

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

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

No. L-1/44/2010-CERC

Date of Order: 25.3.2013

In the matter of

Approval of slab rates for POC charges and losses for the period April to June, 2013, 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"), provides 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 provide 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 22.3.2013 and informed that the average rate in ₹/MW/month works out to ₹94,350/- and ₹78,219/- 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 0.01 paisa, i.e. 13.1 paisa/unit and 10.86 paisa/unit respectively. The details of this computation are as given, below:

Period April,2013-June,2013 (Q1)							
NEW Grid				SR Grid			
MTC (₹Cr)	LTA+MTOA MW	Uniform Rate		MTC (₹Cr)	LTA+MTOA MW	Uniform Rate	
		₹/MW/Month	Paisa/Unit			₹/MW/Month	Paisa/Unit
959	1,01,615	94,350	13.10	164	21,014	78,219	10.86

4. Though POSOCO has rounded off transmission charges to 0.01 paise/Unit in line with Commission's earlier order, it has stated that prior to application period October 2012 to March 2013 (H2), average slab rate was rounded off to next higher multiple of 5000 (₹/ MW/Month) to avoid any under recovery due to uncertainty in commissioning of generating stations. For example, Kudankulam was considered for computation of PoC charges in H2 case. However, commissioning of the generating station got delayed leading to under recovery of transmission charges in the Southern Region. As a consequence, amount raised through Bill 3 may give tariff shock to the DICs besides cash flow problems of ISTS licensees. In view of the above, POSOCO has once again recommended that the slab rate may be decoded after rounding off to next higher multiple of 5000 (₹/ MW/Month). The aforementioned contention of POSOCO, which would correspond to granularity of 1 paisa/ unit has already been addressed in the Commission's order dated 16.10.2012 specifying that we are of the view that granularity in paisa 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. We reiterate that as in case of slabs rates for H2 i.e. for the period from October 2012 to March 2013, the average slabs be rounded off to the next 0.01 paise/unit. 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.

5. POSOCO has hitherto been proposing three slab rates. However, the present proposal of POSOCO contains only one rate for uniform charge for NEW Grid and SR Grid as mentioned in para 3 of this order. However, three slab rates with a differential of ₹15,000 per MW per Month and 2 paise per Unit have hitherto been in vogue. The same is being retained for calculating the rates for three slabs.

6. We therefore approve the following slab rates for injection and demand PoC charge for the three month period from 1.4.2013 to 30.6.2013:

POC Slab	NEW GRID (₹/MW/Month)	SR GRID (₹/MW/Month)	NEW GRID (paise/unit)	SR GRID (paise/unit)
Tier-I	79,350	63,219	11.10	8.86
Tier-II	94,350	78,219	13.10	10.86
Tier-III	1,09,350	93,219	15.10	12.86

7. 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.

8. We approve the slabs of % losses as proposed by the Implementing Agency for the three month period from 01.4.2013 to 30.6.2013, 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/-
(Dr. Pramod Deo)
Chairperson