

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 188/TT/2011

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

Date of Order:29.9.2011

IN THE MATTER OF

Provisional transmission tariff in respect of combined elements of Talchar and Kolar (HVDC Portion) and combined elements of Talchar and Kolar (HVAC Portion).

**AND
IN THE MATTER OF**

Power Grid Corporation of India Limited, Gurgaon

..Petitioner

Vs

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

ORDER

In this petition the petitioner, Power Grid Corporation of India Ltd. has sought approval for tariff in respect combined elements of Talchar and Kolar (HVDC Portion)



(Combined Asset-I), combined elements of Talchar and Kolar (HVAC Portion) (Combined Asset-II), based on the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2009, as amended from time to time (hereinafter referred to as “the 2009 regulations”).

2. Regulation 5 of the 2009 regulations provides as under:-

"Application for determination of tariff. (1) *The generating company or the transmission licensee, as the case may be, may make an application for determination of tariff in accordance with Central Electricity Regulatory Commission (Procedure for making of application for determination of tariff, publication of the application and other related matters) Regulations, 2004, as amended from time to time or any statutory re-enactment thereof, in respect of the units of the generating station or the transmission lines or sub-stations of the transmission system, completed or projected to be completed within six months from the date of application.*

(2) *The generating company or the transmission licensee, as the case may be, shall make an application as per **Appendix I** to these regulations, for determination of tariff based on capital expenditure incurred duly certified by the auditors or projected to be incurred up to the date of commercial operation and additional capital expenditure incurred duly certified by the auditors or projected to be incurred during the tariff period of the generating station or the transmission system:*

Provided that in case of an existing project, the application shall be based on admitted capital cost including any additional capitalization already admitted up to 31.3.2009 and estimated additional capital expenditure for the respective years of the tariff period 2009-14:

Provided further that application shall contain details of underlying assumptions for projected capital cost and additional capital expenditure, where applicable.

(3) *In case of the existing projects, the generating company or the transmission licensee, as the case may be, shall continue to provisionally bill the beneficiaries or the long-term customers with the tariff approved by the Commission and applicable as on 31.3.2009 for the period starting from 1.4.2009 till approval of tariff by the Commission in accordance these regulations: Provided that where the tariff provisionally billed exceeds or falls short of the final tariff approved by the Commission under these regulations, the generating company or the transmission licensee, as the case may be, shall refund to or recover from the beneficiaries or the transmission customers, as the case may be, within six months along with simple interest at the rate equal to short-term Prime Lending Rate of State Bank of India on the 1st April of the concerned/respective year.*

(4) *Where application for determination of tariff of an existing or a new project has been filed before the Commission in accordance with clauses (1) and (2) of this regulation, the Commission may consider in its discretion to grant provisional tariff upto 95% of the annual fixed cost of the project claimed in the application subject to adjustment as per proviso to clause (3) of this regulation after the final tariff order has been issued:*

Provided that recovery of capacity charge and energy charge or transmission charge, as the case may be, in respect of the existing or new project for which provisional tariff has been granted shall be made in accordance with the relevant provisions of these regulations."



3. As per Regulation 5(4) of the 2009 regulations, the Commission may in its discretion grant provisional tariff if an application has been filed under Regulation 5(1) and (2) of the 2009 regulations. Regulation 5(1) of the 2009 regulations provides that the application for tariff should be made in accordance with the Central Electricity Regulatory Commission (Procedure for making of application for determination of tariff, publication of the application and other related matters) Regulations, 2004 (hereinafter referred to as "2004 regulations"). Regulation 5(2) of 2009 regulations provide that the application shall be made as per Appendix to the 2009 regulations.

4. The petitioner has made the application as per the Appendix to the 2009 regulations. The petitioner has also complied with the requirements of 2004 regulations such as service of the copy of the application on the beneficiaries, publication of notice and web hosting of the application, etc.

5. No comments have been received from any of the consumers in response to the notices published by the petitioner. None of the beneficiaries have filed any response till date.

6. The Combined Asset-I was commissioned on 1.3.2003 and the Combined Asset-II was commissioned on 1.6.2003.



7. The petitioner has claimed the following annual transmission charges as per the petition:-

(` in lakh)

	Assets	2009-10	2010-11	2011-12	2012-13	2013-14
Annual transmission charges claimed	Combined Asset- I	34423.82	33646.67	32921.25	32276.21	31655.24
	Combined Asset-II	7089.17	6973.16	6862.30	6755.79	6658.35

8. After prudence check, provisional annual transmission charges for the period 2009-14 in respect of the transmission asset are allowed as under:-

(` in lakh)

	Assets	2009-10	2010-11	2011-12	2012-13	2013-14
Annual transmission charges allowed	Combined Asset- I	32702.63	31964.34	31275.19	30662.40	30072.48
	Combined Asset-II	6734.71	6624.50	6519.19	6418.00	6325.43

9. The provisional transmission charges allowed in this order shall be subject to adjustment as per proviso to clause (3) of Regulation 5 of the 2009 regulations after the final tariff order is issued.

Sd/-
[M.DEENA DAYALAN]
MEMBER

Sd/-
[V.S.VERMA]
MEMBER

Sd/-
[S.JAYARAMAN]
MEMBER

Sd/-
[Dr. PRAMOD DEO]
CHAIRPERSON

