

**CENTRAL ELECTRICITY REGULATORY COMMISSION  
NEW DELHI**

**Coram:**

- 1. Dr. Pramod Deo, Chairperson**
- 2. Shri Bhanu Bhushan, Member**
- 3. Shri R. Krishnamoorthy, Member**
- 4. Shri S. Jayaraman, Member**

**Petition No.82/2008**

**In the matter of**

Approval for incentive for the year 2007-08 in respect of 400 kV D/C Siliguri Purnea transmission line, 400 kV D/C Purnea-Muzaffarpur transmission line, 220 kV D/C Muzaffarpur (PGCIL)- Muzaffarpur (BSEB) transmission line and 400 kV D/C Muzaffarpur-Gorakhpur (50%) transmission line associated with Tala Hydro Electric project, East-North interconnector and Northern Region transmission system.

**And in the matter of**

Powerlinks Transmission Limited, New Delhi

**..Petitioner**

Vs

1. Power Grid Corporation of India Limited, Gurgaon...
2. West Bengal State Electricity Board, Kolkata
3. Damodar Valley Corporation, Calcutta
4. Bihar State Electricity Board, Patna
5. Grid Corporation of India Ltd., Bhubaneshwar
6. Power Department, Govt. of Sikkim, Gangtok
7. Jharkand State Electricity Board, Ranchi

**Respondent**

**Proforma respondents**

**The following were present:**

1. Shri Suresh Sachdev, PTL
2. Shri B.A.Chaudhari, PTL
3. Shri Ajay Bagri, PTL
4. Ms. Rekha Negi, PTL
5. Shri R.B.Sharma, Advocate

**ORDER  
(DATE OF HEARING: 11.11.2008)**

The petitioner seeks approval of incentive for the year 2007-08 for the following transmission lines based on availability, in terms of the Central Electricity

Regulatory Commission (Terms & Conditions of Tariff) Regulations, 2004 (hereinafter referred to as “the regulations”) declared under commercial operation on 1.9.2006:

- (a) 400 kV D/C Siliguri-Purnea transmission line (intra-regional);
- (b) 400 kV D/C Purnea-Muzaffarpur transmission line (intra-regional);
- (c) 220 kV D/C Muzaffarpur (PGCIL)-Muzaffarpur (BSEB) transmission line (intra-regional); and
- (d) 400 kV D/C Muzaffarpur-Gorakhpur transmission line (inter-regional) (50%).

2. Regulation 51 of the 2004 regulations provides that:

51. Target Availability for recovery of full transmission charges:

- (1) AC System: 98%
- (2) HVDC bio-pole links and HVDC back-to-back stations: 95%

3. In terms of Note1 below Regulation 51, recovery of charges below the level of target availability is on *pro rata basis* and at Zero availability no transmission charges are payable.

4. Regulation 60 of the 2004 regulations, as amended, *inter alia*, provides that,-

(1) The transmission licensee shall be entitled to incentive @ 1% of equity for each percentage point of increase in annual availability beyond the target availability prescribed under regulation 51, in accordance with the following formula:

$$\text{Incentive} = \text{Equity} \times [\text{Annual availability achieved} - \text{Target availability}] / 100$$

(2) Incentive shall be shared by the long-term customers in the ratio of their average allotted transmission capacity for the year.

5. The procedure for computation of transmission system availability is contained in Appendix III, paras 5 and 6 of which provide as under:

“5. The transmission elements under outages due to following reasons not attributable to the transmission licensee shall be deemed to be available:

- (i) Shut down of transmission elements availed by other agency/agencies for maintenance or construction of their transmission system.
- (ii) Manual tripping of line due to over voltage and manual tripping of switched bus reactor as per the directions of RLDC.

6. Outage time of transmission elements for the following contingencies shall be excluded from the total time of the element under period of consideration:

- (i) Outage of elements due to acts of God and force majeure events beyond the control of the transmission licensee. However, onus of satisfying the Member-Secretary, REB that element outage was due to aforesaid events and not due to design failure shall rest on the transmission licensee. A reasonable restoration time for the elements shall be allowed by Member-Secretary, REB and any additional time taken by the transmission licensee for restoration of the element beyond the reasonable time shall be treated as outage time attributable to the transmission licensee. Member-Secretary, REB may consult the transmission licensee or any expert for estimation of restoration time. Circuits restored through ERS (Emergency Restoration System) shall be considered as available.
- (ii) Outage caused by grid incident/disturbance not attributable to the transmission licensee, e.g. faults in sub-station or bays owned by other agency causing outage of the transmission licensee’s elements, tripping of lines, ICTs, HVDC back-to-back stations etc due to grid disturbance within reasonable time, the element will be considered not available for whole period of outage and outage time shall be attributable to the transmission licensee.”

