

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No.90/2009

**Coram: 1. Shri Pramod Deo, Chairperson
2. Shri S.Jayaraman, Member
3. Shri V.S Verma, Member
4. Shri M. Deena Dayalan, Member**

DATE OF HEARING: 8.2.2011

DATE OF ORDER: 1.8.2011

In the matter of:

Approval of transmission tariff for transmission system associated with NLC Stage-II transmission system in Southern Region for the period from 1.4.2009 31.3.2014.

**And
In the matter of:**

Power Grid Corporation of India Ltd., Gurgaon **.... Petitioner**

Vs

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

The following were present:

- 1 Shri Rajeev Gupta, PGCIL
- 2 Shri M. M Mondal , PGCIL



- 3 Shri Rajiv Gupta, PGCIL
- 4 Shri S.Balaguru, TANGEDCO
- 5 Ms. Geetha, TANGEDCO

ORDER

The petition has been filed by Power Grid Corporation of India Limited for determination of transmission tariff in respect of transmission system associated with NLC Stage-II transmission system (hereinafter referred to as "the transmission asset") in Southern Region for the period 1.4.2009 to 31.3.2014, based on the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2009 (hereinafter referred to as "the 2009 regulations"). The petitioner has made the following additional prayers to :-

- (1) Approve the reimbursement expenditure by the beneficiaries towards petition filing fee, licence fee, publication expenditure and other expenditure (if any) towards of filing of petition;
 - (2) Consider and approve for inclusion of "Service Tax" as one of the components to be covered in transmission charges.
2. The annual transmission charges of the transmission asset for the period up to 31.3.2009 were approved by the Commission vide order dated 24.1.2008 in Petition No. 131/2004, based on admitted capital cost of ₹ 40407 lakh. The transmission asset was declared under commercial operation w.e.f January 1991 to April 1995.



3. The petitioner has claimed the transmission charges as under:

(₹ in lakh)					
	2009-10	2010-11	2011-12	2012-13	2013-14
Depreciation	718.09	718.09	718.09	718.09	718.09
Interest on Loan	0.00	0.00	0.00	0.00	0.00
Return on Equity	3531.77	3531.77	3531.77	3531.77	3531.77
Interest on Working Capital	167.73	172.25	177.05	182.11	187.44
O & M Expenses	1582.35	1672.77	1768.68	1869.86	1976.52
Total	5999.94	6094.88	6195.59	6301.83	6413.82

4. The details submitted by the petitioner in support of its claim for Interest on Working Capital are given hereunder:

(₹ in lakh)					
	2009-10	2010-11	2011-12	2012-13	2013-14
Maintenance Spares	237.35	250.92	265.30	280.48	296.48
O & M expenses	131.86	139.40	147.39	155.82	164.71
Receivables	999.99	1015.81	1032.60	1050.31	1068.97
Total	1369.20	1406.13	1445.29	1486.61	1530.16
Rate of Interest	12.25%	12.25%	12.25%	12.25%	12.25%
Interest	167.73	172.25	177.05	182.11	187.44

5. No comments or suggestions have been received from the general public in response to the public notice published by the petitioner on 18.12.2010 as required under Section 64 of the Electricity Act, 2003 (the Act) read with Regulation 3 (6) of the Central Electricity Regulatory Commission (Procedure for making of application for determination of tariff, publication of the application and other related matters) Regulations, 2004.

6. Reply to the petition has been filed by Tamil Nadu Generation and Distribution Corporation Ltd., (TANGEDCO), one of the successor entities to

erstwhile Tamil Nadu Electricity Board (TNEB). The submissions of TANGEDCO pertain to O & M charges and reply of the petitioner in its rejoinder have been dealt with in relevant para of this order.

CAPITAL COST

7. The last proviso to clause (2) of Regulation 7 of the 2009 regulations provides as under:

“(2) Provided that in case of the existing projects, capital cost admitted by the Commission prior to 1.4.2009 and the additional capital expenditure projected to be incurred for the respective year of the tariff period 2009-14 as may be admitted by the Commission, shall form the basis for determination of tariff.”

8. The capital cost of ₹ 40407.00 lakh admitted vide order dated 24.1.2008 in Petition No. 131/2004 as on 31.3.2009 has been considered for determination of transmission tariff.

