

**BEFORE THE CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Coram :

1. Shri DP. Sinha, Member
2. Shri G.S. Rajamani, Member
3. Shri K.N. Sinha, Member

Petition No.75/2001

In the matter of

Approval of Incentive for Transmission System of North Eastern Region for the years 1998-99 and 1999-2000.

And in the matter of

Power Grid Corporation of India Limited Petitioner
VS	
Assam State Electricity Board and Others Respondents

The following were present:

1. Shri P.R. Agarwal, Advocate for PGCIL
2. Shri S.S. Sharma, AGM, PGCIL
3. Shri T.S.P.Rao, AGM, PGCIL
4. Shri U.K. Tyagi, Chief Mgr., PGCIL
5. Shri M.K. Adhikary, CE (Com.), ASEB
6. Shri K. Goswami, AEE, ASEB
7. Shri H.M. Sharma, LO, ASEB
8. Shri H.L. Parthasarathy, SE, P&E Deptt. Mizoram
9. Shri N.G. Chanda, SE (SM), Meghalaya SEB
10. Shri CD. Saio, EE (SM), Meghalaya SEB

**ORDER (DATE OF HEARING:
18.12.2001)**

In this petition, the petitioner seeks approval for incentive based on "availability" of transmission system in the North-Eastern Region (NER) for the

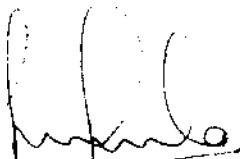
years 1998-99 and 1999-2000 in accordance with Ministry of Power's notification dated 16.12.1997.

2. The norms and factors in accordance with which tariff is chargeable for transmission of electricity by the petitioner to the State Electricity Boards and other persons, is to be determined under GOI notification date 16.12.97. Para 8 of the notification provides that in addition to the transmission charges, the petitioner shall be entitled to incentive for availability of the system beyond 95%. According to the petitioner, it has operated and maintained the transmission system in NER beyond 95% availability and is, therefore, entitled to incentive in accordance with the provisions of the said notification. The petitioner has also furnished the details of incentive chargeable for the years 1998-99 and 1999-2000.

3. The respondents have opposed the claim of the petitioner for incentive. It has been contended on behalf of the respondents that the tariff being presently paid by them is not based on the notification dated 16.12.97 and, therefore, the question of payment of incentive based on the provisions of this notification should not arise. It has been further submitted on behalf of the respondents that the transmission system constructed by the petitioner has been planned to cater to future generation of electricity and for transfer of power to other regions. For this reason also, the respondents have denied their liability to pay incentive claimed by the petitioner. On behalf of Meghalaya State Electricity Board, it was

also submitted that their own share of power itself is not being delivered through the transmission system belonging to the petitioner because of the transmission bottlenecks.

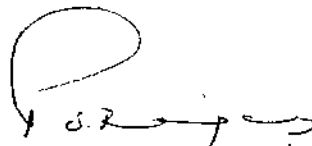
4. In our separate order dated 1.1.2002 in petition No.40/2000 and Review Petition No. 110/2000, we have allowed the petitioner to charge a lump sum tariff @ 35 paise/unit of the electricity transmitted through the transmission system owned by it in NER and not in accordance with the notification dated 16.12.97 based on a decision to that effect at NEREB forum. The question of payment of incentive in accordance with the norms and factors prescribed by the Central Government in notification dated 16.12.97 in the circumstances cannot arise. Accordingly, the petition is dismissed with no order as to costs.



(K.N. Sinha)

Member

New Delhi dated the 2nd January, 2002.



(G.S. Rajamani)

Member



(D.P. Sinha)

Member