

**Central Electricity Regulatory Commission**  
**3<sup>rd</sup> & 4<sup>th</sup> Floor, Chanderlok Building,**  
**36-Janpath, New Delhi -110001**  
**Tel: 23353503 Fax: 23753923**

No. Engg/Tr. Pricing/Validation/L-1/44/2010/CERC

Dated: 15/02/2012

To,


The Members of the Validation Committee.

(as per list)

**Subject: Minutes of the second Meeting of the Validation Committee for the year 2012-13, for the implementation of CERC (Sharing of Inter-State Transmission Charges and Losses) Regulations, 2010.**

Sir,

Please find enclosed herewith the minutes of the second Meeting of the Validation Committee for the year 2012-13, for the implementation of CERC (Sharing of Inter-State Transmission Charges and Losses) Regulations, 2010 held on 13<sup>th</sup> February, 2012 in the NLDC Conference Room at New Delhi, for information and necessary action.

  
(Pankaj Batra) 15/2/2012  
Chief (Engg)

Encl: As above.

Copy to:

Secretary, CERC

13.	WRPC	Shri Manjit Singh, Member Secretary	Western Regional Power Committee Plot No. F-3, MIDC Area, Marol, Opp : SEEPZ, Andheri (East), Mumbai-400093
14.		Shri A.P. Bhairave, Chief Engineer (LD), MPPTCL	Chief Engineer (LD), MPPTCL Shakti Bhawan Jabalpur-482008
15.	SRPC	Shri S.D. Taksande, Member Secretary	Southern Regional Power Committee 29, Race Course Cross Road, Bangalore-560009, Karnataka
16.		Shri S.Pratab Kumar, Director (Transmission), KPTCL	Director (Transmission), KPTCL, Cauvery Bhavan, K.G. Road, Bangalore-560009
17.	ERPC	Shri A.K. Bandyopadhyay, Member Secretary (In-charge)	Eastern Regional Power Committee ERPC, 14, Golf Club Road, Tollygunge, Kolkata-700 033 (W.B.)
18.		Shri T.T. Jha, Member (Transmission),	Bihar State Electricity Board 1 <sup>st</sup> Floor, Vidhut Bhawan, Baily Road, Patna-21, Bihar
19.	NERPC	Shri P.D. Siwal, Member Secretary (In-charge)	North Eastern Regional Power Committee Meghalaya State Housing Finance Co-Operative Society Ltd. BLDG., Nongrim Hills, Shillong-793003, Meghalaya
20.		Shri Jatin Baishya, Senior Manager,	State Load Despatch Centre Complex Kahelipara, Guwahati

### LIST OF GENERATING COMPANIES

Sl. No.	Name of the Statutory Bodies	Name of the persons and Designation	Address
1.	NTPC	Shri Inderjit Kapoor, Director (Commercial)	NTPC Bhawan, Core 7, Scope Complex, Institutional Area, Load Road, New Delhi - 110003
2.	NHPC	Shri M.S. Babu, Ex. Director (Commercial)	NHPC office Complex, Sector-33, Faridabad - 121003 (Haryana)
3.	NEEPCO	Shri N.K. Chakraborty, Ex. Director	Brookland Compound, Lower New Colony, Shillong - 793003
4.	NLC	Shri Sekar K, Director (Commercial)	No.135, Periyar E.V.R. High Road, Kilpauk, Chennai - 600 010. Tamil Nadu, India.
5.	SJVNL	Shri R.K. Agrarwal, GM (Commercial)	SJVN, IRCON Building, Ground Floor, Saket, New Delhi-110017

