

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Coram:

- 1. Shri R. Krishnamoorthy, Member**
- 2. Shri S. Jayaraman, Member**
- 3. Shri V.S.Verma, Member**

Petition No.174/2009

In the matter of

Approval for incentive for the year 2007-08 in respect of 400 kV D/C Siliguri Purnea transmission line, 400 kV D/C Purnea-Muzaffarpur transmission line, 220 kV D/C Muzaffarpur (PGCIL)- Muzaffarpur (BSEB) transmission line and 400 kV D/C Muzaffarpur-Gorakhpur (50%) transmission line associated with Tala Hydro Electric project, East-North interconnector and Northern Region transmission system.

And in the matter of

Powerlinks Transmission Limited, New Delhi

..Petitioner

Vs

1. Power Grid Corporation of India Limited, Gurgaon...
2. West Bengal State Electricity Board, Kolkata
3. Damodar Valley Corporation, Calcutta
4. Bihar State Electricity Board, Patna
5. Grid Corporation of India Ltd., Bhubaneshwar
6. Power Department, Govt. of Sikkim, Gangtok
7. Jharkand State Electricity Board, Ranchi

Respondent

Proforma respondents

The following were present:

1. Shri Ajay Bagri, PTL
2. Ms. Rekha Negi, PTL
3. Shri Rakesh Prasad, PGCIL
4. Shri Bharat Sharma, NDPL

**ORDER
(DATE OF HEARING: 24.9.2009)**

The petitioner seeks approval of incentive for the year 2008-09 for the following transmission lines based on availability, in terms of the Central Electricity Regulatory Commission (Terms & Conditions of Tariff) Regulations, 2004 (hereinafter referred to as "the regulations") declared under commercial operation on 1.9.2006:

- (a) 400 kV D/C Siliguri-Purnea transmission line (intra-regional);

- (b) 400 kV D/C Purnea-Muzaffarpur transmission line (intra-regional);
- (c) 220 kV D/C Muzaffarpur (PGCIL)-Muzaffarpur (BSEB) transmission line (intra-regional); and

2. Regulation 51 of the 2004 regulations provides that:

51. Target Availability for recovery of full transmission charges:

- (1) AC System: 98%
- (2) HVDC bio-pole links and HVDC back-to-back stations: 95%

3. In terms of Note1 below Regulation 51, recovery of charges below the level of target availability is on *pro rata basis* and at Zero availability no transmission charges are payable.

4. Regulation 60 of the 2004 regulations, as amended, *inter alia*, provides that,-

(1) The transmission licensee shall be entitled to incentive @ 1% of equity for each percentage point of increase in annual availability beyond the target availability prescribed under regulation 51, in accordance with the following formula:

$$\text{Incentive} = \text{Equity} \times [\text{Annual availability achieved} - \text{Target availability}] / 100$$

(2) Incentive shall be shared by the long-term customers in the ratio of their average allotted transmission capacity for the year.

5. The procedure for computation of transmission system availability is contained in Appendix III, paras 5 and 6 of which provide as under:

“5. The transmission elements under outages due to following reasons not attributable to the transmission licensee shall be deemed to be available:

- (i) Shut down of transmission elements availed by other agency/agencies for maintenance or construction of their transmission system.
- (ii) Manual tripping of line due to over voltage and manual tripping of switched bus reactor as per the directions of RLDC.

6. Outage time of transmission elements for the following contingencies shall be excluded from the total time of the element under period of consideration:

- (i) Outage of elements due to acts of God and force majeure events beyond the control of the transmission licensee. However, onus of satisfying the Member-Secretary, REB that element outage was due to aforesaid events and not due to design failure shall rest on the transmission licensee. A reasonable restoration time for the elements shall be allowed by Member-Secretary, REB and any additional time taken by the transmission licensee for restoration of the element beyond the reasonable time shall be treated as outage time attributable to the transmission licensee. Member-Secretary, REB may consult the transmission licensee or any expert for estimation of restoration time. Circuits restored through ERS (Emergency Restoration System) shall be considered as available.
- (ii) Outage caused by grid incident/disturbance not attributable to the transmission licensee, e.g. faults in sub-station or bays owned by other agency causing outage of the transmission licensee's elements, tripping of lines, ICTs, HVDC back-to-back stations etc due to grid disturbance within reasonable time, the element will be considered not available for whole period of outage and outage time shall be attributable to the transmission licensee."

6. Member-Secretary, ERPC under his letter dated 15.6.2009 has certified the availability of 99.60% for the intra-regional transmission system.

7. Based on the above availability, the petitioner has claimed incentive of Rs. 362.79 lakh against equity of Rs. 21215.89 lakh.

8. The incentive has been worked out by us, considering the availability as certified by the Member-Secretary, ERPC. Based on the above, the petitioner shall be entitled to incentive of Rs. 362.58 lakh corresponding to equity of Rs. 21203.68 lakh.

9. The details of calculations in support of the incentive allowed by us are given in the Annexure attached.

10. There is difference between equity claimed by the petitioner and that allowed by us. This is for the reason that the petitioner has considered equity as on 31.3.2009

whereas in our calculations average equity during the year 2008-09 has been considered.

11. In view of Transmission Service Agreement entered into between the petitioner and respondent No. 1, the petitioner shall claim incentive from respondent No. 1. It is also noted that BPTAs have been entered into between respondent No. 1 and the beneficiaries, respondents Nos. 2 to 7. Accordingly, respondent No. 1 shall recover the incentive from respondents Nos. 2 to 7, which shall be shared by them in accordance with the 2004 regulations.

12. This order disposes of Petition No.174/2009.

Sd/-
(V.S.VERAMA)
MEMBER

sd/-
(S.JAYARAMAN)
MEMBER

sd/-
(R.KRISHNAMOORTHY)
MEMBER

New Delhi dated the 14th October 2009

ANNEXURE

Name of the Company: Powerlinks Transmission Ltd.								
Petition No.:174/2009- Incentive for the year 2008-09								
Part of assets covered under Tala Transmission System								(Rs in lakh)
S. No.	Name of the Transmission System/ transmission Line (1)	Tariff Petition No. (2)	Date of commercial operation. (3)	Equity as per Tariff Order (4)	Period during the year (5)	Availability of the Transmission System Elements (6)	Availability eligible for incentive (7)	Incentive amount (6)= (4)*(5)*(7)
A	Intra-regional AC system							
	Target availability for incentive							98%
1	400 kV D/C Siliguri Purnea Transmission Line	65/20097	1.9.2006	21203.68	1.00	99.71%	1.71%	362.58
2	400 kV D/C Purnea – Muzaffarpur Transmission Line							
3	220 kV D/C Muzaffarpur (PGCIL)- Muzaffarpur (BSEB) Transmission Line							
	TOTAL (A)			21203.68				362.58