PROJECTED ADDITIONAL CAPITALISATION

9. The petitioner has not claimed any projected additional capital expenditure during 2009-14.

DEBT- EQUITY RATIO

10. Clause (2) of Regulation 12 of the 2009 regulations *inter-alia* provides as under:-

“(2) In case of the generating station and the transmission system declared under commercial operation prior to 1.4.2009, debt-equity ratio allowed by the Commission for determination of tariff for the period ending 31.3.2009 shall be considered.”



11. The petitioner has claimed tariff based on debt-equity ratio of 50:50 for transmission asset as admitted on 31.3.2009 vide order dated 24.1.2008 in Petition No. 131/2004. The same debt-equity ratio has been considered for the purpose of tariff during the period 2009-14 as under:

Admitted as on 31.3.2009		
	Amount (₹ in lakh)	%
Debt	20203.50	50.00
Equity	20203.50	50.00
Total	40407.00	100.00

Cost as on 31.3.2014		
	Amount (₹ in lakh)	%
Debt	20203.50	50.00
Equity	20203.50	50.00
Total	40407.00	100.00

RETURN ON EQUITY

12. Regulation 15 of the 2009 regulations provides as under,-

"15. (1) Return on equity shall be computed in rupee terms, on the equity base determined in accordance with regulation 12.

(2) Return on equity shall be computed on pre-tax basis at the base rate of 15.5% to be grossed up as per clause (3) of this regulation:

*Provided that in case of projects commissioned on or after 1st April, 2009, an additional return of 0.5% shall be allowed if such projects are completed within the timeline specified in **Appendix-II**:*

Provided further that the additional return of 0.5% shall not be admissible if the project is not completed within the timeline specified above for reasons whatsoever.

(3) The rate of return on equity shall be computed by grossing up the base rate with the Minimum Alternate/Corporate Income Tax Rate for the year 2008-09, as per the Income Tax Act, 1961, as applicable to the concerned generating company or the transmission licensee, as the case may be.

(4) Rate of return on equity shall be rounded off to three decimal points and be computed as per the formula given below:

Rate of pre-tax return on equity = Base rate / (1-t)



Where "t" is the applicable tax rate in accordance with clause (3) of this regulation.

(5) The generating company or the transmission licensee, as the case may be, shall recover the shortfall or refund the excess Annual Fixed Charge on account of Return on Equity due to change in applicable Minimum Alternate/Corporate Income Tax Rate as per the Income Tax Act, 1961 (as amended from time to time) of the respective financial year directly without making any application before the Commission:

Provided further that Annual Fixed Charge with respect to the tax rate applicable to the generating company or the transmission licensee, as the case may be, in line with the provisions of the relevant Finance Acts of the respective year during the tariff period shall be trued up in accordance with Regulation 6 of these regulations."

13. The petitioner has computed return on equity on pre-tax basis on 11.33% MAT in accordance with tax rate applicable for the year 2008-09 and has claimed return on equity @ 17.481% .

14. The petitioner shall be entitled to recover the shortfall, if any, in the annual fixed charges on account of Return on Equity due to change in applicable Minimum Alternate Tax in accordance with clause (5) of Regulation 15 of the 2009 regulations.

15. In view of the above, the following amount of equity has been considered for calculation of return of equity:-

(₹ in lakh)					
Particulars	2009-10	2010-11	2011-12	2012-13	2013-14
Opening Equity as on 1.4.2009	20203.50	20203.50	20203.50	20203.50	20203.50
Addition due to Additional Capitalisation	0.00	0.00	0.00	0.00	0.00
Closing Equity	20203.50	20203.50	20203.50	20203.50	20203.50
Average Equity	20203.50	20203.50	20203.50	20203.50	20203.50
Return on Equity (Base Rate)	15.50%	15.50%	15.50%	15.50%	15.50%
Tax rate for the year 2008-09	11.33%	11.33%	11.33%	11.33%	11.33%
Rate of Return on Equity (Pre Tax)	17.481%	17.481%	17.481%	17.481%	17.481%
Return on Equity (Pre Tax)	3531.77	3531.77	3531.77	3531.77	3531.77

INTEREST ON LOAN

16. The petitioner has not claimed the interest on loan as all normative and actual loan has been repaid.

DEPRECIATION

17. Regulation 17 of the 2009 regulations provides for computation of depreciation in the following manner, namely:

"17. (1) The value base for the purpose of depreciation shall be the capital cost of the asset admitted by the Commission.

