

— ANNUAL REPORT —

2002-03



CENTRAL ELECTRICITY REGULATORY COMMISSION

5th Floor, Core-3, SCOPE Complex, 7 Institution Area, Lodhi Road, New Delhi-110003

Phones : 91-11-24361145, 24360216, Fax : 91-11-24360010, 24360058

E-Mail : cercind@ndf.vsnl.net.in

Website : www.cercind-org



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THE COMMISSION

The Electricity Regulatory Commission Act, 1998 (14 of 1998) established an independent regulatory commission at the Center in July, 1998 and enabled the establishment of regulatory commissions in the States, to introduce competition, efficiency and economy in the power sector, to safeguard the consumer interest and improve the quality of supply and service. The full text of the Act is available on the web site of the Commission www.cercind.org.

The Commission functions in a quasi-judicial manner. It has the powers of civil courts. It consists of a Chairman, three full time Members and the Chairman of the Central Electricity Authority (CEA) as Ex-officio Member. In recognition of the need for a multi-disciplinary approach while addressing issues related to independent regulation, the Act prescribes that the Chairman and Members shall be persons having adequate knowledge and experience in engineering, law, economics, commerce, finance or management. It also prescribes a broad mix of disciplines to be represented in the Commission. The Chairman and Members are appointed by the President of India on the recommendation of a selection committee constituted by the Central Government as prescribed under the Act. The Act also provides for the appointment of a Secretary of the Commission whose powers and duties are defined by the Commission.



THE MANDATE

The Commission has the responsibility to discharge the following functions:-

- (a) to regulate the tariff of generating companies owned or controlled by the Central Government;
- (b) to regulate the tariff of generating companies other than those owned or controlled by the Central Government, if such generating companies enter into or otherwise have a composite scheme for generation and sale of electricity in more than one state;
- (c) to regulate the inter-state transmission of energy including tariff of the transmission utilities;
- (d) to promote competition, efficiency and economy in the activities of the electricity industry;
- (e) to aid and advise the Central Government in the formulation of tariff policy which shall be
 - (i) fair to the consumers; and
 - (ii) facilitate mobilization of adequate resources for the power sector.
- (f) to associate with the environmental regulatory agencies to develop appropriate policies and procedures for environmental regulation of the power sector;
- (g) to frame guidelines in matters relating to electricity tariff;
- (h) to arbitrate or adjudicate upon disputes involving generating companies or transmission utilities in regard to matters connected with (a) to (c) above;
- (i) to aid and advise the Central Government on any other matter referred to the Central Commission by that Government;



- (j) to grant license to any person for the construction, maintenance and operation of any inter-state transmission system.

Given the range of activities within its mandate, the commission recognizes the need for prioritization of objectives. Towards this end, the Commission has formulated a mission statement, which will guide it in formulating its work plan over the coming years.



MISSION STATEMENT

The Commission intends to promote competition, efficiency and economy in bulk power markets, improve the quality of supply, promote investments and advise government on the removal of institutional barriers to bridge the demand supply gap and thus foster the interests of consumers. In pursuit of these objectives the Commission will -

- Improve the operations and management of the regional transmission systems through the formulation of an Indian Electricity Grid Code and advise on the restructuring of the institutional arrangements thereof.
- Formulate an efficient tariff setting mechanism, which ensures speedy and time bound disposal of tariff petitions, promotes competition, economy and efficiency in the pricing of bulk power and transmission services and ensures least cost investments.
- Improve access to information for all stakeholders.
- Institute mechanisms to ensure that investment decisions for inter-state transmission are taken transparently, in a participative mode and are justifiable on the basis of least cost.
- Facilitate technological and institutional changes required for the development of competitive markets in bulk power and transmission services.
- Advise on the removal of barriers to entry and exit for capital and management, within the limits of environmental, safety and security concerns and the existing legislative requirements, as the first step to the creation of competitive markets.
- Associate with environmental regulatory agencies for the application of economic principles to the formulation of environmental regulations.



PROFILE OF THE CHAIRMAN AND MEMBERS OF THE COMMISSION



Shri A.K. Basu
Chairman and Chief Executive
(April, 2002 - Continuing)

Shri.A.K. Basu is presently Chairman, Central Electricity Regulatory Commission.

Shri.Basu had a brilliant academic career. He was First in order of Merit among all candidates in School Final (Matriculation) Examination, West Bengal, in 1958. He stood First in the First Class in B.A. (Honours in Economics) Examination, Calcutta University in 1962, from Presidency College.

He joined the Indian Administrative Service in 1965 and was allotted West Bengal Cadre. In Government of West Bengal, he has held several important positions, including Commissioner of Calcutta Municipal Corporation, Education Secretary, Labour Secretary, and Principal Secretary, Food and Civil Supply. He was the Chief Electoral Officer of the State from 1983 to 1987.

Shri. Basu has worked in various capacities in Government of India. He was Deputy Secretary, Ministry of Home Affairs during 1976-77. He worked as Special Assistant to the Union Minister of Education, Social Welfare & Culture, during 1977 to 1980. He was Special Secretary, Ministry of Home Affairs, Government of India, during 1996-97.

Shri. Basu has had a long association with industry and infrastructure sectors. He was Development Commissioner, Iron & Steel, and then Joint Secretary, Ministry of Steel, Government of India, during 1988 to 1993. He served as Additional



Secretary & Advisor (Industry & Minerals), Union Planning Commission during 1995-96, dealing with Plans and Projects of nearly 20 economic and infrastructure Ministries of Government of India. He was Secretary, Ministry of Steel, Government of India, from August, 1997 to May, 2000. Shri. Basu served as Secretary, Ministry of Power, Govt. of India from June 2000 till March 31, 2002. During this period, he pioneered several important initiatives for reforms and restructuring of the Indian Electricity Sector, including distribution reforms through the Accelerated Power Development and Reforms Programme, formulation of the Electricity Bill 2003, one-time settlement of dues of the Central Utilities, ranking study for hydro projects, energy conservation and demand side management, restructured programme for rural electrification etc.

Shri. Basu was appointed Chairman, Central Electricity Regulatory Commission, in April 2002; this is a statutory position created under the Electricity Regulatory Commissions Act, 1998.

He has travelled extensively in India and abroad in connection with official business.



Shri D.P. Sinha
Member
(August, 1998 - November, 2002)

Shri D.P. Sinha is a Member in the Central Electricity Regulatory Commission since August 1998. He holds a Degree in Engineering (Electronics & Telecom) from BIT Sindri (Ranchi University), 1963. He had also worked in the Central Electricity Authority as Member (G&O) from 1995-98. He was instrumental in regulating the Technical & Commercial issues relating to inter-state and inter-Regional exchange of power, its trading and banking which laid the foundation of the emerging Indian Electricity Grid at the National Level. Prior to that he was Chief Engineer (Load Despatch & Telecom) and Chairman, Central Power Telecom Coordination Committee (PTCC) during 1990-95 where he dealt with System Integration, SCADA, Control, Communication, Convergence & Computerization. He prepared the "Master Telecom Plan" for the Indian Power Sector, which is now under implementation by the Power Grid.

He also brings with him substantial international experience in all aspects of Power Engineering because of his earlier deputation to Canada, Zambia, U.K., Germany and U.S.A. He was instrumental in initial Conceptualization/Creation of the Indian Electricity Grid Code and the Draft ABT notification while in CEA (1990-98) which later went through due process in CERC and approved after certain amendments. It is his varied background and vast experience that is an asset to the Commission in its day-to-day working.



Shri G.S. Rajamani
Member
(August, 1998 - Continuing)

Shri G.S. Rajamani is a Member in CERC since August 1998. He served in the Indian Defence Accounts Service from 1965 to 1998. He had been Additional Controller General of Defence Accounts before coming to power sector. He had worked in various Ministries in the Government of India including the Ministries of Communication, Environment, Electronics, Non-Conventional Energy Sources, Welfare and Defence. He occupied various positions from Under Secretary to Joint Secretary levels during the spells of his tenure in the Central Secretariat. Prior to joining the Central Electricity Regulatory Commission in August 1998, Shri Rajamani was Member (Economic & Commercial) and ex-officio Additional Secretary to the Government of India in the Central Electricity Authority.

He is a Post-Graduate in Economics from Madras University and has a Master's Diploma in Public Administration from the Indian Institute of Public Administration. He also graduated from the National Defence College, New Delhi.

Shri G.S. Rajamani has participated in various international conferences. He represented India as a delegate in the Universal Postal Union Congress (UPU) in Seoul, South Korea, in 1994. He visited London and Switzerland in 1995 in connection with finalization of UPU Budget as India was the Chairman, Finance Committee of the International Bureau, UPU. He was also the Indian delegate on



Servicing, Innovative Financing of Sustainable Development sponsored by the World Bank and the Earth Council in Washington in October 1995. Shri Rajamani visited USA in 1996 on a study tour in Power Sector Restructuring and Regulatory Reforms and also in 1999 to attend Energy & Environment Training Program on "Implementation of Power Sector Reforms" conducted by USAID and Institute of International Education.