Sl. No.	Name of the Organisations	Name of the nominated persons	Address
1.	CERC	Shri Pankaj Batra, Chief (Engg.)/ alternate member Shri Vijay Menghani, Joint Chief (Engg.)	Central Electricity Regulatory Commission 3 <sup>rd</sup> & 4 <sup>th</sup> Floor, Chanderlok Building, 36-Janpath, New Delhi -110001
2.		Shri P.K. Awasthi, Joint Chief (Fin.)	Central Electricity Regulatory Commission 3 <sup>rd</sup> & 4 <sup>th</sup> Floor, Chanderlok Building, 36-Janpath, New Delhi -110001
3.	CEA	Shri Ravinder Gupta Director, SP&PA Division	Central Electricity Authority 3 <sup>rd</sup> Floor, N-Wing Sewa Bhawan , R.K.Puram, New Delhi-110066
4.		Shri C. Shanmugam Director, GM Division	Central Electricity Authority 6 <sup>th</sup> Floor, N-Wing Sewa Bhawan , R.K.Puram, New Delhi-110066
5.	CTU/ Powergrid	Shri N.K.Jain, GM (Comm.)/ alternate member Shri Prashant Sharma, AGM (Comm.)	Power Grid Corporation of India Ltd Plot No. 2, Sector-29, Near IFFCO Chowk, Gurgaon-122001
6.		Shri Dilip Rozekar, DGM (SEF)/ alternate member Shri RVMM Rao, Ch. Design Engineer (SEF)	Power Grid Corporation of India Ltd Plot No. 2, Sector-29, Near IFFCO Chowk, Gurgaon-122001
7.	POSOCO	Shri V.V. Sharma, General Manager	Northern Regional Load Despatch Centre 18-A Shaheed Jeet Singh Marg, Katwaria Sarai, New Delhi-110016
8.		Shri P.R. Raghuram, General Manager	Southern Regional Load Despatch Centre 29, Race Course Cross Road, Bangalore, Karnataka-560009
9.		Shri V.K. Agarwal , General Manager	National Load Despatch Centre 18-A Shaheed Jeet Singh, Marg,Katwaria Sarai, New Delhi-110016
10.		Shri U.K. Verma, General Manager	Eastern Regional Load Despatch Center 14, Golf Club Road, Tollygunge, Kolkata-700 033 (W.B.)
11.	NRPC	Shri P.S. Pahwa, Member Secretary	Northern Regional Power Committee 18-A Shaheed Jeet Singh Marg, Katwaria Sarai, New Delhi-110016
12		Shri Ravinder Singh, Punjab State Transmission Corporation	Punjab State Transmission Corporation Ltd (PSEB head office) The Mall, Patiala - 147001

**Minutes of the Second Meeting of the Validation Committee for the Year 2012-13 held on  
13/02/2012 at NLDC, New Delhi**

The Chairman of the Validation Committee, Shri Pankaj Batra, Chief (Engg.), CERC welcomed the officials from NLDC, NRLDC, RPCs, DICs and Generating Companies present in NLDC Conference Room and also the other officials of RPCs, RLDCs and STUs Companies present at the Conference Room of WRLDC, SRLDC, ERLDC and NERLDC through video conferencing. List of the participants are enclosed at *Annexure-I*.

Chief (Engg.), CERC, giving the background of the agenda for the second meeting of Validation Committee, stated that in the first Validation Committee meeting, the projected data for the full year 2012-13 was discussed. He stated that the Commission vide order dated 2/1/2012 had directed the Implementing Agency to consider the average generation and demand data published by Central Electricity Authority for determination of PoC charges for the year 2012-13. The proviso to sub-clause (l) of clause (1) of Regulation 7 of the Central Electricity Regulation Commission (Sharing of Inter-State Transmission Charges and Losses) Regulation, 2010 as amended provides for six monthly basis for the first full year of implementation and subsequently on quarterly basis. Sub-clause (o) of clause (1) of Regulation 7 provides for a single scenario based on average generation and demand data published by the Central Electricity Authority shall be considered for determination of POC charges for the year 2011-12 or for such further period as the Commission may decide based on the availability of node-wise forecast data for different scenarios from the DICs. He stated that the matter was discussed with the Legal Division of the Commission, which opined that a combined reading of the two provisos indicates that the load flow studies should also be done on six monthly basis for 2012-13 based on the data of generation and demand of CEA. However, since the implemental Agency had a doubt on this interpretation, the Commission vide order dated 10/02/2012 clarified the same.