(2) The salvage value of the asset shall be considered as 10% and depreciation shall be allowed up to maximum of 90% of the capital cost of the asset.

Provided that in case of hydro generating stations, the salvage value shall be as provided in the agreement signed by the developers with the State Government for creation of the site:

Provided further that the capital cost of the assets of the hydro generating station for the purpose of computation of depreciable value shall correspond to the percentage of sale of electricity under long-term power purchase agreement at regulated tariff.

(3) Land other than the land held under lease and the land for reservoir in case of hydro generating station shall not be a depreciable asset and its cost shall be excluded from the capital cost while computing depreciable value of the asset.

(4) Depreciation shall be calculated annually based on Straight Line Method and at rates specified in Appendix-III to these regulations for the assets of the generating station and transmission system:

Provided that, the remaining depreciable value as on 31st March of the year closing after a period of 12 years from date of commercial operation shall be spread over the balance useful life of the assets.

(5) In case of the existing projects, the balance depreciable value as on 1.4.2009 shall be worked out by deducting the cumulative depreciation as admitted by the Commission up to 31.3.2009 from the gross depreciable value of the assets.



(6) Depreciation shall be chargeable from the first year of commercial operation. In case of commercial operation of the asset for part of the year, depreciation shall be charged on pro rata basis.”

18. As the transmission asset has already completed 12 years before the period 2009-14, the remaining depreciable value has been spread over the balance useful life of the asset with effect from 1.4.2009 in terms of Regulation 17 (4) of the 2009 regulations. Accordingly, depreciation worked out is as under:

(₹ in lakh)						
Details of Depreciation	Up to 31.03.2009	2009-10	2010-11	2011-12	2012-13	2013-14
Gross block as per the date of the commercial operation	40407.00	40407.00	40407.00	40407.00	40407.00	40407.00
Addition during 2009-14 due to projected Additional Capital Expenditure		0.00	0.00	0.00	0.00	0.00
Gross block as on 31.3.2009		40407.00	40407.00	40407.00	40407.00	40407.00
Average gross block		40407.00	40407.00	40407.00	40407.00	40407.00
Depreciable Value		36291.60	36291.60	36291.60	36291.60	36291.60
Balance useful life of the asset		16	15	14	13	12
Remaining Depreciable Value		11489.46	10771.37	10053.28	9335.19	8617.09
Depreciation		718.09	718.09	718.09	718.09	718.09

OPERATION AND MAINTENANCE EXPENSES

19. In accordance with clause (g) of Regulation 19 of the 2009 regulations, the following norms have been specified for operation and maintenance expenses:

Transmission Line/Bays:	Year				
	2009-10	2010-11	2011-12	2012-13	2013-14
400 kV D/C Twin Conductor transmission line (₹ in lakh/per kms.)	0.627	0.663	0.701	0.741	0.783
400 KV bay (₹ lakh/bay)	52.40	55.40	58.57	61.92	65.46

20. TANGEDCO vide its reply dated 14.1.2011 has submitted that the petitioner has claimed additional bay in respect of Salem-Bangalore 400 kV line terminating at Salem 400 kV sub-station. This line was executed by NTPC under Ramagundam transmission scheme and the petition for Ramagundam transmission line includes this bay. Hence, allowing tariff for this bay in the present petition would amount to double claim. TANGEDCO has requested for refund of amount collected from 2001-02 onwards when Commission switched over to the award of O & M expenses based on per bay and per ckt km, scrapping the earlier procedure of award of O & M as a percentage of capital cost with annual escalation. TANGEDCO has also submitted that the petitioner vide its affidavit dated 15.12.2010 has admitted the claim of TNEB stating as under:

"The Bangalore bay at Salem sub-station may be read as Bus Sectionaliser bay at Trichur sub-station which is under commercial operation for more than 15 years. TNEB in its reply has also pointed out this discrepancy."

