

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Coram

1. Dr. Pramod Deo, Chairperson
2. Shri Bhanu Bhushan, Member
3. Shri R. Krishnamoorthy, Member

Petition No. 162/2005

In the matter of

Approval of incentive based on availability of transmission system for the year 2004-05 for Northern Region

And in the matter of

Power Grid Corporation of India Ltd., Gurgaon

.... **Petitioner**

Vs

1. Rajasthan Rajya Vidyut Prasaran Nigam Ltd., Jaipur
2. Ajmer Vidyut Vitran Nigam Ltd., Ajmer
3. Jaipur Vidyut Vitran Nigam Ltd, Jaipur
4. Jodhpur Vidyut Vitran Nigam Ltd., Jodhpur
5. Himachal Pradesh State Electricity Board, Shimla
6. Punjab State Electricity Board, Patiala
7. Haryana Vidyut Prasaran Nigam Ltd, Panchkula
8. Power Development Department, Govt. of J&K, Jammu
9. Uttar Pradesh Power Corporation Ltd., Lucknow
10. Delhi Transco Ltd., New Delhi
11. Chief Engineer, Chandigarh Administration, Chandigarh
12. Uttranchal Power Corporation Ltd, Dehradun
13. Chief Electrical Distribution Engineer, Northern Railway, New Delhi**Respondents**

The following were present

1. Shri U K Tyagi, PGCIL
2. Shri C Kannan, PGCIL
3. Shri V.V. Sharma, PGCIL
4. Shri Prashant Sharma, PGCIL
5. Shri A.K. Nagpal, PGCIL
6. Shri M.M. Mondal, PGCIL
7. Shri Mohd. Mohsin, PGCIL

ORDER

(DATE OF HEARING 17.6.2008)

Through this petition, the petitioner seeks approval for incentive based on availability of the transmission system in Northern Region for the year 2004-05, in

terms of Regulation 60 of the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2004 (hereinafter referred to as “the 2004 regulations”) which provides that transmission licensee is entitled to incentive on achieving annual availability beyond the prescribed target availability.

2. Shri. U K Tyagi, representative of the petitioner requested that incentive for the year 2004-05 be awarded as per the revised detailed calculations submitted vide affidavit dated 13.6.2008 filed on 16.6.2008, on the basis the certificate of availability issued by Member-Secretary, NREB under his letter dated 13.4.2005.

3. It is seen that Member-Secretary has issued a composite certificate for all the transmission assets in the Northern Region, though Faridabad Transmission System caters only to State of Haryana and UP System Strengthening Scheme and Mau-Balia transmission line caters exclusively to the requirement of State of Uttar Pradesh. As the incentive in respect of these bilateral transmission assets is payable exclusively by the State utilities concerned, availability of these assets needs to be certified separately. When this was pointed out to Shri Tyagi, he responded that in the earlier case of incentive for 2003-04, separate availability certificate in respect of bilateral transmission assets was issued by the Member-Secretary, based on the specific direction of the Commission.

4. It was also pointed out that there is considerable variation in *pro rata* equity between HVDC back-to-back Sasaram and HVDC back-to-back Vindhyachal which are inter-regional assets. In response, Shri Tyagi clarified that the basis of allocation of equity has been explained in Annexure I to the affidavit dated 13.6.2008, *ibid*.

5. We direct that the petitioner shall approach Member-Secretary, NRPC for separate availability certificates in respect of the each of the bilateral transmission asset noted in para 3 above and other regional assets common to all the beneficiaries. The certificates shall be issued by the Member-Secretary by 10.7.2008. Thereafter, the petitioner shall file the revised calculations of incentive, based on the revised certificates, by 31.7.2008 after serving copies on the respondents, who may file their response, if any by 20.8.2008.

6. List for further directions on 26.8.2008.

**Sd/-
(R. KRISHNAMOORTHY)
MEMBER**

**Sd/-
(BHANU BHUSHAN)
MEMBER**

**Sd/-
(DR. PRAMOD DEO)
CHAIRPERSON**

New Delhi dated 23rd June 2008