Chief (Engg.), CERC also stated that as per the CERC (Terms and Conditions of Tariff) Regulations, 2009, a transmission licensee can approach the Central Commission for determination of tariff only six months prior to the expected date of commercial operation of the transmission assets. Hence, the transmission licensees can file tariff petitions earliest in the month of December/ January for the assets expected to be commissioned by the end of June. He stated that this was another reason that the YTC and correspondingly, the load flow studies, needs to be done on a six monthly basis. Since the YTC of lines considered in the load flow studies would have to be taken. for the period April to September, 2012, the transmission assets to be commissioned by 30/06/2012 shall be considered for the determination of PoC charges and losses for the first six months. The YTC for transmission assets on 30/06/2012 would be considered for the entire period of April to September 2012 for calculation of PoC charges. Similarly for the period October, 2012 to March, 2013, the transmission assets to be commissioned by 31/12/2012 shall be considered for the entire period of October, 2012 to March, 2013 for the determination of PoC charges and losses.

He stated that the demand data for the first six months of the year 2012-13 has been computed by NLDC, based on the generation and demand data published by CEA for the last 3 years. He stated that since the CERC order came out only on 10<sup>th</sup> evening, NLDC was able to calculate the

demand side data, but not the generation data. He asked the DICs to revert back within three days on the correctness of the demand data. He stated the generation projection for the year 2012-13 based on CEA data would be e-mailed to all the DICs by 13/12/2012 or 14/02/2012. The generating DICs should also vet this data within three days. He also observed that the inter-state transmission licensees are lagging in filing petitions for transmission lines coming upto June 2012. He stated that all inter-State transmission licensees should file the petition for determination of tariff for the assets getting commissioned by June, 2012 in a week's time.

He then requested on GM, NLDC to discuss the demand data of the DICs. General Manager, NLDC stated that in the first Validation Committee meeting held on 10/02/2012, the projected Load Generation balance data for the full year 2012-13 was discussed. He stated that the clarificatory order came only on 10/02/2012. He stated that the whole process of computation of PoC charges and losses had to be started again. He stated that although the regulations provide for various scenarios, however, sub-clause (i) of clause (1) of Regulation 7 is stated as below:

*Basic Network along with the converged load flow results for various grid conditions shall be validated by the validation committee. The Basic Network, nodal generation, nodal demand and the load flow results for subsequent financial year for each grid condition shall be validated by this Committee and presented for approval to the Commission not later than 15<sup>th</sup> day of December in each financial year. The approved Basic Network, nodal generation, nodal demand along with the load flow results shall be made available on the websites of the Commission and NLDC immediately after its approval by the Validation Committee.*

GM, NLDC submitted that even if multiple scenarios were considered, the whole exercise for all the scenarios in the next financial year has to be done before the start of the year. He stated that if two scenarios have to be considered for the year 2012-13, then the results for both the scenarios have to be published before the start of the year. He stated that the Regulations provide for around four months for the whole exercise. However, for the year 2012-13, the time left is only one and half months.

Chief (Engg.), CERC stated that the provision of making available the computations for the all scenarios may have to be changed, as transmission licensees can approach the Commission for determination of tariff only six months in advance. He stated that the advantage of two scenarios is that the computation results are closer to the reality. He also stated that the load flow studies should be done on the network which is as near to reality as possible. On a query of one of the participants about various issues which were pointed out to the Commission, Chief (Engg.), CERC stated that the second draft amendment, taking care of these, would be published in a day or two.

Member Secretary, SRPC pointed out that in the Minutes of the first Meeting of Validation Committee also, Mettur was shown in Karnataka whereas, it is in Tamil Nadu. Further, Minakshi and Simhapuri generating stations have not been shown in the list of generators to be considered in the basic network for the year 2012-13, as they are in the process of being commissioned.

Director (Technical), KPTCL stated that there were issues like sharing of the transmission charges of the Talcher-Kolar HVDC Bi-pole link by the constituents of the Southern Region. He requested for sharing of the calculation sheets as per the old and new methodologies for the

same, in order to understand the working. Chief (Engg.), CERC observed that KPTCL should take the help of NLDC in this regard. GM, NLDC clarified that the treatment of transmission charge of Talcher – Kolar HVDC link has been done exactly as per the regulations. He said that relevant data is available on the NLDC website and the same can be downloaded. The representative of KPTCL had an apprehension that the Removal of Difficulties order dated 29/06/2011 was different from the Regulation. Chief (Engg.), CERC clarified that this Order does not prescribe the method of sharing of charges by the DICs of Southern Region, which is given in the Regulation.