21. TANGEDCO has submitted that the statement made by the Power Grid is not acceptable and appear to be an afterthought. The switching arrangement referred to by PGCIL at Trichur sub-station is the bus coupler bay due to adoption of one and a half breaker system and similar arrangement has been provided in all the 400 kV sub-station of PGCIL in the Southern Region. While preparing the number of bays, petitioner has not included the bay for the above arrangement either at Trichur or any of their sub-stations. TANGEDCO has requested that the claim of O & M charges

for the transmission asset be restricted 21 bays instead of 22 bays excluding the duplicated Bangalore bay at Salem sub-station. The petitioner be directed to refund to the beneficiaries the excess O & M charges collected in respect of duplicated Bangalore bay at Salem sub-station for the period 2001-09. TANGEDCO has further submitted that since the award of bus sectionaliser bays at Talcher, Kolar, Narender and Gajuwaka though escaped our attention, are not as per the 2001 and 2004 regulations, the petitioner be directed to refund the O & M charges collected for these bays also for the period 2001-04 and 2004-09 to the Southern Region beneficiaries.

22. TANGEDCO vide its additional reply dated 16.3.2011 has submitted that single diagram of the Trichur sub-station filed by the petitioner is similar to the Sriperumbudur and Salem switching station of PGCIL in Southern Region. On perusal of single line diagrams of these two sub-stations filed by the petitioner, it is noted the breaker utilised for extending supply to STU are not counted as bays for the purpose of award of O & M charges and hence the sudden and afterthought contention of PGCIL that duplicated Bangalore bay at Salem sub-station be treated as Bus-sectionaliser bay at Trichur is not tenable.

23. The petitioner in its rejoinder dated 4.2.2011 has submitted that unit normative O & M rates during the periods 2001-04, 2004-09 and 2009-14 have been determined by the Commission based on actual O & M expenditure and bay details furnished by the petitioner from 1997-98 to 2007-

08 for different periods. The total 22 bays in NLC-II transmission system were provided for the said periods for the purpose of determination of unit normative O & M rates and same bays have been considered in Form 2 while calculating tariff for the respective tariff periods. The petitioner has also submitted that the Bangalore bay claimed at Salem sub-station may be read as Bus sectionaliser bay at Trichur sub-station which is under commercial operation for more than 15 years. Circuit breakers employed for bus sectionaliser bay is in line with the Statement of object and reasons of 2009 regulations wherein it has been indicated that circuit breaker employed for bus sectionalisation/extension of each bus will be counted as one day. The petitioner has admitted that instead of sectionaliser bay at Trichur, the name got mentioned as Bangalore bay. However, total number of bays, whether it is Bangalore bay or Trichur sectionaliser bay, remains the same and accordingly, it still does not have impact on tariff. In regard to change in nomenclature, the petitioner has submitted that bus sectionaliser bay at Trichur sub-station is existing and it has considered the same in place of Bangalore bay at Salem sub-station. The petitioner has confirmed that there is no double counting of bus-sectionaliser bay at Trichur sub-station.

24. During the course of hearing, the petitioner was directed to furnish the following information/clarification:

- (a) Single-line diagram of Trichur sub-station contemplating Bus-Sectionaliser bay;

(b) List of Bus-Sectionalizer bays in the Southern Region which were considered for calculation and fixation of O & M expenses for the tariff periods 2001-04 and 2004-09; and

(c) Adjustment or reimbursement of the O & M charges claimed in respect of one excess bay as Bangalore bay at Salem sub-station for the period from the months of April 2001 to March 2009.

25. The petitioner in its reply has submitted that the following bus-sectionalizer bays were considered for O & M calculation and fixation of O & M expenses in Southern Region:

Tariff period 2004-09

(a) Bus-sectionalizer bays considered for fixation for O & M charges Talcher-Kolar HVDC transmission system- 4 bays (date of commercial operation 1.12.2002)

(b) Bus-sectionalizer bays considered for claim of O & M charges

(i) Augmentation of capacity of Gajuwaka HVDC back to back (Pole-II) project- 2 bays (date of commercial operation 1.3.2005)

(ii) Kaiga-Narendra transmission system- 2 bays (date of commercial operation 1.11.2005); and

(iii) Talcher-Kolar HVDC transmission system- 4 bays (date of commercial operation 1.12.2002)