Shri K.N. Sinha
Member
(May, 2001 - Continuing)

Shri K.N. Sinha joined the Central Electricity Regulatory commission as its Member on 11th May, 2001. Before joining the Commission, Shri Sinha was Member (Planning), Central Electricity Authority and ex-officio Additional Secretary to Government of India.

He obtained a Bachelors Degree in Electrical Engineering from Birla Institute of Technology, Ranchi in 1962. Immediately after graduation, Shri Sinha joined the then Uttar Pradesh State Electricity Board as an Assistant Engineer and was assigned the job of design and engineering of Ramganga Multipurpose River Project. He joined the Central Power Engineering service in 1964. Shri Sinha continued academic pursuit to upgrade his professional skills and obtained a Masters' Degree in Economics from the University of Himachal Pradesh in 1989, and a Post Graduate Diploma in Financial Management from Indira Gandhi National Open University, New Delhi in 1995. In 1980, he was awarded a UN Fellowship for training in Management of Thermal Power Stations and basic modern management course on Rural Electrification at National Rural Electric Co-operative Association, Washington, USA.

Shri Sinha has made significant contribution in the power development of the country. In his early days of his career, as an Executive Engineer with the Government of Manipur, he introduced "Spot billing" and "Cash collection at the doors" concepts relevant in a hilly region of the country where the consumers live in far flung areas. As Member-Secretary of the 13th Electric Power Survey Committee



and Chairman of 16th Electric Power Survey Committee, he brought out the 13th and 16th Electric Power Survey Reports, both being path-breaking documents introducing new concepts and approach, making the electrical energy demand projections more meaningful and realistic. He was part of the group responsible for designing the technical and techno-financial framework of legislation for inviting Private Sector participation in power generation. As Member (Planning), CEA, he finalised two landmark documents "The Fuel Map of India" and "Power on Demand by 2012", both the documents being the basis for power planning in the country in the time frame up to 2012. Shri Sinha has been responsible for introducing / redesigning a series of systems and publications in the Central Electricity Authority. He set up the procedure, methods and framework of examination and vetting of tariff proposals of Central PSUs in the power sector. He was the co-chairman of the Indo-Nepal Power Exchange Committee dealing with the tariff charges for international exchange of power between India and Nepal. He streamlined the procedure for project appraisal and techno-economic clearance to power schemes a statutory function of the CEA under Electric (Supply) Act, 1948. He was Chairman of the Standing Committee on Project Appraisal and co-chairman of Standing Committee on Firm Financial Package Appraisal.



Shri H.L. Bajaj

Chairman, CEA and Member Ex-Officio, CERC
(July, 2002 - Continuing)

Shri. H.L. Bajaj, Chairman, Central Electricity Authority is Member (Ex-officio), CERC since July 2002. He graduated in Electrical Engineering and postgraduate in Power systems from Punjab Engineering College, Chandigarh.

He has over 35 years of varied experience in the field of power. Back in 1970, his efforts resulted in electrification of the entire Haryana State -being the first. In his 14 years service with Bharat Heavy Electricals Ltd., he planned and designed electrical substations and power plant electricals for Indian and Overseas projects. He has also been in the Corporate Office of NTPC in various capacities in the Contracts Management Department including a short stint as General Manager (Consultancy). Shri. Bajaj has been responsible for various facets of Super Thermal Power Projects. His 15 years stint with NTPC has been most exiting where he significantly contributed for setting up over 10,000 MW coal & gas based stations.

As head of the Western Region of NTPC, which is almost 1/3rd of total NTPC and contributing a billion dollar turn over per annum, revolutionized the working which resulted in increased efficiency levels and ISO certification of all the five Power Stations. During his tenure, the employees of this Region received the Prime Minister's highest prestigious Shram Vir and Shram Ratna Awards. He has been Director on the Board of NTPC.

Shri. Bajaj took over as the Chairman, Central Electricity Authority & Ex - Officio Secretary to the Government of India in July, 2002. Being an Apex Government of



India body, Ministry of Power, Central Electricity Authority (CEA) is the nodal agency for planning of generation capacity and transmission system for the entire Indian power sector. CEA plays an active role in the development of hydro and thermal power and also plays a leading role for the development of Human Resources in the power sector.

Shri. Bajaj is a Director on the Board of Nuclear Power Corporation and also the Chairman, Electrotechnical Division Council (ETDC), Bureau of Indian Standards, New Delhi.

Recipients of various Awards by Power Engg. Society, IEEE(USA), the Third Millennium Award for his contribution in the field of Power Engineering; Outstanding Engineer 2001 Award by the Institution of Electrical Engineers, UK (IEE); Eminent Engineer Award 2002 by the Institution of Engineers (India); Best Corporate Manager of the Year 2001 and also the PECOBA Award 2001 for exemplary excellence in Engineering field. Shri. Bajaj is a Fellow & Chartered Electrical Engineer, the Institution of Electrical Engineers (IEE), UK; Fellow The Institution of Engineers, India and Fellow - All India Management Association . Shri. Bajaj is a Member of the Governing Body of Netaji Subhash Institute of Technology (formerly DIT), Delhi and a Member of the Award Board, Omprakash Bhasin Foundation of Delhi.

Invited speaker on various forums on power and allied subjects, Shri. Bajaj has also presented numerous papers on power and contracts management.



HUMAN RESOURCES OF THE COMMISSION

The Commission has a very wide mandate under the Act. The efficiency of the Commission in discharging its responsibilities depend upon the quality and functional specialization of its staff with the requisite expertise and experience in engineering, economics, financial management, accounting, law, environment, management information system and other related skills. The details of key human resources are provided in Annexure I and II. In addition, the Commission intends to utilise the human resources with their wide range of expertise and experience available within the Government, industry and research institutions. To supplement the in-house skills and experience available to it, the Commission engages consultants and for this purpose it has framed regulations. The details of Staff position in the Commission is given below in Table-1:

Table - 1

SANCTIONED/FILLED/VACANT POSTS IN THE COMMISSION AS ON 31 MARCH, 2003

S. No.	Name of Post	No. of Posts sanctioned	No. of Posts Filled	Vacant Posts
1.	Secretary	1	1	-
2.	Chief	4	3	1
3.	Joint Chief	2	2	-
4.	Deputy Chief	8	5	3
5.	Assistant Chief	8	7	1
6.	Bench Officer	2	1	1
7.	Assistant. Secretary (P&A)	1	1	-



8.	Pay & Accounts Officer	1	1	-
9.	Principal Private Secretary	4	4	-
10.	Private Secretary	5	3	2
11.	Assistant	5	4	1
12.	Personal Assistant	7	4	3
13.	Stenographer	4	3	1
14.	Receptionist-cum-Telephone Operator	1	1	-
15.	Senior Peon/ Daftry	2	-	2
16.	Peon	4	2	2
17.	Driver	4	4	-
	T O T A L	63	46	17

(i) Recruitment Status during the year 2002-03

The following vacant posts have been filled up during the year 2002-03:

Table - 2
RECRUITMENT DURING THE YEAR 2002-03

S.No.	Name of the Post	Date of Interview	No. of candidates empanelled	No. of candidates actually joined	Remarks
1.	Chief(Engg)	06.11.2002	3	1	-
2.	Joint Chief (Legal)	25.10.2002	2	1	-
3.	Dy.Chief (Finance)	11.02.2003	2	1	-
4.	Assistant Chief(Engg)	11.02.2003	1	1	-
5.	Bench Officer	31.01.2003	1	1	-
6.	Principal Private Secretary	06.05.2002	3	2	-
7.	Driver	-	-	1	On contract basis w.e.f. 3.7.2002

THE YEAR IN RETROSPECT

Central Advisory Committee(CAC)

The Commission has constituted Central Advisory Committee (CAC) by representation from Commerce, Industry, Transport, Agriculture, Labour, Consumers, Non-Governmental Organisations and Academic & Research bodies in the energy sector to get advise on policy formulation, quality continuity and extent of service provided by licensees, compliance by the licensee with the license conditions and requirements of the license, protection of consumer interest and energy supply and overall standards of performance by utilities. The Composition of the Central Advisory Committee is as follows:



1. Shri. Yogendra Prasad, Chairman & MD, NHPC, Faridabad.
2. Shri. C.P. Jain, Chairman & MD, NTPC, New Delhi
3. Shri. R.P. Singh, Chairman & MD, PGCIL, New Delhi
4. Dr. D.V. Kapoor, Chairman, Reliance Power Ltd., New Delhi
5. Shri. F.A. Vandrevalla, Managing Director, Tata Power Company Ltd., Mumbai
6. Shri. V. Raghuraman, Senior Advisor (Energy) CII, Gurgaon



