

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

**Coram: Dr. Pramod Deo, Chairperson
Shri S. Jayaraman, Member
Shri V. S. Verma, Member
Shri M. Deena Dayalan, Member**

No. L-1/44/2010-CERC

Date of Order: 16.10.2012

In the matter of

Approval of slab rates for POC charges and losses for the period April to September, 2012, under the Central Electricity Regulatory Commission (Sharing of Inter State Transmission Charges and Losses) Regulations, 2010 and amendments thereto.

And

In the matter of

National Load Despatch Centre

.....

Respondent

ORDER

Sub-clause (l) of clause (1) of Regulation 7 of the Central Electricity Regulatory Commission (Sharing of Inter State Transmission Charges and Losses) Regulations, 2010 as amended from time to time (hereafter called the "Sharing Regulations"), provide for three slabs in the POC charges as follows:

"Provided further that there shall be three slab rates for injection and demand PoC charges for the year upto 2013-14, after which the same shall be rationalized in the year 2014-15 based on a review by the Commission."

2. Similarly, sub-clause (s) of clause (1) of Regulation 7 of Sharing Regulations provides for slabs in transmission losses as follows:

"Provided that there shall be slabs for transmission losses in percentage for the year 2011-12 or for such period the Commission may consider appropriate."

3. The Implementing Agency had approached the Commission vide its letter dated 26th September, 2012 proposing slab rates of ₹ 85,000/-, ₹ 1,00,000/- and ₹1,15,000/- per MW per month for NEW Grid and ₹ 65,000/-, ₹ 80,000/- and ₹ 95,000/- per MW per month for SR Grid. These equate to short term open access rates of 12, 14 and 16 paisa per unit for NEW Grid and 9, 11 and 13 paisa per unit for SR Grid respectively.

4. The Implementing Agency had clarified that the average rate in ₹ /MW/month works out to ₹ 94966/- and ₹ 74500 /- for NEW Grid and SR Grid respectively, which would be considered as the Uniform Charge for the Uniform Charge component, for the purpose of determination of the transmission charge. This was rounded off in terms of paisa/unit to the next higher paisa, i.e. 14 paisa/unit and 11 paisa/unit respectively, to prevent under-recovery. The corresponding average rates rounded off to the nearest ₹ 5000/MW/month work out to ₹ 100,000/- and ₹ 80,000/- per MW per month respectively, for the purpose of arriving at the three slabs for the two Grids.

5. Based on the discussions held at Commission on 1.10.2012, POSOCO vide its letter dated 9.10.2012 has proposed the revised slabs to maintain the Average Slab Rate closer to uniform rate and to improve granularity. Under this approach, the Implementing Agency has submitted that the rounding off in terms of paisa/unit has been done to the next higher 0.5 paisa (equivalent to ₹ 3600/MW/month for POC rates for Long term Access and Medium term Open Access), i.e. 13.5 paisa/unit and 10.5 paisa/unit respectively, to prevent under-recovery. The Implementing Agency has suggested that the step size between the slabs for short term open access be

considered as two (2) paise per unit in order to provide adequate differential to give locational signal, and not a very high differential which may lead to higher disparity between entities in 'low slab' and 'high slab'. This would correspond to a step size of ₹15,000/- per MW per month. In view of the above, the Implementing Agency has proposed the following slabs of POC rates for the period from October, 2012 to March 2013.

POC Rate	Slab	NEW GRID (₹/MW/Month)	SR GRID (₹/MW/Month)	NEW GRID (paise/unit)	SR GRID (paise/unit)
Tier-I		82800	61200	11.5	8.5
Tier-II		97200	75600	13.5	10.5
Tier-III		111600	90000	15.5	12.5

5. We are of the view that granularity in paise per unit for short term open access rates could be increased further since in this age of computational capability of computers, it would be preferable to be more accurate. The average slabs may therefore be rounded off to the next 0.01 paise/unit in place of 0.5 paise per unit. Additionally, with this accuracy, it would be possible for the POC rates for long-term access and medium-term open access to match the short term open access rates even more closely.

6. We therefore approve the following slabs for injection and demand PoC charge for the six month period from 1.10.2012 to 31.3.2013:

POC Rate	Slab	NEW GRID (₹/MW/Month)	SR GRID (₹/MW/Month)	NEW GRID (paise/unit)	SR GRID (paise/unit)
Tier-I		79968	59520	11.19	8.35
Tier-II		94968	74520	13.19	10.35
Tier-III		109968	89520	15.19	12.35

6. The Implementing Agency has also requested for permitting slabs in the case of transmission losses on regional basis and has proposed losses in the slabs, average loss percentage, average - 0.3% and average +0.3% for each Region.

7. We approve the slabs of % losses as proposed by the Implementing Agency for the six month period from 1.10.2012 to 31.3.2013, for the reasons as given in para 7 of the Commission's Order No. L-1/44/2010-CERC dated 22.6.2011.

sd/-
(M. Deena Dayalan)
Member

sd/-
(V. S. Verma)
Member

sd/-
(S. Jayaraman)
Member

sd/-
(Dr. Pramod Deo)
Chairperson