Tariff period 2004-09

(a) Bus-sectionalizer bays considered for fixation for O & M charges



- (i) Augmentation of capacity of Gajuwaka HVDC back to back (Pole-II) project-2 bays (Date of commercial operation 1.3.2005)
- (ii) Talcher-Kolar HVDC transmission system- 4 bays (date of commercial operation 1.12.2002);
- (iii) Kaiga-Narendra transmission system- 2 bays (date of commercial operation 1.11.2005)
- (b) Bus-sectionaliser bays considered for claim of O & M charges
- (iv) Augmentation of capacity of Gajuwaka HVDC back to back (Pole-II) project-2 bays (Date of commercial operation 1.3.2005)
- (v) Talcher-Kolar HVDC transmission system- 4 bays (date of commercial operation 1.12.2002);
- (vi) Kaiga-Narendra transmission system- 2 bays (date of commercial operation 1.11.2005)

The Bus-sectionaliser bays have been considered in Eastern Region with date of commercial operation i.e. 1.8.2003 for fixation and claim of tariff.

26. It is noted that there are similar arrangements in various sub-stations in Southern Region. Single Line Diagrams (SLDs) of both Salem sub-station and Sriperumbudur Switching stations of PGCIL, filed by TANGEDCO and layout at Trichur sub-station and those at Salem and Sriperumbudur Switching stations of Power Grid are similar. In this connection, para 23.6 (ii) of the Statement of Reasons of the 2009 regulations provides as under:

"The Commission has decided to adopt voltage as the basis for gradation of norms for O & M expenditure for sub-station as was proposed in the draft notification. However, bays at various voltage levels have been converted to equivalent 400 kV bays. As in case of transmission line, the weightage factors for such conversions are considered based on our estimate of ratio of O & M expenditure of bay at a voltage level as compared to O & M expenditure for a bay at 400 kV."

27. We have carefully considered the objections of TANGEDCO and the reply of the petitioner. The contention of the petitioner is found to be justified. The O & M expenses have been allowed strictly as per the 2009 regulations. With regard to reimbursement of O & M expenses, the respondents are granted liberty to file an appropriate application in accordance with law.

28. Accordingly, the petitioner's entitlement to O & M expenses for 22 bays has been worked out as under:

Element	Year				
	2009-10	2010-11	2011-12	2012-13	2013-14
O & M expenses for 400 kV S/C twin conductor transmission line (456.495 km)	163.43	172.56	182.60	193.10	204.05
O & M expenses for 400 kV D/C twin conductor transmission line (424.454 km)	266.13	281.41	297.54	314.52	332.35
O & M expenses for 400 KV bays (22 bays)	1152.80	1218.80	1288.54	1362.24	1440.12
Total	1582.36	1672.77	1768.68	1869.86	1976.52

29. The petitioner has submitted that O & M expenditure for 2009-14 tariff block had been arrived on the basis of normalized actual O & M expenses of the petitioner during the year 2003-04 to 2007-08. The wage hike of 50% on account of pay revision of the employees of public sector undertaking was also considered while calculating the O & M charges for 2009-14 periods. The petitioner has submitted that it would approach the Commission for suitable

revision in the norms of O & M expenses in case the impact of wage hike w.e.f. 1.1.2007 is more than 50%. With reference to the submission of the petitioner, it is clarified that, if any such application is made, it will be dealt with in accordance with law.

INTEREST ON WORKING CAPITAL

30. The components of the working capital and the interest thereon are discussed hereunder:

- (a) **Receivables:** As per Regulation 18(1)(c)(i) of the 2009 regulations, receivables will be equivalent to two months of fixed cost. The petitioner has claimed the receivables on the basis two months transmission charges claimed in the petition. In the tariff being allowed, receivables have been worked out on the basis two months' transmission charges.

- (b) **Maintenance spares:** Regulation 18(1)(c)(ii) of the 2009 regulations provides for maintenance spares @ 15% per annum of the O & M expenses specified in Regulation 19 of the 2009 regulations. The value of maintenance spares has been accordingly worked out.

- (c) **O & M expenses:** Regulation 18(1)(c)(iii) of the 2009 regulations provides for operation and maintenance expenses for one month as a component of working capital. The petitioner has



claimed O&M expenses for one month of O&M expenses of the respective year which has been considered in the working capital.