7. Dr.AmitMitra, Secretary General, FICCI, New Delhi
8. Shri.Jai Prakash Gaur, Chairman & MD, Jai Prakash Industries Ltd., New Delhi
9. Shri.RaviMohan, MD, CRISIL, Mumbai
10. Shri. P.P Vora, Chairman & MD, IDBI, Mumbai
11. Shri.K.Ramanathan, Senior Fellow, TERI, New Delhi
12. Shri.Suman Kumar Bery, Director General, NCAER, New Delhi
13. Shri.T.L. Sankar, Advisor, Administrative Staff College of India, Hyderabad
14. Prof.BadalMukherji, The Delhi School of Economics, Delhi
15. Prof. V.Ranganathan, IIM, Bangalore
16. Shri.Deepak Parekh, Chairman, HDFC, Mumbai
17. Shri.Suresh Chand Gupta, Member(Electrical), Railway Board, New Delhi
18. Shri.K.Gnanadesikan, Chairman, TNEB, Chennai
19. Shri.D.C.Samant, Chairman & MD, RRVPNL, Jaipur
20. Shri.Girish Sant, Prayas, Pune
21. Er.K.C. Naikwadi, Chairman, All India Power Engineers Federation, Bangalore
22. Shri.Anil D. Ambani, Chairman & MD, Reliance Energy Ltd., Mumbai
23. Shri.Sanjai Mitra, Chairman, WBSEB, Kolkata
24. Shri.Nasser Munjee, MD and CEO, IDFC, Mumbai

The 4th meeting of the CAC was held on 24th March 2003 wherein detailed presentation about activities of Commission was made to the Members and advice was sought on the agenda of activities proposed to be carried out by the Commission.

MOUs/Bilateral Agreements with Foreign Governments/International Organisations

- MOU between Central Electricity Regulatory Commission (CERC) and Massachusetts Department of Telecommunications and Energy (MDTE),
- MOU between CERC and US Energy Association (USEA); and
- MOU between CERC and Federal Electricity Regulatory Commission (FERC)

The CERC, MDTE and FERC have agreed to participate as partners in the India Energy Partnership Program (IEPP). The USEA has entered into a



co-operative Agreement with the U.S. Agency for International Development (USAID) Office of Energy, Environment and Technology, whereby USEA has agreed to organise and implement an India Energy Partnership Program (IEPP). The IEPP recognises the mutual interest between FERC & CERC and MDTE & CERC in exchange of information and experience. The IEPP is designed for mutual transfer of experiences and information back and forth between FERC & CERC and MDTE & CERC in an effective and efficient manner and to foster long-term sustainable relationships between the partners. It may involve all aspects of regulatory operations and administration such as management, restructuring, finance and accounting, independent power marketing, customer service, bulk power transactions, telecommunications, strategic planning and other necessary areas of expertise.

Notifications Issued during the Year

Following notifications have been issued by the Commission during the year 2002-03:

Table - 3
NOTIFICATIONS

Sl. No	Issue No. & Date	Subject
1.	88 dt. 23.4.2002	Extension of billing of tariff charges beyond 31.3.2002 for a period of 3 months i.e. upto 30.6.2002 on provisional basis subject to adjustment after final determination of tariff by the Commission
2.	140 dt. 11.7.2002	CERC (Terms & Conditions of Tariff) (First Amendment) Regulations, 2002
3.	147 dt. 18.7.2002	CERC (Recruitment, Control and Service Conditions of Staff) Regulations, 2002
4.	150 dt. 1.8.2002	Extension of billing of tariff charges beyond 30.6.2002 for a period of 3 months i.e. upto 30.9.2002 on provisional basis subject to adjustment after final determination of tariff by the Commission
5.	237 dt. 29.10.2002	CERC (Medical Facilities) Regulations (First Amendment), 2002



6.	238 dt. 29.10.2002	Extension of billing of tariff charges beyond 30.9.2002 for a period of 6 months i.e. upto 31.3.2003 on provisional basis subject to adjustment after final determination of tariff by the Commission
7.	255 dt.10.12.2002	CERC (Conduct of Business) (First Amendment) Regulations, 2002
8.	20 dt.25.2.2003	Reconstitution of Central Advisory Committee (CAC)

The above Notifications came into force from the date of publication in the official gazette.

Seminar/ Conferences/ Training/ Exchange Programs

The details of Seminar / Conferences / Training / Plant visits / Exchange Programs attended by the Chairman, Members, Secretary and Staff of the Commission are provided in Annexure III and Annexure IV.



ANNUAL STATEMENT OF ACCOUNTS

(i) Expenditure

During the Financial Year 2002-03 the Commission was provided with a budgetary support of Rs.457.20 lakhs against which the expenditure incurred was Rs.393.04. The details of the expenditure against each Primary Unit of Appropriation are given below.

Table - 4

(Rs. in lakhs)

Unit of Appropriation	BE 2002-03	RE 2002-03	Actual Expenditure
Salary	112.20	110.00	96.08
DTE	15.00	10.00	5.35
FTE	10.00	15.00	12.00
Office Expenses	80.00	50.00	34.30
Professional Services	60.00	40.00	Nil
RRT	170.00	240.00	244.31
Other Charges	10.00	10.00	1.00
Total	457.20	465.00	393.04

From the above it is seen that the major share of expenditure was on RRT followed by Salary. The Commission endeavored to keep the expenditure within its allotted budget. It is worth mentioning that by enforcing stringent economic measure, the Commission saved Rs. 64.16 lakhs and surrendered the same with the Budget Division, Ministry of Power well in advance so that the same could be utilised on some other needy sector.



ACTIVITIES DURING THE YEAR

During the year the Commission received 86 new petitions and 177 petitions were carried forward from the previous year. Of the total 263 petitions, 104 petitions were finally disposed off during the year. Major activities of the Commission are briefly discussed below. Details of Petitions before the Commission is documented in **Annexure-V**.

Thermal

1. Commission issued final orders conveying for the approval of the Revised Fixed Charges (RFC) on account of Additional Capitalization and FERV for existing power plant namely NCTPS, Dadri, Farakka STPS, Gandhar GPS, Kawas GPS, Kahalgaon STPS and Talcher STPS for the validity period of respective project specific GoI tariff notification. Commission also concluded the hearing in the 4 petitions for the approval of tariff for its 4 existing power plants out of 7 in which Commission had determined revised fixed charges and orders have been reserved in want of certain clarifications. The one petition for the Kahalgaon STPS has been deferred in want of revised cost approval.
2. Commission issued final orders for 8 petitions of NTPC for the approval of tariff for the period from the date of expiry of validity period of respective project specific GoI tariff notification to 31.3.2001 for its existing power plants namely Ramangundam STPS, Rihand STPS, Singrauli STPS, Korba STPS, Vindhayachal STPS, FGUTPP Stage-I, Anta GPS and Auriya GPS. Commission also concluded hearing in 8 review petitions in the above cases subsequently.
3. Commission reheard the 15 petitions for the approval of tariff for the period from 1.4.2001 to 31.3.2004 for its existing power plants based on information furnished in Singrauli STPS and Rihand STPS and orders have been reserved for want of certain clarifications, decision on fuel price issue. The orders in 5 petitions can be passed only after determination of tariff for the tariff period up to 31.3.2001.
4. Commission reheard the 6 tariff petitions for the approval of tariff of NTPC's



new project namely Faridabad GPS, Kayakulam CCGT plant, Vindhayachal STPS Stage-II and FGUTPP Stage-II for the tariff period prior to 31.3.2001 and for the tariff period 1.4.2001 to 31.3.2004. Commission also heard petition for Simahdari TPS of NTPC and NLC's TPS I (Expansion) and issued provisional tariff order for supply of infirm power.

5. Commission heard the various stakeholders, and concerned parties on the various issues discussed in the staff papers circulated as *suo motu* petition No.56/2002 on operational norms for the small gas turbine power plant in the capacity range of 50 MW and below. Commission issued the final order on 25.9.2002 after going through a transparent hearing process, finalizing the operation norms for small gas turbine power plants. These operational norms have been sent for notification subsequent to finalization of operational norms.
6. Commission finally heard 2 petitions for the tariff period prior to issue of above notification for the two gas power project of NEEPCO namely Assam CCGT plant and Agartala GPS and confirmed the provisional tariff with the directions to NEEPCO to file fresh tariff petition for the tariff period from the date of effectiveness of the notification to 31.3.2004.
7. Commission dealt with NTPC's petition on incentive/disincentive of Gandhar GPS and Kawas GPS and issued final order. Subsequently, Commission heard a review petition seeking review of Commission's final order. Commission also dealt with petition seeking relaxation of target availability norms for Kawas and Gandhar GPS in a separate petition in view of implementation of ABT in Western Region and issued final order relaxing the target availability.