The representative of NLDC presented the forecast demand data for the DICs based on CEA demand data on regional basis. Joint Chief (Engg.), CERC clarified that the figures are projected based on the last year's philosophy. He stated that the last three years energy figures were used to calculate the average yearly demand for the year 2012-13. Chief (Engg.), CERC stated that the DICs must revert back on the vetting of the demand data within three days.

GM, NLDC pointed that in the first Validation Committee meeting, Chhattisgarh was asked to clarify the projected demand figure shown during the meeting within seven days of the meeting as the representative of Chhattisgarh had objected the figure on the ground that the figure in 2010-11 was less than 2009-10. It was clarified by Chief (Engg.), CERC that if the information from the DICs are not received within three days, the data in accordance with the CEA data would be taken in the basic network, as approved withdrawal.

The representative of GUVNL stated that the demand of Gujarat is substantially higher from April to middle of July as compared to that after July to March of the next year. Hence, they requested a re-look into the figure. Chief (Engg.), CERC clarified that this figure was arrived at, by considering the last three years data for the same period (i.e. April to September), hence, this would have been captured in the forecast figure. In any case GUNL was requested to confirm the figure within 3 days.

The representative of GRIDCO enquired about the PoC injection charge for 200 MW allocation of power from Talcher Stage – II. Chief (Engg.), CERC clarified that this has been captured in the proposed draft amendment. The representative of ERLDC stated that the demand figure of 11, 554 MW projected for the first six months of the year 2012-13 is less compared to the actual demand in the Eastern Region, as the winter demand is lesser compared to the summer demand. Chief (Engg.), CERC clarified that this data is from the trending of last three years CEA data. If any individual DIC has any problem with the projected figure, they should revert back within 3 days.

The representative of GUVNL stated that the approved injection is being billed at 105% of the installed capacity and the Regional Transmission Deviation Accounts (RTDA) is being raised for deviation upto 120% beyond 105%. He stated that raising of both the bills by the CTU is not in order. Chief (Engg.), CERC clarified that this ambiguity would be removed in the draft amendments.

The representative of GUVNL raised the issue of certification of non-ISTS lines by the RPCs for consideration in the computation of PoC charges and losses after 15/6/2010. He stated that the State Electricity Regulatory Commission approves the Annual Revenue Requirement (ARR) considering all the assets together. The asset – wise capital cost is not available for individual lines connected between two States (for example 220 kV Nasik – Navasari inter-State line).

Chief (Engg.), CERC stated that the Central Commission is in the process of issuing an order for determination of tariff connecting two States i.e. natural inter-State lines.

Chief (Engg.), CERC stated that for new lines, certified to carry more 50% inter-State power this is a very involved issue, since inter-State power may be carried by intra-State transmission lines and vice-versa, State power may be carried by the inter-State transmission system. Superintending Engineer (Operations), NRPC stated that it is very difficult to build consensus in the RPC meetings with 20-30 constituents and requested that the Central Commission should issue a broad guidelines on the certifications of the non-ISTS lines.

Chief (Engg.), CERC stated that the issue needs in depth study and discussions, as the issue is not only non-ISTS lines carrying inter-State power but the intra-State generators using the inter-State transmission lines. He also stated that there are suggestions that even if 1% of the inter-State power flows on a State line, then tariff to the extent of 1% may be paid to the owner. In this way, all the state lines would become inter-State lines for the purpose of sharing of charges and losses. He opined that Member (GO&D), CEA could call a meeting of all the RPCs and RLDCs to address the issue. It was pointed out that the Forum of RPCs, which has been formed, could also do this.

Member Secretary, WRPC stated that these lines need to be considered for the purpose of sharing of charges. Superintending Engineer (Operations), He stated that the WRPC is in the process of finalizing draft paper on the issue within 10 days. Chief (Engg.), CERC stated that this may be circulated to all the RPCs for discussion before finalization.

