

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Coram:

- 1. Dr Pramod Deo, Chairperson**
- 2. Shri Bhanu Bhushan, Member**
- 3. Shri R.Krishnamoorthy, Member**
- 4. Shri S.Jayaram, Member**

Petition No. 150/2008

In the matter of

Determination of provisional transmission tariff up to DOCO for (i) 400 kV Jalandhar-Ludhiana transmission line with associated bays, 400 kV Ludhiana-Malerkotla transmission line with associated bays, 80 MVAR Bus Reactor, 315 MVA, 400/220/33 kV ICT-I along with associated bays at Ludhiana sub-station (ii) 220 kV Lalton Kalan I and II line bay, 220 kV Jagraon line bay, 315 MVA, 400/220/33 kV ICT-II, 400 kV ICT-II Malerkotla transmission line tie bay, 400 kV ICT-I Patiala transmission line tie bay, 400 kV Bus Reactor-Koldam-II tie bay, 400 kV Jalandhar transmission line-Koldam-I tie bay, 220 kV Dhandari line bay, 220 kV transfer bus coupler bay, 220 kV bus coupler bay with associated bays at Ludhiana sub-station under Northern Region System Strengthening Scheme-III in Northern Region for the period 2004-09.

And in the matter of

Power Grid Corporation of India Limited, Gurgaon

..Petitioner

Vs

1. Rajasthan Rajya Vidyut Prasaran Nigam Limited, Jaipur
2. Ajmer Vidyut Vitaran Nigam Ltd., Ajmer
3. Jaipur Vidyut Vitaran Nigam Ltd, Jaipur
4. Jodhpur Vidyut Vitaran Nigam Ltd, Jodhpur
5. Himachal Pradesh State Electricity Board, Shimla
6. Punjab State Electricity Board, Patiala
7. Haryana Vidyut Prasaran Nigam Ltd., Panchkula
8. Power Development Department, Govt. of J&K, Jammu
9. Uttar Pradesh Power Corporation Ltd, Lucknow
10. Delhi Transco Ltd, New Delhi
11. BSES Yamuna Power Limited, New Delhi
12. BSES Rajdhani Power Ltd., New Delhi
13. North Delhi Power Ltd., New Delhi
14. Chief Engineer, Chandigarh Administration, Chandigarh
15. Uttaranchal Power Corporation Ltd, Dehradun
16. North Central Railway, Allahabad

.....Respondents

The following were present:

1. Shri U.K. Tyagi, PGCIL
2. Shri Prashant Sharma, PGCIL
3. Shri M.M.Mondal, PGCIL
4. Shri Rakesh Prasad, PFCIL
5. Shri S.S. Raju, PGCIL

ORDER
(DATE OF HEARING: 23.12.2008)

The application has been made for approval of provisional transmission charges for (i) 400 kV Jalandhar-Ludhiana transmission line with associated bays, 400 kV Ludhiana-Malerkotla transmission line with associated bays, 80 MVAR Bus Reactor, 315 MVA, 400/220/33 kV ICT-I along with associated bays at Ludhiana sub-station (Asset-I) and (ii) 220 kV Lalton Kalan I and II line bay, 220 kV Jagraon line bay, 315 MVA, 400/220/33 kV ICT-II, 400 kV ICT-II Malerkotla transmission line tie bay, 400 kV ICT-I Patiala transmission line tie bay, 400 kV Bus Reactor-Koldam-II tie bay, 400 kV Jalandhar transmission line-Koldam-I tie bay, 220 kV Dhandari line bay, 220 kV transfer bus coupler bay, 220 kV bus coupler bay with associated bays at Ludhiana sub-station (Asset-II) (collectively referred to as "the transmission assets") under Northern Region System Strengthening Scheme-III (the transmission scheme) in Northern Region from the date of commercial operation to 31.3.2009, based on the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2004 (the 2004 regulations).

2. The investment approval for the transmission scheme was accorded by Board of Directors of the petitioner company vide its letter dated 13.7.2004 at an estimated cost of Rs.23052 lakh, which includes IDC of Rs. 1477 lakh. Subsequently, approval for the revised cost estimate for the transmission scheme was accorded by Board of Directors vide letter dated 26.2.2008 at an estimated cost of Rs.32690 lakh, including IDC of Rs. 1826 lakh.

3. The date of commercial operation of the respective transmission asset, its apportioned approved cost and the actual cost, as on the date of commercial operation, as given by the petitioner are as hereunder:

S. No	Name of Asset	Date of commercial operation	Apportioned approved cost (Rs. in lakh)	Capital cost as on the date of commercial operation (Rs. in lakh)
1.	Asset-I	1.6.2008	15188.72	12907.40
2.	Asset-II	1.7.2008	3940.64	3372.97

4. The expenditure up to 31.3.2008 has been verified from the audited statement of accounts for the year 2007-08. For the period from 1.4.2008 to the date of commercial operation, the expenditure indicated is based on books of accounts yet to be audited.

5. The petitioner has claimed the following provisional transmission charges based on the capital cost as on the date of commercial operation of the respective transmission asset:

(Rs. in lakh)		
Period	Asset-I	Asset-II
2008-09 (Pro rata)	1711.21	418.24

6. The petition has been heard after notice to the respondents. None has filed a reply.

7. In respect of the both assts, the capital expenditure on the date of commercial operation is less than its apportioned approved cost. Therefore, for the purpose of provisional tariff, we have considered the capital expenditure as on the date of commercial operation.

8. Based on the above, the provisional transmission charges are determined as follows:

(Rs. in lakh)		
	Asset-I	Asset-II
	2008-09 (Pro rata)	2008-09 (Pro rata)
Depreciation	303.30 @ 2.82	63.11 @3.70
Interest on loan	687.17	123.34
Return on equity	451.76	71.60
Advance Against Depreciation	0.00	0.00
Interest on working capital	50.35	12.14
O & M expenses	218.53	148.05
Total	1711.21	418.24

