 kV/33 kV Baram Sub-station was accorded by the Commission on 25.10.2016. PTCUL in the 7th Co-ordination Forums meeting (Supra) had given May 2020 as the date for Commissioning of the Baram Substation, however,*

*PTCUL has now in its submission before the Commission revised the commissioning date to April 2022. It has been almost 5 years since the Investment Approval was accorded by the Commission. Non commissioning of 220 kV sub-station has led to the instant dispute and evacuation of cheap RE power from 5MW Suringad SHP is being affected. The sufferers are the consumers of the State who are bereft of cheap RE power and also the Distribution Licensee i.e., UPCL who shall now have to procure expensive power from the grid together with RE certificates to fulfil its Renewable Purchase Obligation. This is disheartening that nearly all the projects being undertaken by PTCUL are getting delayed much beyond the expected completion date. Delay in completion of projects has wide ranging repercussions affecting all the stakeholders, be it the Distribution Licensee, IPPs or the State generating company. The Commission believes that PTCUL as a Transmission Licensee of the State has failed miserably in providing an efficient, coordinated and economical intra-State transmission system as stipulated in Section 40 of the Electricity Act, 2003. The Commission has taken a serious view over the lackadaisical approach of PTCUL and warns that in future PTCUL may have to bear the consequences of any losses accruing either to UJVN Ltd./IPPs/UPCL due to its negligent approach leading to delayed commissioning of any of its transmission projects."*

3.4 In the aforesaid order dated 30.06.2021 the Commission had directed PTCUL to:

*"..*

*(ii)...submit, **under affidavit**, a compressed project execution schedule/programme considering completion time **not later than December 2021**, in the form of Pert-CPM Chart with respect to completion of 220 kV Baram Sub-station and its associated line before the Commission within 15 days of the issuance of this Order. PTCUL shall submit on regular basis monthly progress report of 220 kV Baram Substation and its associated 220 kV line by 7th of the following month positively to the Commission."*

**Emphasis added**

3.5 In compliance to the Commission's Order dated 30.06.2021, PTCUL under affidavit submitted Pert chart showing timelines for connecting 220 kV Baram

S/s to 400 kV PGCIL S/s Jauljivi. Overlooking the directions of the Commission to compress the completion time not later than December 2021, PTCUL in the said Pert chart itself extended the date of commissioning of Baram S/s alongwith its associated LILO line to April 2022, which too was not met. Since then, PTCUL has been continuously revising the CoD of the S/s and has not even honoured the date proposed by it in the affidavit submitted before the Commission. As a result, the 220 kV sub-station, Baram is yet to see the light of day. This has led to many disputes and litigation before the Commission. In fact, evacuation of cheap RE power from UJVN Ltd's 5 MW Suringad SHP is being stranded till date and has eventually resulted in loss to the consumers of the State who are bereft of cheap RE power.

3.6 The Commission in its letter dated 12.01.2022 to MD, PTCUL had stated:

*"...On examining the progress reports submitted by PTCUL the progress of the said line as on 31.03.2020 has been shown as 54% whereas the progress upto 31.12.2021 has been shown as 57%. The mere progress of 3% shows that there is no construction activity on the said line for the last almost two years. This is the clear violation of the orders of the Commission dated 30.06.2021 vide which Commission had directed PTCUL to schedule/program its activities such that the 220 kV Baram sub-station could be charged by 31.12.2021. The Commission in the said order had directed UPCL not to give connectivity to UJVN Ltd's Suringad SHP to 33/11 kV Darati sub-station till 220 kV Baram sub-station alongwith associated line is ready for evacuation. The delay in commissioning of Baram sub-station is affecting evacuation of cheap RE power from 5 MW Suringad SHP which is a national loss. The sufferers are the consumer of the State who are bereft of cheap RE power.*

*The Commission has taken a serious view over the lackadaisical approach of PTCUL and directs PTCUL to submit cogent reasons for such slow progress on the aforesaid line and submit its **reply by 31.01.2022.**"*

3.7 MD, PTCUL submitted that there have been issues with the contractor and some other clearance/approval issues, which have led to the delay in construction of the 220 kV Baram S/s. The Commission is not satisfied with

this submission of MD, PTCUL and believes that this delay in the matter cannot be ascribed to the defaults by contractor alone, there has been laxity on part of PTCUL in granting time extension to the contractor for completion of work. Request for 2<sup>nd</sup> time extension was made by the contractor on 13.07.2021 which was accorded by PTCUL on 26.03.2022 i.e. after almost 8 months.

- 3.8 PTCUL being the State Transmission Utility is bound to ensure development of an efficient, coordinated and economical system of intra-State transmission lines for smooth flow of electricity from a generating station to the load centers as per Section 39 of the Electricity Act, 2003. Gross negligence and laxity on part of PTCUL has caused much inconvenience to the Stakeholders of the power sector of the State be it the Distribution Licensee, IPPs or the State generating company. If PTCUL had completed the aforesaid sub-station in time, power evacuation from Suringad SHP of UJVNL would have started by now. Though we have been continuously pulling up PTCUL to improve its working over the years, but nothing has changed so far. Almost all the capital work approved by this Commission are running late resulting in cost overrun hence, the increase in cost ultimately devolves on the consumers of the state. The State power sector is helplessly facing the brunt of the irresponsible attitude of PTCUL which is highly reprimandable.

Notwithstanding the above, the Commission has taken note of the fact that MD, PTCUL has recently taken over the charge, hence, taking a stringent penal action against him, may not be fair at this stage. Therefore, taking a lenient view, the Commission refrains from taking a penal action as of now in the matter and hereby directs MD, PTCUL:

- (i) To submit, under affidavit, a project execution schedule/programme considering completion time as November 2024 (as proposed by MD, PTCUL himself), in the form of Pert-CPM Chart with respect to completion of 220 kV Baram Sub-station and its associated line (LoC No. 1 to 26 and LoC No. 27 to 400 kV GIS S/s PGCIL, Jauljivi) before the Commission within 15 days of the issuance of this Order. PTCUL shall submit on regular basis monthly progress report of 220 kV Baram



Substation and its associated 220 kV line (LoC No. 1 to 26 and LoC No. 27 to 400 kV GIS S/s PGCIL, Jauljivi) by 7<sup>th</sup> of the following month positively to the Commission.

- (ii) The Commission hereby gives last opportunity to PTCUL to commission 220 kV S/s Baram and its associated line latest by November 2024, failing which the Commission may levy a penalty under the provisions of Section 142 read with Section 149 of the Electricity Act, 2003.

Ordered Accordingly.

**(M. K. Jain)**  
**Member (Technical)**

**(D.P. Gairola)**  
**Member (Law)-Chairman (I/c)**