Hydro

1. Commission issued final orders in respect of following hydro project of NHPC for the tariff period 1.4.2001 to 31.03.2004 based on Commission's terms and conditions of tariff notified vide notification dated 26.03.2001
 - i) Tanakpur (94.2MW)
 - ii) Salal (Stage I&II) (990MW)

iii)	Chamera	(540 MW)
iv)	Uri	(480 MW)
v)	Baira Siul	(198 MW)
vi)	Loktak	(105 MW)

Provisional tariff order for the newly commissioned Ranganadi HEP (405 MW) of NEEPCO was issued pending submission of financial data, variance analysis on the time and cost overrun by the utility.



2. Kopili HE scheme of NEEPCO comprise of two hydro stations viz. Kopili (250 MW) and Khandong (50 MW). Each of these power stations receives water discharge from a separate reservoir and they are located about 12 kms apart. There has been composite tariff in force for these hydro power stations so far, based on consensus arrived at by the constituents of N.E. Region. However, as per clause 1.4 of Commission's terms and conditions of tariff dated 26.03.2001, generation tariff under CERC Regulations shall be determined station-wise. As such, Commission has directed NEEPCO to file separate petitions for Kopili and Khandong HEPs for the current tariff period.
3. **Review of Design Energy:** On the specific directions of the Commission, CEA has initiated action for review of design energy of all operational hydro stations of NHPC and NEEPCO. The process is to be completed urgently so



that the revised design energy figures can be utilised for the tariff purposes during the next tariff period commencing from 1.4.2004.

Transmission

1. Review of Commission's Order on RLDC charges

The Commission vide its order dated 22.3.2002 in the Petition No.109/2000 filed by Powergrid Corporation of India Ltd., had approved fees and charges to be paid to the Regional Load Despatch Centres (RLDCs) by the beneficiaries. The petitioner had filed a Review Petition No.84/2002 seeking review of directions on certain items of fees and charges approved by the Commission. After considering the matter in detail, the Commission vide its order dated 8th May, 2003 approved the following modifications in the order dated 22.3.2002:

- For the year 2001-02 and onwards an increase of 15% in employee strength over and above the staff strength sanctioned for the year 2000-01 for the purpose of calculation of allowable employee cost has been approved in view of the implementation of ABT.
- The share of Corporate office expenses allocated to RLDC charges have been increased from Rs 120.74 lakhs to Rs 213.01 lakhs. This is due to estimate that 30 persons in the corporate center are performing exclusively RLDC related functions in place of earlier assumption of 17 persons based on the information supplied by the petitioner.
- The Communication expenses and travel expenses for the years 2001-02 and onwards, which were kept fixed at the level of 2000-01 have now been made escalable.
- Earlier Commission had approved a rebate of 2.5% on payment through LC and 1% on payment within one month of presentation of the bill. In the review order, the Commission has allowed only a rebate of 1% on payment through LC as the working capital includes only one month's receivables.
- Amount of interest on the loans repaid by employees and the rent recovered from the employees shall not be treated as part of the "Other income".

- If the difference between the actual expenditure and the RLDC charges approved by the Commission is in the range of $\pm 5\%$, the same shall be settled between RLDC and the beneficiaries directly without any reference to the Commission. However, if difference is beyond $\pm 5\%$, adjustment shall be made after decision of the Commission for which the petitioner shall file appropriate petition with justification.
- The summary of the total RLDC charges as approved by the Commission vide its order dated 22.3.2002 and the revised total RLDC charges as per the order dated 08.05.2003 on the review petition is as under:

Year	RLDC charges (Rs Lakhs) (as per order dated 22.3.2002)	Revised RLDC charges (Rs Lakhs) (as per order dated 08.05.2003)
2000-01	2022.37	2152.40
2001-02	2106.76	2452.07
2002-03	2221.60	2615.53
2003-04	2344.58	2790.46

2. **Petitions related to Non-compliance of directions of RLDC and maintenance of grid frequency**

Commission heard number of petitions filed by WRLDC, SRLDC and ERLDC on the issue of Non-compliance of directions of RLDC and maintenance of grid frequency.

The Commission in its order dated 28.01.2003 in the petition No 107/2002 filed by WRLDC, has applied a token penalty of Rs 1.0 Lakhs on MPSEB for non-observance of provisions of IEGC and non-compliance of Commission's directions contained in order dated 24.08.2001. GEB and MSEB were also *prima facie* found to be contributing towards grid indiscipline and were issued show cause notice. The Commission vide its order dated 09.04.2003 decided not to impose any penalty on GEB and MSEB in view of their subsequently cooperation with the petitioner in the matters of grid management but asked the petitioner to monitor conduct of the constituents and bring to the notice of the Commission any violation of IEGC, instruction of RLDC or directions of the Commission.

The petition No. 83/2001 filed by the SRLDC was disposed off in view of the



submission by the petitioner that after implementation of ABT in Southern Region the frequency profile has improved and all the constituents are extending full cooperation to SRLDC.

A petition (No. 81/2001) was filed by the ERLDC requesting the Commission to invoke Sections 44 and 45 of the Electricity Regulatory Commissions (ERC) Act, 1998 for penal action against Kahalgaon STPS (KhSTPS) of NTPC for violating Commission's order dated 17.08.2000 and 06.09.2001. The Commission vide its order dated 31.10.2002 has come to the conclusion that KhSTPS has not shown regard for the schedule prepared by the petitioner and the directions issued by it on the issue of maintenance of grid frequency. The Commission recognised that this action of KhSTPS is clear violation of the Commission's order dated 17.08.2000 and 06.09.2001. The Commission was satisfied that this was the fit case where section 45 of the ERC Act read with section 47 should be invoked. The Commission, however, restrained itself from imposing the penalty in view of the occasional violation by the other constituents also and possibility of significant improvement after implementation of ABT. This petition was disposed off with the direction to discuss the implementation of ABT in the Eastern Region in the Board meeting of ERE Board which was held on 21.11.2002 and that the ABT should be introduced in Eastern Region as early as possible but not later than 01.01.2003.

ERLDC had filed another petition (No. 78/2002) praying for action against Grid Corporation of Orissa Ltd. (GRIDCO) under section 44 and 45 read with section 47 of the ERC Act for violation of the directions of the Commission. ERLDC contended that when regulation of power supply was implemented against GRIDCO by NTPC for non-payment of dues, the schedule of drawl prepared by ERLDC was not adhered to by GRIDCO. GRIDCO on the other hand maintained that the regulation of power supply to GRIDCO alone was discriminatory and also that extension of the regulation beyond 23.03.2002 was not in line with the procedure prescribed by the Commission. The Commission vide its order dated 01.11.2002 clarified that in the relevant para 2 of the procedure prescribed by the Commission the term "non-discrimination" relates to treatment of proposal received by RLDC from various utilities for regulating the supply and does not foreclose the discretion of the utility requesting for regulation in any manner of selection of the utility whose power is to be regulated. The Commission also held that extension of duration of regulation of power supply was not covered in the generic procedure prescribed by the Commission and hence the extension was due to an error in the interpretation of the Commission's order. However, the Commission was of the view that having agreed to the schedule, the GRIDCO can



not justify over-drawl on the pretext of illegal extension of duration of regulation. However, no penalty was applied in view of the apology tendered by GRIDCO.

3. Petitions related to Transmission licensing

POWERGRID had filed a petition seeking O&M expenses of 2% instead of 1.5% as stipulated in the Commission tariff notification for the projects executed thorough IPTC/JV route. The petitioner had also sought clarification regarding application of 10% transmission majoration factor for projects taken up through JV route. The Commission vide its order dated 04.07.2003 clarified that the transmission majoration factor will not be applicable for the projects executed through IPTC route for the reason that the bidders shall take into account all aspects while quoting year-wise transmission charges for the duration of the license.

The para 10 of the notification dated 24.08.2001 issued by the Commission lays down that the CTU shall proceed with evaluation and comparison of proposals where a minimum of 3 valid bids are available. It further provides that where minimum of 3 valid bids are not available, the final selection shall be made only after obtaining permission of the Commission. POWERGRID had filed another petition (No. 124/2002) seeking approval of the Commission to proceed ahead with the evaluation of the sole bid received for implementation of Bina-Nagda-Dehgaon transmission line through competitive route. The Commission vide its order dated 20.01.2003 allowed the petitioner to proceed further with the evaluation of the single bid received and take a decision as considered appropriate. However, it was made clear that this case shall not be quoted as a precedent for future.

4. IMPORTANT ORDERS ISSUED DURING THE YEAR 2002-03

4.1 Implementation of ABT in Eastern region: Grid Corporation of Orissa Ltd. filed a review petition regarding implementation of ABT in Eastern Region. In the order it was stated that the petitioner sought permission to withdraw the review petition. Commission granted permission to the petitioner and dismissed the review petition.

