

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Coram:

1. **Shri Bhanu Bhushan, Member**
2. **Shri A.H. Jung, Member**

Petition No. 11/2006

In the matter of

Determination of Provisional Transmission tariff for the balance system of Tarapur Transmission system (commissioned w.e.f. 1.8.2005 and 1.9.2005) associated with Tarapur Atomic Power Station Units 3 & 4 in Western Region for the periods from 1.8.2005 to 31.3.2009 and 1.9.2005 to 31.3.2009, respectively.

And in the matter of

Power Grid Corporation of India Limited

..Petitioner

Vs

1. Madhya Pradesh State Electricity Board, Jabalpur
2. Maharashtra State Electricity Distribution Company Ltd., Mumbai
3. Gujarat Ugra Vikas Nigam Ltd., Baroda
4. Electricity Deptt., Government of Goa, Panaji
5. Electricity Deptt., Administration of Daman & Diu, Daman
6. Electricity Deptt., Administration of Dadra Nagar Haveli, Silvassa
7. Chhattisgarh State Electricity Board, Raipur
8. Madhya Pradesh Audyogik Kendra Vikas Nigam (Indore) Ltd, Indore **.Respondents**

The following were present:

1. Shri U.K. Tyagi, PGCIL
2. Shri P.C. Pankaj, PGCIL
3. Shri M.M. Mondal, CM (Fin), PGCIL
4. Shri Prashant Sharma, PGCIL

ORDER

(DATE OF HEARING: 20.4.2006)

The application is made for approval of provisional transmission charges for certain elements of Tarapur Transmission System (the transmission assets) as given below in para 2 of this Order (commissioned w.e.f. 1.8.2005 and 1.9.2005) associated with Tarapur Atomic Power Station Units 3 & 4 in Western Region:

2. The investment approval and expenditure sanction for the transmission system was accorded by the Board of Directors of the petitioner company vide letter dated 22.10.2002 at an estimated cost of Rs. 23702.00 lakh, which includes IDC of Rs. 2176.00 lakh. Further, the approval for the revised cost estimate was accorded by the

Board of Directors of the petitioner company vide letter dated 17.1.2006 at an estimated cost of Rs. 28587.00 lakh, including an IDC of Rs. 962.00 lakh. The details of the assets covered in the present petition and their scheduled and actual dates of commercial operation are as under:

S. No	Name of asset	Scheduled date of completion	Date of commercial operation
1.	(i) 400 kV D/C Tarapur- Boisar transmission line; (ii) LILO of 400 kV S/C Gandhar-Padghe transmission line at Boisar; (iii) 400 kV Boisar sub-station (line bays-4 nos.); and (iv) 400 kV Tarapur- Padghe ckt-II along with line bay at Padghe.	1.7. 2005	1.8.2005
2.	(i) LILO of 400 kV S/C Gandhar-Padghe transmission line at Vapi sub-station; (ii) 400/220 kV Vapi sub-station ; (iii) 220 kV S/C Tarapur-Boisar transmission line; and (iv) 2 Nos. ICTs and 220 kV sub-station at Boisar	1.10.2005	1.9.2005

3. The details of estimated completion cost of the transmission assets are as under:

(Rs. in lakh)					
S. No	Name of asset	Apportioned approved cost	Estimated completion cost	Actual expenditure up to date of commercial operation as per the Chartered Accountant's certificate dated 1.12.2005	Balance Estimated expenditure
1.	(i) 400 kV D/C Tarapur- Boisar transmission line; (ii) LILO of 400 kV S/C Gandhar-Padghe transmission line at Boisar; (iii) 400 kV Boisar sub-station (line bays-4 nos.); and (iv) 400 kV Tarapur- Padghe ckt-II along with line bay at Padghe.	11214.96	10600.81	9248.64	1352.17
2.	(i) LILO of 400 kV S/C Gandhar-Padghe transmission line at Vapi sub-station; (ii) 400/220 kV Vapi sub-station ; (iii) 220 kV S/C Tarapur-Boisar transmission line; and (iv) 2 Nos. ICTs and 220 kV sub-station at Boisar	10657.37	10349.87	8376.62	1973.25

4. The annual provisional transmission charges claimed by the petitioner are given hereunder:

(Rs. in lakh)

S.No	Name of asset	2005-06(pro rata)	2006-07	2007-08	2008-09
1.	(i) 400 kV D/C Tarapur- Boisar transmission line; (ii) LILO of 400 kV S/C Gandhar-Padghe transmission line at Boisar; (iii) 400 kV Boisar sub-station (line bays-4 nos.); and (iv) 400 kV Tarapur- Padghe ckt-II along with line bay at Padghe	852.32	1289.62	1292.73	1277.27
2.	(i) LILO of 400 kV S/C Gandhar-Padghe transmission line at Vapi sub-station; (ii) 400/220 kV Vapi sub-station ; (iii) 220 kV S/C Tarapur-Boisar transmission line; and (iv) 2 Nos. ICTs and 220 kV sub-station at Boisar	904.94	1574.30	1592.46	1594.36

5. The petitioner has claimed provisional transmission charges based on the capital cost as on the date of commercial operation. The petitioner has published notices in the newspapers on the provisional tariff proposal in accordance with the procedure specified by the Commission.

6. The Commission has considered the capital expenditure up to the date of commercial operation as the base for determining the provisional tariff. However, we allow annual transmission charges of Rs. 1214.56 lakh and Rs. 1473.76 lakh for the transmission assets declared commercial on 1.8.2005 and 1.9.2005 respectively, on provisional basis from the date of commercial operation subject to adjustment after determination of final tariff. The provisional transmission charges are 95% of the transmission charges claimed by the petitioner.

7. The petitioner has sought approval for the reimbursement of expenditure of Rs. 1,45,618/- incurred on publication of notices in the newspapers. The petitioner shall claim reimbursement of the said expenditure directly from the respondents in one installment in the ratio applicable for sharing of transmission charges. The petitioner has also sought reimbursement of filing fee of Rs.5 lakh paid. A final view on reimbursement of filing fee is yet to be taken by the Commission for which views of the stakeholder have been called for. The view taken on consideration of the comments received shall apply in the present case as regards reimbursement of filing fee.

8. With the above, the present petition stands disposed of. The petitioner shall file the fresh petition for approval of final tariff in accordance with the Commission's regulations on the subject latest by 31.10.2006.

**sd-/
(A.H. JUNG)
MEMBER**

**sd-/
(BHANU BHUSHAN)
MEMBER**

New Delhi dated the 26th April 2006