

CENTRAL ELECTRICITY REGULATORY COMMISSION

Record of Proceedings

I.A. No. 16/2010 in Petition No. 7/2010

Sub: Approval of transmission tariff for Korba-Budhipadar transmission system for the period from 1.4.2009 to 31.3.2014.

Date of hearing : 29.4.2010

Coram : Shri S.Jayaraman, Member
Shri M.Deen Dayalan, Member

Petitioner : Power Grid Corporation of India Ltd., Gurgaon

Respondent : Madhya Pradesh Power Trading Co. Ltd. and others

Parties present : 1. Shri U.K.Tyagi, PGCIL
2. Shri Rakesh Prasad, PGCIL
3. Shri M.M.Mondao, PGCIL
4. Shri Pramod Choudhery, MPPTCL

This petition was filed for approval of transmission charges for Korba-Budhipadar transmission system in Western Region for the period from 1.4.2009 to 31.3.2014, based on the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2009 (hereinafter referred to as "the 2009 regulations"). The petition was last heard on 18.3.2010. After hearing the parties, Commission reserved its order.

2. Through this Interlocutory application, the petitioner Power Grid Corporation of India Ltd. has made following prayer:

- "(i) Approve the transmission tariff for the assets covered under this petition;
- (ii) In addition, invoke the provision of Regulation 44 of the 2009 regulations, for relaxation of regulation 15 (3) of the 2009 regulations so that grossing up the base rate of ROE may be allowed considering the tax rates viz, MAT, surcharge, any other cess, charges, levies etc, as per the relevant Finance Act of the year and consequential impact of tariff including interest on working capital on account of trueing up may be allowed to be billed and settled directly with the beneficiaries every year in the tariff block;
- (iii) Approve the reimbursement of expenditure by the beneficiaries towards petition filing fee and publishing of notices in newspaper in

terms of regulation 42 of the 2009 regulations, and other expenditure (if any) in relation to the filing of petition;

- (iv) Allow the petition to bill and recover Service Tax on transmission charges separately from the respondents, if petition is subjected to such service tax;
- (v) Allow the petitioner to bill and adjust impact on interest on load due to change in interest rate on account of floating rate of interest applicable during 2009-14 period, if any from the respondents;
- (vi) Allow the petitioner to bill and recover license fee separately from the respondents."

4. Heard representatives of the parties present.

5. The representative of the petitioner submitted that at the time of filing of petition, the budget for the year 2010-11 was not announced wherein MAT rate was further enhanced. Further, as regards the enhancement of MAT vide Finance Act, 2009, the same could not be set out in original petition inadvertently.

6. Representative of MPPTCL submitted that formula of sharing of transmission charges should be applicable in this petition also as per Commission's order dated 16.3.2006 in Petition No. 69/2004. In response, the representative of the petitioner submitted that the Commission vide its order dated 28.3.2008 in Petition No. 85/2007 had already approved the ratio of sharing of transmission charges. The representative of the MPPTCL further requested to permit one week time to file reply. Request was allowed.

7. Accordingly, the respondent was directed to file its reply by 7.5.2010, with an advance copy to the petitioner. The petitioner was directed to file its rejoinder, if any by 21.5.2010.

8. Subject to above, order in the petition was reserved.

SD/-
(T. Rout)
Joint Chief (Law)