

EXPLANATION FOR AMENDMENT TO THE NOTIFICATION DATED 08.10.2012

In pursuance of Clause 5.6 (vi) of Ministry of Power (MOP) Notification dated 19.01.2005 (as amended from time to time) on *Guidelines for Determination of Tariff by Bidding Process for Procurement of Power by Distribution Licensees*, the Central Electricity Regulatory Commission, vide notification 08.10.2012 dated, had notified various Escalation Factors and other Parameters for the purpose of bid evaluation and payment applicable for the period from 01.10.2012 to 31.03.2013.

For the period 01.10.2012 to 31.03.2013, the requisite data pertaining to calculation of POC rates and transmission losses were under consideration of the Commission. The Commission, in its order dated 29.9.2012, directed that till the POC rates and transmission losses for the period 01.10.2012 to 31.03.2013 are decided and approved by the Commission, the POC rates and transmission losses valid for 01.04.2012 to 30.09.2012 shall remain in operation. Accordingly, the transmission charges matrix and transmission loss matrix as notified on 03.04.2012 and published in Gazette of India Extraordinary, Part III, Section 4 at Serial No.86 dated 12.4.2012, were made applicable from 01.10.2012 till further notification through the Commission's notification dated 8.10.2012.

Now, the Commission, in its order dated 30.11.2012, determined the POC rates and transmission losses applicable for the period 01.10.2012 to 31.03.2013. Consequent to this order, appropriate amendments are required to be made to the notification dated 8.10.2012. Explanation for arriving at the matrix for transmission charges and losses is as under:

(1) Matrix for Transmission Charges and Losses

The Transmission Charges Matrix and Transmission Loss Matrix are to be provided by CERC as per Format 5.10 & 5.11 of the RFP of Standard Bidding Document of Case-1.

The transmission charges and losses matrix have been taken or derived from the POC slab rates and POC slab losses provided in Annexure-I & II of the CERC Order dated 30.11.2012 i.e. in the matter of "Determination of POC rates and transmission losses in accordance with Regulation 17 (2) of Central Electricity Regulatory Commission (Sharing of Inter State Transmission Charges and Losses) Regulations, 2010 as amended".

(1.1) Transmission charges matrix

The POC slab rates (short-term slab rate for injection or drawl node) provided in Annexure-I of the CERC Order dated 30.11.2012 have been notified as Transmission Charges matrix.

(1.2) Transmission Loss matrix

The POC slab losses (slab losses for injection or drawl node) provided in Annexure-II of the CERC Order dated 30.11.2012 and the data on region-wise weekly transmission losses for the period from October 2011 to September 2012 submitted by NLDC has been taken as the basis for arriving at transmission loss matrix. Average transmission losses for each region were worked out from the weekly data on transmission losses and the average figures were divided by 2 to arrive at transmission losses at one end (drawl or injection). High and low loss categories were derived after adding and subtracting 0.3 percent loss respectively.

The applicability of transmission charges matrix and transmission losses matrix with an example of sample calculation of transmission charges and losses is provided at Annexure-A to the explanation for the notification dated 7.10.2011.
