

**No.20/10(6)/2007-CERC
CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Coram

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

In the matter of

Proposed Approach for Sharing of Charges for and Losses in inter-State Transmission system.

ORDER

The Commission by its order dated 28.3.2008 in Petition No.85/2007 (suo motu) had favoured the power tracing approach for sharing of transmission losses, after a presentation on this was made by Prof. S.A. Khaparde, IIT Bombay. RLDCs were put on guard to start working on implementation of the approach. The progress made in this direction was to be reviewed in July 2008 to decide the actual implementation date.

2. The Central Transmission Utility (CTU) by letter dated 6.8.2008 has filed a status report. The CTU had approached IIT, Mumbai to provide consultancy in the matter, and the latter has responded with a detailed terms of reference which inter alia provide for development of software and training of RLDC personnel on use of the software to be developed. The consultancy work is proposed to be completed in 22 months. The total cost of consultancy work involves Rs.1,50,55,206/-. In addition, charges @ Rs.2 lakh/annum are also payable towards the annual maintenance. While confirming the engagement of the consultants, an amount of Rs.45,16,562/- is

to be paid as advance payment. The CTU has proposed that the payment for the consultancy work may be made from the surplus in a UI pool, available on account of capping of UI prices for certain kinds of the generating stations.

3. We have considered the proposal made by the CTU and accord our approval as regards sources of payment of the consultancy charges.

Sd/-
(R. KRISHNAMOORTHY)
MEMBER

Sd/-
(BHANU BHUSHAN)
MEMBER

Sd/-
(DR. PRAMOD DEO)
CHAIRPERSON

New Delhi dated the 11th September, 2008