6. Member-Secretary, ERPC under his letter dated 2.7.2008 has certified the availability of the transmission lines in the Eastern Region. Similarly, Member-Secretary, NRPC has certified availability of inter-regional transmission lines under his letter dated 22.5.2008. The necessary details in this regard are as under:

S.No.	Assets	Availability
1	Intra-regional AC transmission system, as certified by Member-Secretary, ERPC	99.60%
2.	Inter-regional AC transmission system, as certified by Member-Secretary, NRPC	99.86%

7. Based on the above availability certificates, the petitioner has claimed incentive as under:

S. No.	Assets	Pro rata equity (Rs. in lakh)	Availability in %	Incentive (Rs. in lakh)
1.	Intra-regional AC transmission system	20207.81	99.60	323.32
2.	Inter-regional AC transmission system	6023.39	99.86	112.04
	<b>Total</b>	<b>26231.20</b>		<b>435.36</b>

8. The incentive has been worked out by us, considering the availability as certified by the Member-Secretary, ERPC and Member-Secretary, NRPC. Based on the above, the petitioner shall be entitled to incentive as under:

S. No.	Assets	Qualifying % availability	Equity (Rs. in lakh)	Incentive Amount (Rs.in lakh)
1.	Intra-regional AC transmission system	99.60	20207.81	323.32
2.	Inter-regional AC transmission system	99.86	6023.39	112.04
	<b>Total</b>		<b>26231.20</b>	<b>435.36</b>

9. The details of calculations in support of the incentive allowed by us are given in the Annexure attached.

10. The Commission in its order dated 29.7.2008, had provisionally allowed incentive of 80% of that claimed by the petitioner in this petition. The provisional incentive charged by the petitioner shall be adjusted against final incentive for the year 2007-08 approved by us in this order.

11. In view of Transmission Service Agreement entered into between the petitioner and respondent No. 1, the petitioner shall claim incentive from respondent No. 1. It is also noted that BPTAs have been entered into between respondent No. 1 and the beneficiaries, respondents Nos. 2 to 7. Accordingly, respondent No. 1 shall recover the incentive from respondents Nos. 2 to 7, which shall be shared by them in accordance with the 2004 regulations.

12. This order disposes of Petition No.82/2008.

Sd/-	sd/-	sd/-	sd/-
(S.JAYARAMAN)	(R.KRISHNAMOORTHY)	(BHANU BHUSHAN)	(DR. PRAMOD DEO)
MEMBER	MEMBER	MEMBER	CHAIRPERSON

**New Delhi dated the 1<sup>st</sup> December 2008**

## ANNEXURE

Name of the Company: Powerlinks Transmission Ltd.									
Petition No.:82/2008- Incentive for the year 2007-08									
Part of assets covered under Tala Transmission System									(Rs in lakh)
S. No.	Name of the Transmission System/ transmission Line (1)	Tariff Petition No. (2)	Date of commercial operation. (3)	Equity as per Tariff Order (4)	Period during the year (5)	Availability of the Transmission System Elements (6)	Availability eligible for incentive (7)	Incentive amount (6)= (4)*(5)*(7)	
<b>A</b>	<b>Intra-regional AC lines</b>								
	Target availability for incentive							98%	
1	400 kV D/C Siliguri Purnea Transmission Line	148/2007	1.9.2006	20207.81	1.00	99.60%	1.60%	323.32	
2	400 kV D/C Purnea – Muzaffarpur Transmission Line								
3	220 kV D/C Muzaffarpur (PGCIL)- Muzaffarpur (BSEB) Transmission Line								
	<b>SUB-TOTAL (A)</b>			20207.81				<b>323.32</b>	
<b>B</b>	<b>Inter Regional AC line</b>								
1	400 kV D/C Muzaffarpur-Gorakhpur Transmission Line (50%)	147/2007	1.9.2006	6023.39	1.00	99.86%	1.86%	112.04	
	<b>SUB-TOTAL (B)</b>			6023.39				<b>112.04</b>	
	<b>TOTAL INCENTIVE (Sub Total A+B)</b>			26231.20				<b>435.36</b>	