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. 96/2009

In the matter of

Determination of provisional transmission tariff for 315 MVA ICT-II at Bhattapara sub-station under Sipat-II Transmission System of Western Region from the date of commercial operation to 31.3.2009.

And in the matter of

Power Grid Corporation of India Limited, Gurgaon Vs ..Petitioner

- 1. Madhya Pradesh Power Trading Company Ltd., Jabalpur
- 2. Maharashtra State Electricity Distribution Co. Ltd., Mumbai
- 3. Gujarat Urja Vikas Nigam Ltd., Vadodara
- 4. Electricity Deptt., Govt., of Goa, Panaji
- 5. Electricity Department, Administration of Daman and Diu, Daman
- 6. Electricity Department, Administration of Dadra Nagar Haveli, Silvassa
- 7. Chhattisgarh State Electricity Board, Raipur
- 8. Madhya Pradesh Audyogik Kendra, Indore

.....Respondents

The following were present:

- 1. Shri U.K.Tyagi, PGCIL
- 2. Shri V.V.Sharma, PGCIL
- 3. Shri Mohd. Mohsin, PGCIL
- 4. Shri J.Majumdar, PGCIL
- 5. Shri D.Khandelwal, MPPTCL
- 6. Shri Dilip Singh, PGCIL

ORDER (DATE OF HEARING: 23.6.2009)

The application has been made for approval of provisional transmission charges for 315 MVA ICT-II at Bhattapara sub-station (the transmission asset) under Sipat-II transmission system (the transmission system) in Western 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 system was accorded by Board of Directors of the petitioner company vide memorandum dated 23.8.2004 at an estimated cost of Rs. 60190 lakh which included IDC of Rs. 4199 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
ĺ	1.1.2009	1778.90	1461.24	145.55	1606.79

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. 1461.24 lakh as on the date of commercial operation of the transmission system:

	(Rs. in lakh)
Period	Transmission system
2008-09 (Pro rata)	70.98

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 @ 3.64	13.31
Interest on loan	23.82
Return on equity	15.34
Advance Against Depreciation	0.00
Interest on working capital	2.06
O & M expenses	16.45
Total	70.98

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 31.10.2009.

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/-sd/-sd/-(V.S. VERMA) (S.JAYARAMAN) (R.KRISHNAMOORTHY)(DR.PRAMOD DEO)MEMBERMEMBERMEMBERCHAIRPERSONNew Delhi dated the 23rd June 2009