4.2 Tariff for Talcher TPS for the period 1.4.2000 to 31.3.2004: NTPC filed a petition for Talcher TPS (460 MW) was heard on 24.1.2002 and the



Commission approved tariff for the period 1.4.2000 to 31.3.2004 vide order dated 19.6.2002. The petitioner (NTPC) as well as respondent (Grid corporation of Orissa Ltd.) filed their applications for review of the above said order. In review petitions (92/2002 and 93/2002), they are seeking review of certain aspects of that Order. Commission had allowed review on the following counts.

- ⦿ Computation of interest on loan
- ⦿ Computation of O&M Charges - Consideration of water charges or any part thereof and its consequential impact on working capital.
- ⦿ Interest on working capital - Computation of receivables by adding variable charges and in the light of decision on computation of interest on loan and O&M charges.
- ⦿ Tax on income - Scope and interpretation of "core" activity under para 2.12 of the notification dated 26.3.2001.
- ⦿ Auxiliary Energy Consumption - Inclusion or otherwise of colony consumption in the Auxiliary Energy Consumption

The Commission stated in the order (dated 5.11.2003) that the "above noted issues only will be discussed as discussion on any other issue would be a mere reiteration of the decisions already arrived at in the order dtd. 19.6.2002 for the reasons that either there was no controversy between the parties or review was not allowed vide order dated 1.4.2003".

4.3 Determination of Tariff of Tanda TPS: In petition 77/2001 NTPC sought determination of terms and conditions of Tariff applicable to Tanda TPS and determination of tariff based on the terms and conditions so decided by the Commission. In another petition (91/2000) UPPCL has filed a petition seeking mainly a direction to NTPC to seek approval of the Commission for tariff for the Tanda TPS on the basis of Notification issued by MoP on 30.3.1992 & Commission's Notification dtd. 26.3.2001. As these two petitions were based on the same set of facts they were heard together and disposed of through a common order.

The petitioner sought approval of tariff for the period from 14.1.2000 to 31.3.2004. The terms and conditions of tariff for sale of power by a



generating company were notified by MoP on 30.3.1992. But with the establishment of the Commission the power to regulate tariff is vested with the Commission. Commission has notified its terms & conditions of tariff on 26.3.2001 applicable w.e.f 1.4.2001. In this regard, the contention of UPPCL is that the tariff for sale of power from the Tanda TPS should be regulated in terms of MoP's Notification dtd. 30.3.1992 for the period from 14.1.2000 to 31.3.2001 and thereafter in terms of the Commission's notification dtd.26.3.2001. But the petitioner in contrary to this had argued that because of the special circumstances applicable to the Tanda TPS, the terms and conditions of tariff notified by the MoP and the Commission could not be extended to this project. These may be first determined by the Commission before finalizing the tariff for sale of energy.

The Commission considered these contrary points of view in the hearing on 7.1.2002 and it was decided that all aspects should be examined by a one Member Bench of the Commission, to make recommendations and appropriate decision on the parameters to be followed for determination of tariff, including capital base. Shri.KN.Sinha was nominated for this purpose. The Special Bench made recommendations in its order dtd 22.2.2002 which opines that the norms for determination of tariff as notified by MoP and the Commission could not be applicable to Tanda TPS.

4.4 Operational Norms for Gas based Thermal Station of small size: Petition on this subject was filed by NEEPCO for approval of operational norms in respect of small gas based thermal stations. In this regard the Commission already heard and approved (vide order dated 25.9.2002) the operational norms for small gas based thermal stations with capacity up to 50 MW. Hence, the Commission disposed the petition.

4.5 Regulations through Competitive Bidding: The expression of interest to provide clear guidance on competitive procurement of generation and transmission services started in the Commission when it published its first 'Consultation Paper on Bulk Electricity Tariff' during September 1999. It decided to issue comprehensive regulations through competitive bidding in discharge its role under clause (d) of Section 13 read with the powers conferred under Section 55 of the Act.

The Commission appointed Price Waterhouse Coopers as the Consultants to assist it in the development of regulations through competitive bidding. The



consultants prepared a report entitled 'Report on Recommendations on the bid process and specifying tests, minimum conditions and criteria' which was discussed in New Delhi on November 7, 2000. Subsequently, the consultants prepared a draft document containing the draft regulations for competitive bidding and submitted the same to the Commission in July 2001. Following which the Commission initiated *suo motu* proceedings to finalise the regulations for competitive bidding. The draft document prepared by the consultants was widely circulated to elicit views of the stakeholders in the electricity sector and forms the subject matter of said petition (Petition No.54/2001). The petition was heard on September 27th 2001 in the Commission and PwC documented the deliberations during public hearing.

17 parties responded to the Draft Document circulated and following are certain preliminary issues arising out of the proceedings.

- ⊙ Jurisdictional issue
- ⊙ Definition of Qualified Project
- ⊙ Mode of Procurement for generation projects
- ⊙ Bench Mark price
- ⊙ Terms of the PPA
- ⊙ Treatment of foreign currency indexation
- ⊙ Role of State Commission
- ⊙ Minimum conditions

Based on the suggestions from stakeholders, regulations were discussed on the following heads. They were:

- ⊙ Test for Competition
- ⊙ Petition for Approval of Tariff
- ⊙ Process Timetable
- ⊙ Best Practice Guidelines
- ⊙ Bid opening and Evaluation
- ⊙ Technical Evaluation Criteria
- ⊙ Specific issues on Hydro Power Project
- ⊙ Specific Issues on Thermal Power Project
- ⊙ Availability Incentives
- ⊙ Specific issues in Transmission Service.



- 4.6 For Grant of Approval to undertake Power Marketing and Trading Activities:** Koyela Energy Resources P.Ltd. (KERPL), a company registered under the Companies Act, filed a petition praying for an appropriate approval/clearance to market power on behalf of GRIDCO & WBPDC and that available surplus electricity to any buying utility particularly PSEB.

The Commission considered this petition and stated that the terms & conditions for inter-state transmission (i.e. trading) have not been notified so far. It had ordered (Notification No.7,2(5)/99-CERC dtd.24.11.1999) that till such time "no specific approval from the Commission would be required for such transactions, subject to the condition that provisions of IE Act, 1910, ES Act, 1948 or any other laws or government order in force shall be complied with before such transactions involving inter-state transmission of energy are entered into."

- 4.7 Incentive / Disincentive for Kawas GPS and Gandhar GPS:** This petition was filed by NTPC for approval of incentive/disincentive payable for Kawas GPS for the years 1992-93 to 1997-98 and Gandhar GPS for the years 1994-95 to 2000-2001. Kawas GPS was initially notified on 30.4.1994 and it was subsequently amended vide notifications dtd.19.6.1995 and 14.5.1999. In the case of Gandhar GPS the terms & conditions for supply of power was notified on 28.4.1997 and amended vide notification dtd. 14.5.1999. These notifications provided for payment of incentive / disincentive to/by the petitioner by/to the beneficiaries drawing power from these stations. According to these notifications, where

- ⦿ the Actual Generation Level (AGN) in kwh/kw/year as certified by Regional Electricity Board (REB) and Central Electricity Authority (CEA) in any financial years exceeded the Normative Upper Limit of operating range (NGU) in kwh/kw/year the petitioner became entitled to incentive and
- ⦿ where AGN in kwh/kw/year fell below the Normative Lower Limit of operating range (NGL) in kwh/kw/year for the reasons attributable to the petitioner, he became liable to pay disincentive to the beneficiaries drawing power from the stations.

As provided in these notifications, for the purpose of incentive/disincentive calculation, AGN achieved in any financial year include the backing down as certified by REB due to lack of system demand & due to other conditions not

attributable to the petitioner as certified by CEA, is considered as "deemed generation".

However, due to omission of Section 43A(2) of the ES Act, 1948 with effect from 15.5.1999, for central generating stations the petition for determination of incentive/disincentive was filed before the Commission.

After detailed discussion, analysis over a period of time on the issues of incentive/disincentive, Commission directs that the petitioner is liable to incentive/disincentive as under:

Year	Kawas GPS	Gandhar GPS
1993-94	(-)16.13	-
1994-95	(-)41.51	0.00
1995-96	(-)58.29	(-)18.61
1996-97	(-)13.92	(-)11.99
1997-98	1.29	0.00
1998-99	Incentive already allowed by the Commission.	(-)92.99
1999-00	-do-	(-)71.46
2000-01	-do-	(-)48.72
Total	(-)128.56	(-)243.77

It was stated that "the incentive / disincentive approved by the Commission shall be shared by the beneficiaries in proportion of energy drawn in the respective year and shall be adjusted towards the outstanding dues. In other words, if dues against any of the respondents are outstanding, the petitioner shall be at liberty to adjust the disincentive approved by the Commission, against those dues".

