

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Record of Proceedings

Petition No. 25/TT/2011

Subject : Petition under section 62(1) (c) of the Electricity Act, 2003 for determination of Wheeling Charges in respect of transmission system of Orissa Power Transmission Corporation Limited (OPTCL) comprising the 220 kV D/C Rourkela-Tarkera-Budhipadar-Korba (Odisha portion) line and associated sub-station bays with effect from 1.4.2004 to 31.3.2009 for transmission of surplus power from NTPC power stations in Eastern Region (ER) to Western Region (WR)

Date of hearing : 1.10.2013

Coram : Shri V.S.Verma, Member
Shri M. Deena Dayalan, Member

Petitioner : Orissa Power Transmission Corporation Ltd. (OPTCL)

Respondent : Madhya Pradesh Power Transmission Corporation Ltd. & 6 others

Parties present : Shri R.K.Mehta, Advocate, OPTCL
Shri Antaryami Upadhyay, Advocate, OPTCL
Shri P.K. Panda, OPTCL
Shri M.R. Das, OPTCL
Shri G. Umapathy, Advocate, MPPMCL
Shri Dilip Singh, MPPMCL
Shri Anand K. Ganesan, Advocate for GUVNL
Shri P.J. Jani, GUVNL

Learned counsel for OPTCL submitted as under:-

(a) The present petition has been filed by OPTCL in December 2011 for determination of tariff for the period from 1.4.2004 to 31.3.2009;



- (b) For the period from 1.1.1998 to 31.3.2001, the Commission had determined the wheeling charges @10 paisa per unit vide order dated 30.9.2008 in Petition No. 10 of 2000. Appeal against the said order has been filed in the High Court of Orissa and is pending and therefore, the said order has not attained finality;
- (c) The Commission has already determined the wheeling charges for the period from 1.4.2001 to 31.3.2004 vide order dated 23.3.2007, which has become final;
- (d) Prior to the orders of the Commission for the period from 1.1.1998 to 31.3.2001 and from 1.4.2001 to 31.3.2004, OPTCL was billing the Western Region constituents at the contractual rate of 17.5 paise per unit;
- (e) In its order dated 23.3.2007, the Commission also directed the Member Secretary, ERPC to allocate wheeling charges to OPTCL in the ratio of duration and quantum of the contracted power wheeled. It was further directed that based on such allocation excess payments, if any, received by the constituents of the Western Region shall be refunded to OPTCL within three months in three equated installments. Vide letter dated 18.9.2007, ERPC fixed wheeling charges payable by Madhya Pradesh State Electricity Board (now MPPTCL) on the basis of contracted power wheeled;
- (f) The asset is a part of the State Transmission Network owned and maintained by OPTCL, and even though there is inter-regional transmission of power through this line, it is not an inter-regional asset;
- (g) IA has been filed seeking directions to Member Secretary, ERPC to allocate the wheeling charges to the beneficiaries of Western Region in the ratio of energy scheduled as Regional Energy Accounting w.e.f. 1.4.2004 and to direct the beneficiaries to pay the dues.

2. Learned counsel for OPTCL also dealt with the objections of the respondents on Short Term Open Access Charges, treatment of higher depreciation, and O&M expenses.

3. Learned counsel for MPPMCL submitted that the issues raised in the IA are not related to the main petition. He further submitted that excess recovery is liable to be refunded to MPPMCL along with interest in terms of the order of the Commission dated 30.9.2008 in Petition No. 10/2000 and MPPMCL has already filed Petition No. 9/2009 before the Commission for recovery of excess

amount and interest thereon from the petitioner. This fact has also been acknowledged by the petitioner.

3. Learned counsel for GUVNL submitted that the instant assets are regional assets and the petitioner has described it as such in para 6 of its petition. This being so, in terms of Regulation 59 of the Central Electricity Regulatory Commission (Open Access in Inter-state Transmission) Regulations, 2004, OPTCL is required to provide the credit of such Short Term charges to its long term customers. On the claim of the petitioner in respect of depreciation, he submitted that once the loan repayment is done, the balance is spread over the useful life of the asset. In the instant petition, the entire loan repayment was done and only balance depreciation is to be considered for the useful life of the assets. The claim of the petitioner in respect of 'Depreciation' and 'O&M expenses' will get reduced resulting in less 'interest on working capital' and thus reduced wheeling charges may be allowed by the Commission. He further submitted that prior to 2001 there was an arrangement that Madhya Pradesh would make payments on behalf of Gujarat, and in terms of that Madhya Pradesh has already made some payment which has to be adjusted against the wheeling charges being claimed.

4. The learned counsel for the petitioner submitted that since depreciation and O&M expenses have been rightly calculated there will be no reduction. He further submitted that Regulation 59 of the 2004 Regulations is not applicable since this is a part of the State Transmission Network owned and maintained by OPTCL.

5. Order in the petition was reserved.

By the order of the Commission,

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