

## **EXPLANATION FOR AMENDMENT TO THE NOTIFICATION DATED 07.10.2013**

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 dated 07.10.2013, had notified various Escalation Factors and other Parameters for the purpose of bid evaluation and payment applicable for the period from 01.10.2013 to 31.03.2014.

2. However, the Commission in its notification dated 07.10.2013, had notified the transmission charges and loss matrix applicable only for the period October to December 2013, and mentioned as under:

*"The CERC is now notifying the PoC slab rates and PoC slab losses on quarterly basis. Therefore, the transmission charges and loss matrix has been notified for the period October to December 2013 only. The transmission charges and loss matrix applicable for the period from January to March 2014 will be notified after the issue of CERC order on PoC slab rates and PoC slab losses for the same period."*

3. Now, the Commission, in its order dated 31.12.2013, has determined the POC rates and transmission losses applicable for the period 01.01.2014 to 31.03.2014. Consequent to this order, appropriate amendments are required to be made to the notification dated 07.10.2013. Explanation for arriving at the matrix for transmission charges and losses is as under:

### **3.1 Matrix for Transmission Charges and Losses**

3.1.1 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.

3.1.2 The transmission charges and loss matrix have been taken / derived from the PoC slab rates and PoC slab losses provided in Annexure-I & II of the CERC Order dated 31.12.2013 i.e. in the matter of "Determination of Point of Connection (POC) rates and transmission losses for the period January to March 2014 in accordance with Regulation 17 (2) of Central

Electricity Regulatory Commission (Sharing of Inter State Transmission Charges and Losses) Regulations, 2010 as amended from time to time”. In addition, the data on region-wise weekly losses for the period from January to December, 2013 submitted by NLDC has been used for arriving at the losses matrix.

### ***3.1.3 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 31.12.2013 have been notified as Transmission Charges matrix.

### ***3.1.4 Transmission Loss Matrix***

The PoC slab losses (slab losses for injection or drawl node) provided in Annexure-II of the CERC Order dated 31.12.2013 and the data on region-wise weekly transmission losses for the period from January to December, 2013 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 and the figures were divided by 2 to arrive at transmission losses at one end (drawl or injection). This is termed as normal loss category. High and low loss categories were derived by adding and subtracting 0.3 percent to the normal loss category.

4. 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.

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