5. Implementation of ABT

On the issue of Availability Based Tariff, Commission took up a *suo motu* petition in 1999 and after going through the hearing process issued a detailed order on 4th January, 2000. Following that, it had ordered implementation of ABT in various regions, commencing from 1.4.2000 in the Southern



Region. However there were some delays in implementation of the same due to review petitions filed before the Commission as well as appeals in various High courts. The Commission reviewed its order based on review petitions and issued an order in December 2000. Certain appeals were preferred against the review petitions of the Commission and stay were issued by the Hon'ble Delhi High Court in March, 2001. Subsequently these orders were vacated by the Hon'ble Supreme Court in October, 2001. After this, CERC ordered the implementation of ABT in different regions.

In Western Region, ABT was implemented w.e.f 1st July, 2002. There were some teething troubles, which were overcome. The collection and disbursement of UI payments were sorted out. The rules of the game were clearly understood by various stakeholders. The Commission continued the monitoring of grid discipline by all activities. All these efforts by the concerned agencies had led to the improvement of the frequency profile of the Western Regional Grid.

After successful implementation of the ABT in the Western Region, Commission has been pushing other regions to implement it. Necessary orders were issued while dealing with grid indiscipline in different regions for expeditious implementation of ABT. Northern Region became the second region to introduce ABT w.e.f 1st December, 2002. In the mean while grid issues relating to Southern Region were also heard in the Commission wherein the Southern Regional participants in the grid were also impressed upon to implement ABT which was finally done on 1st January, 2003. Similar persuasive action of the Commission resulted in implementation of the ABT in the Eastern Region w.e.f 1st April 2003.

It will be worthwhile noting that the improvement in the frequency profile is best achieved in the Southern Region after the introduction of the ABT. Prior to implementation of the ABT, the frequency in the Southern Region used to hover around 48 Hz and the grid often used to get separated in to two and at times the grid had also collapsed. After implementation of the ABT in the Southern Region the frequency is within the IEGC range of 49 to 50.5 Hz for over 99% of the time as compared to around 80% during November, 2002 and 31% during August, 2002.

The Eastern Region used to face high frequency problem. The frequency was going up to 52 Hz. Pumping of electricity into the grid at high frequencies was



resulting in unnecessary burning of fuel. This has now been controlled leading to frequency levels within IEGC range. This has also led to conservation of fuel as well as reduced pollution levels.

The introduction of the ABT had also paved the way for trading in electricity. The UI rate acts as a benchmark price for trading activity. The beneficiaries who do not require power for various reasons have resorted to either bilateral trading or trading through various traders. The Commission had also issued Notifications as far back as in 1999 enabling the traders to do trading in electricity.

The results of the ABT so far have clearly established that the stakeholders are trying to optimise their draws from the Central Sector Power Stations vis-à-vis the UI charges they have to pay. Barring a few exceptions, it is gratifying to note that the UI transactions are completed in time. This awareness amongst the participants in the grid has greatly improved the operational performance of the grid and the performance is now being monitored regularly by the Commission.

6. The Electricity Act, 2003

The Commission discussed with Ministry of Power and provided their views about Electricity Act, 2003.



AGENDA FOR THE YEAR 2003-04

The Central Electricity Regulatory Commission has the following agenda for the year 2003-04:

1. To determine the Additional Capitalization and tariff for the period from the end of the validity period of respective project specific GoI tariff notification to 31st March 2001 in respect of five existing power projects of NTPC.
2. To determine the tariff for the period from 1.4.2001 to 31.3.2004 for existing as well as new projects of NTPC.
3. To determine the tariff for the NEEPCO Agartala Gas based simple cycle project and Assam Gas Based Combined cycle project for the tariff period up to 31.3.2004.
4. To determine the incentive for the period 2001-2002 & 2002-03 for the NTPC project.
5. To initiate action on the review of operational norms for the next tariff period i.e. 2001-04 onward. This would involve preparation of approach papers, examination of specific issues by the consultants, inviting opinions and hearing the concerned parties and experts.
6. To hear and issue of orders on the four Nos. of Review Petitions filed by NHPC in respect of Tanakpur, Salal, Chamera and Uri HEPs.
7. Issue of final tariff orders for Ranganadi (405 MW) and Doyang (75 MW) HEPs of NEEPCO.
8. Hearing and issue of tariff orders in respect of following hydro power stations of NHPC/NEEPCO which are expected to be commissioned during the year.



i)	Chamera II	(300MW)	- NHPC
ii)	Dulhasti	(390 MW)	- NHPC
iii)	Nathpa Jhakri	(1500 MW)	- SJVNL
iv)	Tehri	(1000MW)	- THDC

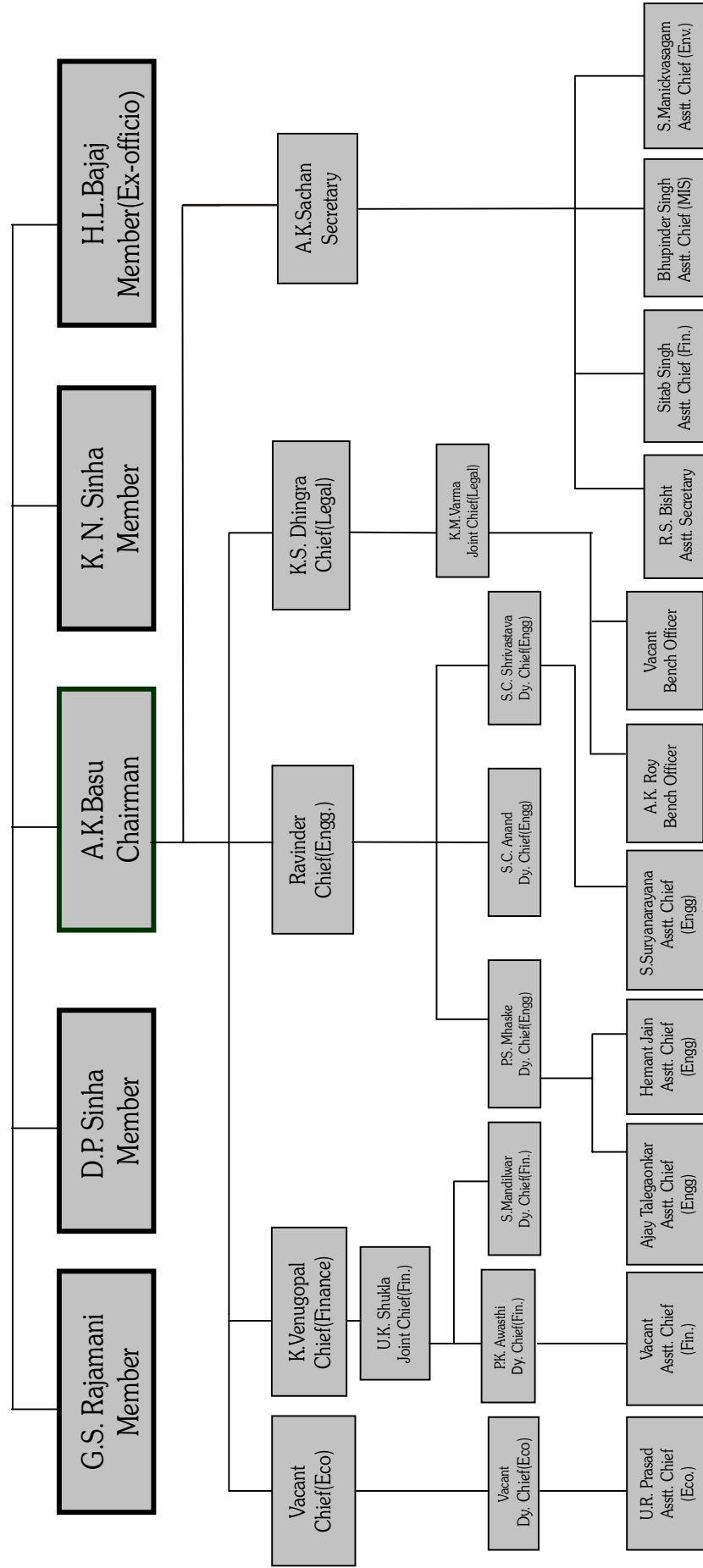
9. The current 3 years tariff period will end on 31.03.2004 and new tariff period shall commence from 1.4.2004. It is likely that norms may undergo changes based on stakeholders view and petitions filed by utilities. This would require collection of relevant data from various storage/ ROR hydro stations and undertaking studies followed by *suo motu* hearing to be taken up by the Commission for application of these norms in the forthcoming tariff period. All such works/studies would be taken up during the year.
10. Formulations of the tariff principles to be applied from 01.04.2004.
11. Review of the IEGC and monitoring of its implementation.
12. Formulations of principles for open access transmission as and when the Electricity Bill 2003 becomes a law.
13. Formulation of principles for reimbursement/tariff for the Unified Load Dispatch Scheme implemented at the RLDCs.
14. Monitoring of ABT in Northern, Western, Southern and Eastern Region and its implementation in North - Eastern Region as soon as feasible.
15. Amendment to the Commission's notification dated 24.10.2001 on the issue of transmission license to incorporate directives contained in the Commission's order issued in May 2002 on the competitive bidding.