The representative of KPTCL stated that there is a need to consider 110 kV inter-State lines also, as such lines carry around 15 MW of power. It was clarified by the Deputy Chief (Engg.), CERC that the regulations provides for consideration 110 kV lines on which generating stations are connected and not the other transmission lines. The representative of KPTCL stated that he would be happy to open all such lines if so directed by the Central Commission. Chief (Engg.), CERC clarified that lines of 220 kV voltage level and above, connected between two States are being considered, because they are important from the system security point of view.

The representative of Uttarakhand stated that he wanted to furnish nodal generation and demand data but NLDC is not accepting this. GM, NLDC clarified that the demand data projected is based on the CEA data, and moreover, the nodal data was taken in the last year's data considered for the PoC computation and the same has been updated for the year 2012-13. However, it was decided that the node-wise data could be submitted to NLDC, since it was pointed out that an industrial load is growing in the Rudrapur area.

The representative of Uttar Pradesh stated that if the total transmission systems of all the States and Central Transmission Utility are taken in totality as ISTS, then the solution of the non-ISTS lines would become simpler. Chief (Engg.), CERC clarified that there are legal issues involved in this.

Chief (Engg.), CERC stated that for the period April – September, 2012, the generating stations with Date of Commercial Operation (CoD) upto June 30, 2012 shall be considered in the basic network. He clarified that CoD shall be as per definition in the CERC (Terms and Conditions of Tariff) Regulations, 2009. He then asked the generators to confirm the generation to be put on CoD by 30/6/2012. The representative of NTPC Ltd. stated that there would not be any new

generation coming in the period April – June, 2012. The representative of APCPL stated that the second unit of 500 MW shall come by March, 2012 and hence should be considered in the PoC computation. The representative of Uttar Pradesh stated that he would revert back on the private generation expected in the State by June, 2012.

The representative of Rajasthan stated that in the first Validation Committee, it was decided that generation from renewable sources to the extent of 250 MW would be considered. However, it seems that the same has not been considered in the basic network data. The representative of NRLDC stated that this has already been considered. It was decided that NLDC shall put up the list of generating stations considered on the web-site of NLDC by 14/2/2012 and all the generating stations' owners may confirm the same within three days.

The representative of NLC stated that NLC Exp. II unit (250 MW) would be commissioned by April, 2012. He stated that one unit (125 MW) at Barsingpur in Rajasthan has been commissioned in December, 2011 and the power is allocated to the distribution companies of the State of Rajasthan. The representative of NRLDC confirmed that this generating station has been considered as a State generator.

The representative of NHPC stated that she has given the approved injection data based on the maximum generation. Chief (Engg.), CERC clarified that the data submitted should be based on the average figures for the period April – September, 2012. The representative of NEEPCO stated that no new generating stations have their CoD anticipated in this period. The representative of Delhi was asked to submit the injection data for Badarput TPS through NTPC.

Chief (Engg.), CERC concluded the meeting by stating that all the demand and generation data shown in the meeting shall be displayed by NLDC by 14/2/2014 and also mails sent. All the DICs shall confirm the data within three days from 14/2/2012. He stated that all the petitions for transmission tariff shall be filed by the transmission licensees within a week's time. He also requested all the RPCs to follow up with the constituents in their region for vetting the data.

The meeting ended with the thanks to the Chair.



**List of Participants in the first meeting of the Validation Committee on 10 January 2012 at  
NLDC, New Delhi**

**CERC**

1. Shri Pankaj Batra, Chief (Engg.) – in Chair
2. Shri Vijay Menghani, Joint Chief (Engg.)
3. Shri Chandra Prakash, Dy. Chief (Engg.)
4. Shri M.M. Choydhari, AC (Fin.)

