

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Coram:

1. Dr. Pramod Deo, Chairperson
2. Shri R.Krishnamoorthy, Member
3. Shri S.Jayaraman, Member
3. Shri V.S.Verma, Member

Petition No.94/2009

In the matter of

Determination of provisional transmission tariff for 50 MVAR Bus Reactor along with associated bays at Kankroli sub-station under RAPP 5 & 6 transmission system in Northern Region from 1.1.2009 to 31.3.2009.

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. Uttarakhand Power Corporation Ltd, Dehradun
16. North Central Railway, Allahabad

.....Respondents

The following were present:

1. Shri U.K.Tyagi, PGCIL
2. Shri M.M.Mondal, PGCIL

**ORDER
(DATE OF HEARING: 9.6.2009)**

The application has been made for approval of provisional transmission charges for 50 MVAR Bus Reactor along with associated bays at Kankroli sub-station (the transmission asset) under RAPP 5 & 6 transmission system (the transmission system) in Northern Region from the date of commercial operation of the

respective asset 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 system was accorded by Board of Directors of the petitioner company vide memorandum dated 3.6.2005 at an estimated cost of Rs.49945 lakh which included IDC of Rs. 2238 lakh. Subsequently, approval for the revised cost estimate for the transmission system was accorded by Board of Directors vide letter dated 29.12.2008 at an estimated cost of Rs.62565 lakh.

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

Date of commercial operation	Apportioned approved cost (Rs. in lakh)	Capital cost as on date of commercial operation (Rs. in lakh)	Balance estimated expenditure	Estimated completion cost
1.1.2009	1432.39	1236.61	190.50	1427.11

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 petition has been heard after notice to the respondents. No reply has been filed by any one of them.

6. The petitioner has claimed the following provisional transmission charges based on the capital cost of Rs. 1236.61 lakh as on the date of commercial operation of the transmission system:

(Rs. in lakh)	
Period	Transmission system
2008-09 (Pro rata)	53.80

7. The capital expenditure on the date of commercial operation is less than the apportioned approved cost. Therefore, for the purpose of provisional tariff, we have considered the capital expenditure as on date of commercial operation as per para 3 above.

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

(Rs. in lakh)	
	2008-09 (Pro rata)
Depreciation	10.97 @ 3.55
Interest on loan	20.07
Return on equity	12.97
Advance Against Depreciation	0.00
Interest on working capital	1.56
O & M expenses	8.23
Total	53.80

9. We allow transmission charges tabulated above for the transmission asset, on provisional basis from the date of commercial operation subject to adjustment after determination of final tariff.

10. The petitioner shall file a fresh petition for approval of final tariff in accordance with the Commission's regulations on the subject, latest by 30.9.2009.

11. While making the application for approval of final tariff, the petitioner shall file a certificate, duly signed by the Auditors, certifying the loan details, duly reconciled with audited accounts of 2008-09.

12. Accordingly, the petition stands disposed of.

Sd/- (V.S. VERMA) MEMBER	sd/- (S.JAYARAMAN) MEMBER	sd/- (R.KRISHNAMOORTHY) MEMBER	sd/- (DR.PRAMOD DEO) CHAIRPERSON
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New Delhi dated the 9th June 2009