ANNEXURES

Annexure I

Organisation Chart Of the Central Electricity Regulatory Commission (Professional Staff as on 31-March, 2003)





ANNEXURE-II

E-MAIL ID AND PHONE NUMBERS OF THE CHAIRMAN, MEMBERS AND STAFF OF THE COMMISSION

Designation	Name	Phone No.	E-mail
Chairman	A.K. Basu	24360004	chairman@cercind.org
Member	G.S.Rajamani	24361235	gsr23@hotmail.com
Member	K.N. Sinha	24361280	kns60@rediffmail.com
Member	Vacant	24361259	
Ex-Officio Member	H.L. Bajaj	26102583	chairman@cea.nic.in
Secretary	A.K. Sachan	24361051	ak_sachan@yahoo.com
Chief (Finance)	K.Venugopal	24364898	venu_k_gopal@hotmail.com
Chief (Legal)	K.S.Dhingra	24363174	ks_dhingra@hotmail.com
Chief (Engg)	Ravinder	24364960	ravinderveeksha@hotmail.com
Chief (Eco)	Vacant		
Joint Chief (Finance)	U.K. Shukla	24363395	ukshukla@cercind.org
Joint Chief (Legal)	K.M. Varma	24363327	k_m_varma@yahoo.com
Deputy Chief (Engg)	P.S.Mhaske	24364826	psmhaske@yahoo.com
Deputy Chief (Engg)	S.C.Anand	24364826	anandsca@hotmail.com
Deputy Chief (Engg)	S.C.Shrivastava	24364895	scschandra@hotmail.com
Deputy Chief(Finance)	P.K. Awasthi	24364895	awasthi_prabhat@yahoo.com
Deputy Chief(Finance)	S. Mandilwar	24364895	sanjiva_mandilwar@yahoo.com
Deputy Chief	Vacant (3 posts)		
Assistant Secretary	R.S.Bisht	24361145	bisht7@hotmail.com
Assistant Chief (Engg)	AjayTalegaonkar	24364826	ajay_tal@hotmail.com
Assistant Chief (Engg)	Hemant Jain	24364826	hem_jain@hotmail.com
Assistant Chief (Engg)	S. Suryanarayana	24364895	surya_928a@yahoo.co.in
Assistant Chief(Finance)	Vacant (1 post)		
Assistant Chief (Eco)	U.R. Prasad	24363338	uppaluri123@rediffmail.com
Assistant Chief(Environ)	S.Manickavasagam	24363338	s_vasagam@yahoo.com
Assistant Chief(MIS)	Bhupinder Singh	24364895	vilkhu@hotmail.com
Assistant Chief(A/cs)	Sitab Singh	24361145	sitab_s_b@yahoo.com
Bench Officer	A.K. Roy	24364911	akroy44@hotmail.com
Bench Officer	Vacant (1 post)		



ANNEXURE-III

SEMINARS/ CONFERENCES/ EXCHANGE PROGRAMS ATTENDED BY THE CHAIRMAN/ MEMBERS/ SECRETARY/ STAFF OF THE COMMISSION OUTSIDE INDIA

S.No	Name & Designation	Seminar/Conference/Program	Country Visited
1.	Sh. A .K. Basu, Chairman Sh. K.N. Sinha, Member Sh. K. Venugopal, Secretary	The USEA/USAID Energy Partnership program between CERC and FERC/MDTE from 8 th to 17 th July, 2002	USA
2.	Sh. A .K. Basu, Chairman Sh. K.S. Dhingra, Chief(Law)	SAFIR's Workshop on 'Legal Aspect of Regulation in South Asia' on 3 rd & 4 th August, 2002	Bangladesh
3.	Sh. A .K. Basu, Chairman Sh. G.S. Rajamani, Member	Bilateral Interaction with the Regulators for Gas and Electricity Industries in U.K. from 2 nd to 6 th December, 2002	U.K.
4.	Sh. A .K. Basu, Chairman	6 th Meeting of the SAFIR Steering Committee on 9 th & 10 th December, 2002	Sri Lanka
5.	Sh. A .K. Basu, Chairman Sh. S.C. Shrivastava, Dy.Chief(Engg.)	6 th Annual ASIA POWER 2003 Conference from 18 th to 20 th February, 2003	Singapore



ANNEXURE IV

PROGRAMS ATTENDED BY STAFF OF THE COMMISSION IN INDIA

S.No.	Name of Hosting Institution	Name of Program & Duration	Designation of Officers deputed
1.	Central Board for Irrigation & Power (CBIP)	IWRA Regional Symposium on ' Water for Human Survival' 27 th – 30 th November, 2002	1. Joint Chief (Fin) 2. Dy. Chief (Engg)
2.	National Power Training Institute (NPTI)	National Seminar on 'Financial Analysis of Power Projects' 27 th – 28 th December, 2002	1. Asstt. Chief (Fin.)
	Confederation of Indian Industry (CII)	Conference on ' Power Distribution Reforms: Moving towards Efficiency, Better Management & Technology' 7 th - 8 th February, 2003	1. Chief (Engg) 2. Dy. Chief (Engg)
4.	(a) Ballabgarh Sub-Station of PGCIL (b) Power Management Institute, Noida (c) NHPC, Faridabad (d) PGCIL, New Delhi	Familiarisation and Orientation Programme for CERC Officers in the CPSUS. 18.1.2003 20.1.2003 22.1.2003 24.1.2003	1. Asst.Chief (Engg.) 2. Asst.Chief (Engg.) 3. Asst.Chief (MIS) 4. Asst.Chief (Eco) 5. Asst.Chief (Env) 6. Asst.Chief (Fin) 7. Bench Officer 8. PPS 9. PPS 10.DDO.



ANNEXURE V

STATUS OF PETITIONS FILED BEFORE THE COMMISSION DURING THE YEAR 2002-03

A. PETITIONS

Carried forward from year 2001-02	No. of Petitions received during 2002-03*	Total	Disposed off	Pending as on 31.3.03.
177	86	263	104	159

* Review Petitions (29), Tariff Petitions (40), and other Petitions (17).

Details of Petitions disposed off during 2002-2003

Sl. No	Petition No.	Filed by	Subject
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THERMAL

1	41/2000	NTPC	Revised fixed charges and foreign exchange rate variation for 97-98 and 98-99 for Farakka STPS.
2	62/2000	NTPC	Tariff for Talchar Thermal Power Station for the period from 1.4.00 to 31.3.05.
3	71/2000	NTPC	Revised fixed charges due to addl capital expenditure and Foreign Exchange rate variation for Kahalgaon STPS.
4	72/2000	NTPC	Revised fixed charges due to addl capital expenditure and foreign exchange rate variation for Talchar STPS.
5	76/2000	NTPC	Revised fixed charges due to addl capital expenditure and foreign exchange rate variation for Kawas STPS.
6	77/2000	NTPC	Revised fixed charges due to additional capital expenditure and FERV for Gandhar GPS.



7	81/2000	NTPC	Approval of RFC due to addl capital expenditure during 97-98 and 98-99 in respect of NCTPS Dadri.
8	91/2000	UPPCL	Determination of Tariff of Tanda TPS.
9	77/2001	NTPC	Tariff of Tanda TPS.
10	78/2001	NTPC	Incentive/Disincentive for Gandhar GPS & Kawas GPS.
11	25/2001	NTPC	Terms and conditions and Tariff for Power supplied from NTPC generating stations.
12	28/2001	NTPC	Direction on the Billing of charges.
13	29/2001	NTPC	Review of the provisions of CERC's terms and conditions of Tariff.
14	43/2001	NTPC	Incentive for Ramagundam STPS.
15	29/2002	NTPC	Tari Tariff of Ramagundam STPS.
16	30/2002	NTPC	Tariff of Rihand STPS.
17	31/2002	NTPC	Tariff of Singrauli STPS.
18	32/2002	NTPC	Tariff of Auraiya GPPS.
19	33/2002	NTPC	Tariff of Feroz Gandhi Unchahar TPS-I.
20	34/2002	NTPC	Tariff of Kobra STPS.
21	35/2002	NTPC	Tariff of Vindhyachal STPS.
22	36/2002	NTPC	Tariff of Anta GPS.
23	86/2002	NTPC	For direction in Implementation of ABT in Western Region.
24	76/2002	NTPC	Request for directions in regard to implementation of revised norms.
25	5/2002	NLC	Revised Tariff for TPS-II for NLC.
26	59/2002	NLC	Tariff for Thermal Power Station.
27	56/2002	Suo-Motu	Operational norms for Small Gas Turbine Power Station.
28	146/2002	TNEB	Review of Order dated 9.10.02 in Petition No.29/2002 filed by NTPC.
29	5/2000	NEPCO	Tariff in respect of Agartala Gas Turbine Power Project of NEEPCO.



