

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Coram:

- 1. Shri Ashok Basu, Chairperson**
- 2. Shri Bhanu Bhushan, Member**
- 3. Shri A.H. Jung, Member**

**I.A.No.74/2005 in
Petition No. 138/2005**

In the matter of

Approval of transmission tariff for 500 MW HVDC back to back station (II) at Gazuwaka (inter-Regional asset of Eastern Region and Southern Region) and 400 kV D/C Vijaywada-Gazuwaka line along with bay extension and equipments at Vijaywada and Gazuwaka (Southern Region) under augmentation of capacity of Gazuwaka HVDC back to back project from 1.3.2005 to 31.3.2009.

And in the matter of

Power Grid Corporation of India Limited

..Petitioner

Vs

1. Karnataka Power Transmission Corporation Ltd, , Bangalore
2. Transmission Corporation of Andhra Pradesh Ltd., Hyderabad
3. Kerala State Electricity Board, Thiruvananthapuram
4. Tamil Nadu Electricity Board, Chennai
5. Electricity Department, Govt. of Pondicherry, Pondicherry
6. Bihar State Electricity Board, Patna
7. West Bengal State Electricity Board, Calcutta
8. Grid Corporation of Orissa Ltd., Bhubneswar
9. Damodar Valley Corporation, Calcutta
10. Power Department, Govt. of Sikkam, Gangtok
11. Jharkhand State Electricity Board, Ranchi

.....Respondents

The following were present:

1. Shri U.K. Tyagi, PGCIL
2. Shri P.C. Pankaj, PGCIL
3. Shri Rakesh Prasad, PGCIL
4. Shri C.Kannan, PGCIL
5. Shri R.B.Sharma, Advocate,BSEB
6. Shri S. Sowmyanarayan, TNEB

ORDER

(DATE OF HEARING: 30.3.2006)

This petition has been filed for approval of tariff for 500 MW HVDC back to back station (II) at Gazuwaka (Inter-Regional asset of Eastern Region and Southern Region) and 400 kV D/C Vijaywada-Gazuwaka line along with bay extension and equipments at Vijaywada and Gazuwaka (Southern Region) under augmentation of capacity of Gazuwaka HVDC back to back project from 1.3.2005 to 31.3.2009, based

on the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2004

I. A. No. 74/2005

2. This interlocutory application has been filed for an ad interim order for provisional transmission tariff on monthly basis from the date of commercial operation subject to adjustment based on approval of final tariff after the disposal of the main petition.

3. Heard the representatives of the parties present at the hearing.

4. The administrative approval and expenditure sanction for the transmission assets was accorded by Ministry of Power vide letter dated 22.1.2002 at an estimated cost of Rs.76925 lakh, which includes IDC of Rs. 9612 lakh. The details of the scheduled and actual dates of commercial operation of these assets are as under:

S. No	Name of asset	Scheduled date of completion	Date of commercial operation
1.	500 MW HVDC back to back station (Pole-II) at Gajuwaka (Inter-Regional system of ER & SR)	June 2005	1.3.2005
2.	400 kV D/C Vijayawada-Gajuwaka line along with bay extension and equipment at Vijaywada and Gajuwaka	June 2005	1.3.2005

5. The details of estimated completion cost of the transmission assets are as under:

(Rs. in lakh)					
S. No	Name of asset	Apportioned approved cost	Estimated completion cost	Actual expenditure up to date of commercial operation	Balance Estimated expenditure
1.	500 MW HVDC back to back station (Pole-II) at Gajuwaka (Inter-Regional system of ER & SR)	35895.31	37328.99	31918.19	5410.80
2.	400 kV D/C Vijayawada-Gajuwaka line along with bay extension and equipment at Vijaywada and Gajuwaka	29895.59	24834.08	21903.59	2930.49

6. The annual transmission charges claimed by the petitioner are given hereunder:

(Rs. in lakh)						
S.No	Name of asset	2004-05	2005-06	2006-07	2007-08	2008-09
1.	500 MW HVDC back to back station (Pole-II) at Gajuwaka (Inter-Regional of ER & SR)	324.34@	4311.91	4520.09	4660.11	4723.87
2.	400 kV D/C Vijayawada-Gajuwaka line along with bay extension and equipment at Vijaywada and Gajuwaka	260.28@	3157.86	3123.26	3522.73	3726.14

@ On pro rata basis for part of the year.

7. The petitioner has claimed the capital expenditure up to the date of commercial operation as the base for determining the tariff. Pending determination of final tariff, we allow annual transmission charges of Rs. 3697.48 lakh and Rs. 2967.19 lakh respectively for the transmission assets, on provisional basis from the date of commercial operation subject to adjustment after determination of final tariff. The provisional annual transmission charges approved by us are 95% of the transmission charges claimed by the petitioner for the year 2004-05. The transmission charges for a part of the year shall be worked out on pro rata basis.

8. With this order, I.A. stands disposed of.

Sd/-
(A.H. JUNG)
MEMBER

sd/-
(BHANU BHUSHAN)
MEMBER

sd/-
(ASHOK BASU)
CHAIRPERSON

New Delhi dated the 6th July 2006