**CEA**

5. Shri Ravinder Gupta, Director
6. Shri D.K. Srivastava, Dy. Director

**NRPC**

7. Shri Ajay Talegaonkar, S.E (O)
8. Shri Naresh Kumar, (AEE)

**SRPC**

9. Shri S.D. Taksande, Member Secretary
10. Shri S.R. Bhat, SE

**POWERGRID**

11. Shri Dilip Rozekar, DGM (SEF)
12. Shri R.V. Madan Mohan Rao, CDE (SEF)

**NLDC, POSOCO**

13. Shri V.K. Agrawal, GM
14. Shri S.S. Barpanda, DGM
15. Shri S.R. Narasimhan, DGM
16. Shri Gaurav Verma, Engineer
17. Ms. Vaishally Bhardwaj, Engineer

**SLDC, Delhi**

18. Shri V.Venuhupm, DHM (SO)
19. Shri Sanjeev Kumar, AM (SO)
20. Ms. Sonali Garg, AM (T)

**SLDC, Punjab**

21. Shri Ajay Kumar Garg, Sr. Ex. Engg.

**SLDC, PDD, Jammu & Kashmir**

22. Shri R.N.Sharma, Ex. Engg.

**NRLDC**

23. Shri V.V. Sharma, GM
24. Shri Rajiv Porwal, Chief Manager

**RVPNL**

25. Shri M.P. Sharma, AAEN

26. Shri. Sona Shishodia, Addl. XEN

**GUVNL**

27. Shri P.J. Jani, EE

**HPSEB**

28. Shri Gagan, AE

**DTL**

29. Shri A.C. Agrawal, Dy. GM (T), Plg-II

30. Shri Sanjay Sharma, Manager (T), Comml.

**UPPTCL**

31. Shri Davindra Singh, EE (A)

**PTCUL**

32. Shri Kamal Kant, GM

**NLC**

33. Shri R. Suresh, CGM (Comml.)

**MERCADOS on Behalf of PTCUL**

34. Shri Puneet Chitkara, Principal

**List of Participants (Generating Companies)**

**NTPC**

35. Shri P.P. Francis, AGM (OS)

36. Shri Ajay Dua, DGM (Comml.)

**NEEPCO**

37. Shri Debjani Dey, GM

**NHPC**

38. Shri Gayatri Devi, AM

39. Shri Jitendra Kumar Jha, AM

40. Shri Tulika, DM (E)

41. Shri Rajesh Joshi, AM (E)

**APCPL (NTPC)**

42. Shri Ajai Kachhwaha, DGM (Comml.)

43. Shri P. Mediratta, DGM

**SJVN**

44. Shri R.K. Agarwal, Ex. Director

45. Shri Rajeev Agarwal, Sr. Engg.

**THDC INDIA LTD.**

46. Shri Neeraj Verma, Sr. Manager

**List of Participants (Through Video Conferencing with NLDC)**

**WRLDC**

47. Shri P.Pentayya, GM  
48. Shri S. Usha, CM  
49. Smt.Pushpa Seshadri, Mgr(OS)  
50. Smt.Chitranksi G.Sr. Engr.(OS)

**WRPC**

51. Shri Manjit Singh, Member Secy.  
52. Shri Satyanarayan, SE(Opn.)  
53. Shri O.P. Singh, SE  
54. Shri P.D.Lone, EE  
55. L.K. Singh Rathore,

**SLDC, Gujarat**

56. Shri B.M. Shah

**SRPC**

57. Shri S.D. Taksande, Member Secretary  
58. Shri S.R. Bhat, SE

**SRLDC**

59. Shri P.R. Raghuram, GM  
60. Shri P. Bhaskar Rao, AGM  
61. Shri V. Balaji, CM (MO)  
62. Shri Madhu Kar Goodelli, AGM  
63. Shri Promod Singh, Sr. Engineer

**KPTCL**

64. Shri S. Sumanth, Director (Transmission)  
65. Shri H.S. Keshavamu Ryhy, CCE/SLDC  
66. Shri Dilip Kumar R.V, EE/SLDC  
67. Shri Krlshnappa. U, SEE/SLDC  
68. Shri Paramesh A.K, AEE, Engg.  
69. Shri Ramakantaa-J, EEE  
70. Shri D.Chethan, Ex. Engineer  
71. Shri M. Renu Prasad, Ex. Engineer

**NERLDC**

72. Shri P P Bandhopadhyay , DGM, NERLDC  
73. Shri Amaresh Mallick, CM, NERLDC  
74. Shri S. Shadrudin