30	6/2000	NEEPCO	Tariff in respect of Assam Gas Based Power Project of NEEPCO.
31	50/2001	NEEPCO	Operational Norms for Gas Based Thermal Station of small size.

HYDRO

1	25/2000	NEEPCO	Tariff for Kopili Hydro Electric Project.
2	52/2000	WBSEB	Review of order dated 12.5.2000 passed in Petition 3/2000 regarding Rangit Hydro Project.
3	58/2000	Govt. of Sikkim	Review of order dated 15.5.2000 passed by the Commission in Petition 3/2000 regarding Ranjit Hydro Project.
4	59/2001	NHPC	Tariff of Loktak HE Project.
5	60/2001	NHPC	Tariff of Chamera HE Project.
6	61/2001	NHPC	Tariff of Uri HE Project.
7	62/2001	NHPC	Tariff of Tanakpur HE Project.
8	64/2001	NHPC	Tariff of Salal Project.
9	65/2001	NHPC	Tariff of Bairasiul HE Project.
10	04/2003	ASEB	Review of Order dated 1.11.02 in Petition No.59/2001 (Tariff of Loktak HEP Project).
11	06/2003	OPCL	Tariff for Samal Hydroelectric Power Project.

TRANSMISSION

1	6/1999	PGCIL	Transmission Tariff for Dehri-Karamnasa Line.
2	7/1999	PGCIL	Transmission Tariff for Fridabad-Samaypur Transmission Line.
3	8/1999	PGCIL	Transmission Tariff for Unchahar-Kanpur Line
4	9/1999	PGCIL	Tariff for Jeypore-Gazuwaka Line and back to back Stn at Gazuwaka.



5	10/1999	PGCIL	Transmission Tariff for Vindhyachal-Satna and Satna-Bina Line.
6	13/1999	PGCIL	Approval of incentive based on availability of Transmission System of Western Region.
7	14/1999	PGCIL	Approval of incentive on availability of Transmission System of Southern Region.
8	16/1999	PGCIL	Approval for incentive based on availability of transmission system of Northern Region.
9	8/2000	PGCIL	Tariff for 220 KV DC Faridabad-Palla Transmission Line.
10	9/2000	PGCIL	Transmission Tariff for Korba-Budhipadar Transmission Line.
11	12/2000	PGCIL	Transmission Tariff for Kayamkulam-Pallom Transmission Line.
12	14/2000	PGCIL	Transmission Tariff for 400 KV S/C Korba-Raipur Transmission Line.
13	15/2000	PGCIL	Transmission Tariff for Unchahar-Kanpur Line.
14	16/2000	GRIDCO	Review of ABT Orders passed by the Commission
15	33/2000	NEEPCO	Implementation of ABT in North Eastern Region.
16	39/2000	PGCIL	Tariff for Abdullpur-Bawana and Nalagarh-Hissar Line in Northern Region.
17	43/2000	PGCIL	Fees and charges for maintenance of ERLDC for the year 94-95 to 2001-2002.
18	46/2000	PGCIL	Final Transmission Tariff for Chanderpur HVDC back to back between Southern Region and Western Region
19	48/2000	PGCIL	Tariff for Malda-Bogaigaon Transmission Line.
20	49/2000	PGCIL	Tariff for 315 MVA IOT-III along with Associated Bay Equipment at Nagarjuna Sagar S/Stn in Southern Region.
21	63/2000	PGCIL	Transmission Tariff for Kishanpur-Moga in Northern Region.
22	64/2000	PGCIL	Tariff for Dullhasti-Kishenpur Line Northern Region.



23	65/2000	PGCIL	Tariff for Rangit-Siliguri Line in Eastern Region.
24	66/2000	PGCIL	Tariff for Salal-II Kishenpur Line in Northern Region.
25	68/2000	PGCIL	Approval of final recovery of extra rupee liability due to foreign exchange rate variation for 99-00 in respect of Rihand BI-Pole HVDC Project in Northern Region for 95-96 to 98-99.
26	69/2000	PGCIL	Tariff for Chamera-Moga Line.
27	70/2000	PGCIL	Tariff for Vindhyachal Stage-I additional transmission system along with associated bays in Western Region.
28	73/2000	PGCIL	Tariff for RAPP-B Anta along with associated bays at Anta end in Northern Region.
29	78/2000	PGCIL	Final Transmission Tariff for Auto Transformer at Hyderabad at Cuddaph and special energy meters in Southern Region.
30	87/2000	PGCIL	Transmission Tariff of ICT-I, ICT-II & Bus Reactor at Nalagarh Nathpajhakri Abdullapur in Northern Region.
31	89/2000	PGCIL	Transmission Tariff for Panki-Mainpuri Lilo at Kanpur Sub Stn in Northern Region.
32	99/2000	PGCIL	Tariff for Jallandhar-Hamirpur Line in Northern Region.
33	108/2000	PGCIL	Tariff for transmission system associated with Gandhar Gas Power Project in Western Region.
34	123/2000	PGCIL	Tariff for Kishenpur-Moga Line in Northern Region.
35	2/2001	PGCIL	Tariff for Kolaghat-Rengali Line in Eastern Region.
36	3/2001	PGCIL	Tariff for Jallandhar Jaipur line in Northern Region.
37	19/2001	PGCIL	Tariff for Rihand-Dadri transmission line in Northern Region.
38	24/2001	PGCIL	Tariff for Bihar Shariff-Begusarai transmission line in Eastern Region.
39	49/2001	PGCIL	Tariff for Chittorgarh D/C Line in Northern Region.
40	51/2001	PGCIL	Tariff of Malerkotla Hisar-Jaipur Line, Bawana-Biwani Line, Bawana-Hisar Line.
41	52/2001	PGCIL	Final Tariff for Chanderpur Sub Station in Western



			Region.
42	79/2001	PGCIL	Tariff of Moga-Hissar-Bhiwani Transmission System.
43	81/2001	ERLDC	Non-compliance of RLDC direction and violation of Grid discipline by Kahalgaon STPP.
44	83/2001	SRLDC	Maintaining the Regional Grid Frequency and compliance of direction of RLDC.
45	84/2001	WRLDC	Reduction of Overdrawls from the Grid and Compliance of direction of WRLDC.
46	85/2001	PGCIL	Final Transmission Tariff for Kayamkulam-Edamon Transmission Line.
47	88/2001	NERLDC	Non-observance of the provision of IEGC or Commission's specific direction on Grid discipline.
48	70/2002	PGCIL	Tariff for Rihand-Dadri bi-pole line in Northern Region.
49	78/2002	ERLDC	Non-compliance of direction of the Hon'ble Commission.
50	80/2002	PGCIL	Clarification on Govt Notification dated 21.9.01 Terms and Condition of Tariff (1st amendment) Regulation 2001.
51	84/2002	PGCIL	Review of Order dt 22.3.02 in Petition No. 109/2000.
52	97/2002	PGCIL	Review of Order dated 3.6.02 in Petition No. 9/1999.
53	102/2002	PGCIL	Review of Order dated 4.7.02 in Petition No. 48/2000.
54	114/2002	PGCIL	Final recovery of extra rupee liability due to FERV for the year 2000-2001 in Northern Region, Western Region, Eastern Region and Southern Region.
55	124/2002	PGCIL	For approval to proceed ahead with the evaluation of the bid for implementation of Bina-Nagda-Dehgaon transmission line through IPTC route.
56	145/2002	PGCIL	Review of Order dated 20.8.02 in Petition No. 46/2000.
57	03/2003	PGCIL	Tariff for Allahabad-Phoolpur Transmission Line.
58	23/2000	TNEB	Sharing of O&M expenses of RLDC and the Computer facilities to be provided in REB for accounting the energy.



Others

1	27/2000	PTC	Pipavav Mega Power Project being developed in the state of Gujrat under Mega Power Policy.
2	92/2000	SEAP	Review of Order in Petition No.24/2000 dated 26.9.00 (Hirma Power Project).
3	54/2001		Suo-Motu Regulation on Bidding for generation and transmission projects.
4	106/2002	KERPL	For Grant of approval to undertake Power Marketing and Trading activities.

(B) INTERLOCUTORY APPLICATIONS BEFORE CERC

No. of IA carried forward from year 2001-02	No. of IA received during the year 2002-03	Total	Disposed off	No. of IA pending on 31.3.2003.
19	71	90	81	9