

CENTRAL ELECTRICITY REGULATORY COMMISSION

NEW DELHI

Petition No. 290/2009

**Coram: Dr. Pramod Deo, Chairperson
Shri S.Jayaraman, Member
Shri V.S.Verma, Member
Shri M.Deena Dayalan, member**

DATE OF ORDER: 14.10.2010

In the matter of

Correction of ministerial errors in the order dated 13.5.2010 in Petition No. 290/2009 regarding revision of transmission tariff due to additional capital expenditure incurred during 2008-09 for (a) 50 MVAR Reactor at Narendra; (b) Narendra-Devangiri transmission line and Bus Reactor at Mysore; and (c) 2nd 315 MVA Auto Transformer at Hiriyur sub-station along with associated bays under Transmission System associated with Kaiga-3 and 4 (2X235 MW) project in Southern Region.

And in the matter of

Power Grid Corporation of India Limited, Gurgaon ..Petitioner

Vs

- 1.Karnataka Power Transmission Corporation Limited, Bangalore
- 2.Transmission Corporation of Andhra Pradesh Ltd., Hyderabad
- 3.Kerala State Electricity Board, Thiruvananthapuram
- 4.Tamil Nadu Electricity Board, Chennai
- 5.Electricity Department, Govt. of Pondicherry, Pondicherry
- 6.Eastern Power Distribution Company of Andhra Pradesh Limited, Vishakhapatnam
7. Southern Power Distribution Company of Andhra Pradesh Ltd, Tirupati
8. Central Power Distribution Company of Andhra Pradesh Ltd, Hyderabad
9. Northern Power Distribution Company of Andhra Pradesh Ltd, Warangal
10. Bangalore Electricity Supply Company Ltd., Bangalore
11. Gulbarga Electricity Supply Company Ltd. Gulbarga
12. Hubli Electricity Supply Company Ltd., Hubli
13. MESCOM Corporate office, Mangalore
- 14.Chamundeswari Electricity Supply Corporation Ltd., Mysore.

...Respondents

ORDER

The Commission vide its order dated 13.5.2010 in Petition No. 290/2009 approved the revised transmission charges on account of additional capital expenditure incurred during 2008-09 for (a) 50 MVAR Reactor at Narendra (Asset-I); (b) Narendra- Devangiri transmission line and Bus Reactor at Mysore (Asset-II); and (c) 2nd 315 MVA Auto Transformer at Hiriyr sub-station along with associated bays (Asset-III) under Transmission System associated with Kaiga-3 and 4 (2X235 MW) project in Southern Region.

2. In para 30 of the order, it has been directed that "the petitioner shall recover from the beneficiaries the additional transmission charges in one installment and these charges shall be shared in accordance with the 2004 regulation".

3. It has been brought to our notice that 2nd 315 MVA Auto Transformer at Hiriyr sub-station along with associated bays which was commissioned on 1.4.2008 is a downstream asset serving the beneficiaries of Karnataka only. Therefore, in terms of para 6 of our order dated 28.3.2008, in Petition No. 85/2007, the transmission charges of the assets shall be payable by Karnataka only.

4. Para 6 of our order dated 28.3.2008 in Petition No. 85/2007 reads as under:

" 6. The segregation of step-down transformers and downstream systems has been proposed by the Commission on the guiding criterion that

they primarily serve the local beneficiary only. The segregation is considered as the first step in the direction of rationalization of transmission charge sharing, in line with the mandate for bringing in distance and direction sensitivity. At the same time, the Commission is conscious of the difficulties in segregation of transmission charges for the existing assets, and has been persuaded that the required effort may not be worthwhile. Taking all relevant aspects into account, it has been decided to let all step down transformers (ICTS) and downstream systems presently in commercial operation or in the pipeline continue on pooled basis as presently agreed and in vogue. However, transmission charges for all such transformers and downstream systems under the inter-State transmission schemes yet to be brought under commercial operation shall be segregated from the rest of the scheme, and shall be payable only by the beneficiary directly served."

As per our order, the transmission charges of 2nd 315 MVA Auto Transformer at Hiriyur sub-station along with associated bays which is downstream asset should be borne by the beneficiary State only i.e. Karnataka.

5. While passing the order dated 13.5.2010 in Petition No. 290/2009, our order dated 28.3.2008 in Petition No. 85/2007 could not be linked up which has an important bearing on the decision for reimbursement of transmission charges in respect of the 200 315 MVA Auto Transformer at Hiriyur sub-station.

6. In exercise of our power under Regulation 103 of the CERC (Conduct of Business) Regulations, 1999, we direct that para 30 of our order dated 13.5.2010 in Petition No. 290/2009 shall be modified as under:

"30. The transmission charges for Asset-I and Asset-II shall be shared by all the beneficiaries in terms of 2004 regulations. Transmission charges for the Asset-III shall be borne by the utilities of Karnataka in accordance with order dated 28.3.2008 in Petition No. 85/2007 (Suo motu)."

7. The above modification on the sharing of transmission charges shall have no impact on transmission charges approved by order dated 13.5.2010.

Sd/-
(M.DEENA DAYALAN)
MEMBER

Sd/-
(V.S.VERMA)
MEMBER

Sd/-
(S.JAYARAMAN)
MEMBER

Sd/-
(Dr. PRAMOD DEO)
CHAIRPERSON