- (d) **Rate of interest on working capital:** As per Regulation 18(3) of the 2009 regulations, rate of interest on working capital shall be on normative basis and shall be equal to the short-term Prime Lending Rate of State Bank of India as on 1.4.2009 or on 1st April of the year in which the project or part thereof (as the case may be) is declared under commercial operation, whichever is later. The petitioner has claimed interest on working capital @ 12.25% based on SBI PLR as on 1.4.2009, which is in accordance with the 2009 regulations and has been allowed.

31. The necessary computations in support of interest on working capital as under:

	(₹ in lakh)				
	2009-10	2010-11	2011-12	2012-13	2013-14
Maintenance Spares	237.35	250.92	265.30	280.48	296.48
O & M expenses	131.86	139.40	147.39	155.82	164.71
Receivables	999.99	1015.81	1032.60	1050.31	1068.97
Total	1,369.21	1,406.13	1,445.29	1,486.61	1,530.16
Rate of Interest	12.25%	12.25%	12.25%	12.25%	12.25%
Interest	167.73	172.25	177.05	182.11	187.44

TRANSMISSION CHARGES

32. The transmission charges being allowed for the transmission asset are summarised below:

	(₹ in lakh)				
	2009-10	2010-11	2011-12	2012-13	2013-14
Depreciation	718.09	718.09	718.09	718.09	718.09
Interest on Loan	0.00	0.00	0.00	0.00	0.00
Return on Equity	3531.77	3531.77	3531.77	3531.77	3531.77
Interest on Working Capital	167.73	172.25	177.05	182.11	187.44
O & M Expenses	1582.36	1672.77	1768.68	1869.86	1976.52
Total	5999.95	6094.89	6195.59	6301.83	6413.83

APPLICATION FEE AND THE PUBLICATION EXPENSES

33. The petitioner has sought approval for the reimbursement of fee paid by it for filing the petition. In this regard it is clarified that the Regulation 42 of the 2009 regulation provides for reimbursement of filing fees and expenses on publication of notices as may be allowed at the discretion of the Commission. We have decided the following in our order dated 11.1.2010 in Petition No. 109/2009:

"85. The Commission after careful consideration has decided that filing fee will be reimbursed in the following cases:

- (a) Main petitions for determination of tariff;*
- (b) Petitions for revisions of tariff due to additional capital expenditure.;*
- (c) Petitions for truing up of expenditure.*

Filing fees paid for filing the Review Petitions, Interlocutory Applications and other Miscellaneous Applications will not be reimbursed in tariff. The Commission has decided to reimburse the expenses on publication of notices as such expenses are incurred to meet the statutory requirement of transparency in the process of determination of tariff."

34. In accordance with the said decision, the petitioner shall be entitled to recover the filing fee from the beneficiaries on pro rata basis. The petitioner shall also be entitled for reimbursement of publication expenses from the beneficiaries on pro-rata basis.

SERVICE TAX

35. The petitioner has prayed to consider and approve inclusion of "Service Tax" as one of the components to be covered in transmission charges separately from the respondents if the exemption granted to it is withdrawn and transmission of power is made a taxable service. The prayer of the petitioner is premature at this stage and is accordingly rejected. The petitioner is at liberty to approach the Commission as per the provisions of law as and when such a contingency arises.

LICENCE FEE

36. The petitioner has prayed to reimbursement of expenditure towards licence fee from the respondents. In this connection it is clarified that the matter is under consideration and decision, as and when taken, will be applicable in this case.

37. The transmission charges allowed shall be recovered on monthly basis in accordance with Regulation 23 and shall be shared by the respondent in accordance with Regulation 33 of the 2009 regulations up to 30.6.2011. With effect from 1.7.2011, billing, collection and disbursement of the transmission

charges shall be governed by the provisions of Central Electricity Regulatory Commission (Sharing of inter-State transmission charges and losses) Regulations, 2010 and the Removal of Difficulties orders issued hereunder.

38. This order disposes of Petition No. 90/2009.

Sd/-
(M.DEENA DAYALAN)
MEMBER

sd/-
(V.S VERMA)
MEMBER

sd/-
(S.JAYARAMAN)
MEMBER

sd/-
(Dr. PRAMOD DEO)
CHAIRPERSON

