

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Coram:

- 1. Shri Ashok Basu, Chairperson**
- 2. Shri Bhanu Bhushan, Member**
- 3. Shri A.H.Jung, Member**

Petition No. 57/2004

In the matter of

Approval of incentive based on availability of transmission system for the year 2003-2004 for Northern Region.

And in the matter of

Power Grid Corporation of India Ltd., Gurgaon

.... Petitioner

Vs

1. Rajasthan Rajya Vidyut Prasaran Nigam Ltd., Jaipur
2. Himachal Pradesh State Electricity Board, Shimla
3. Punjab State Electricity Board, Patiala
4. Haryana Vidyut Prasaran Nigam Ltd., Panchkula
5. Power Development Department, Govt. of J&K, Jammu
6. Uttar Pradesh Power Corporation Ltd., Lucknow
7. Delhi Vidyut Board, New Delhi
8. Chandigarh Administration Chandigarh
9. Uttaranchal Power Corporation Ltd., Dehradun

....Respondents

The following were present:

1. Shri P.C. Pankaj, PGCIL
2. Shri Rakesh Prasad, PGCIL
3. Shri U.K. Tyagi, PGCIL
4. Shri M.M. Mondal, CM (Fin), PGCIL
5. Shri J.Mazumdar, PGCIL

**ORDER
(DATE OF HEARING: 8.8.2006)**

The petitioner seeks approval for incentive for the year 2003-04 for the transmission system in the Northern Region, in terms of the Central Electricity Regulatory Commission (Terms & Conditions of Tariff) Regulations, 2001 (the regulations).

2. It has been provided in the regulations that in addition to transmission charges, for availability of the transmission system beyond 98% as certified by Member Secretary, NREB, the petitioner shall be entitled to incentive at rates specified hereunder:

Availability %	Incentive as a percent of equity	Cumulative incentive as a percent of equity
98% and below	0.00	0.00
98.01% to 98.50%	1.00	1.00
98.51% to 99.00%	1.00	2.00
99.01 to 99.50%	1.00	3.00
99.51% to 99.75%	1.00	4.00

3. As per the affidavit dated 26.7.2006, the petitioner has claimed incentive as under from the respondents:

Assets	Pro rata equity	(Rs. in lakh)	
		Availability	Incentive
(i) Northern Region transmission assets	152952.48	99.1077%	4588.57
(ii) Inter-regional assets	5021.42	99.1077%	150.64
(iii) Bilateral assets			
(a) LILO of Ballabgarh-Bassi at Bhiwadi, ICT-I and ICT-II (to be borne by RVPNL)	1944.68	99.2376%	58.34
(b) Faridabad transmission system (to be borne by HVPNL)	2734.60	99.7721%	109.38
(c) U. P. Strengthening scheme and Mau-Balia transmission line (to be borne by UPPCL)	296.43	99.999%	11.86

4. Member-Secretary , NRPC (earlier NREB) in his letter dated 14.7.2006 has certified the availability at 99.1077% (rounded off to 99.11%) of the transmission system in the region and the inter-regional asset during 2003-04, by giving weightage of 50% to the availability of inter-regional assets in accordance with the regulations. The availability of the bilateral assets has also been certified separately for each asset. The incentive has been worked out accordingly, considering the availability as certified by the Member-Secretary, NRPC. Based on the above, the petitioner shall be entitled as under:

Assets	Qualifying % availability	(Rs. in lakh)	
		Equity	Incentive Amount
(i) Northern Region transmission assets (excluding bilateral project)	99.11%	154359.56	4588.57
(ii) Inter-regional assets	99.30%	5021.42	150.84
(iii) Bilateral assets:			
(a) LILO of Ballabgarh-Bassi at Bhiwadi, ICT-I and ICT-II (to be borne by RVPNL)	99.99%	1944.68	58.34
(b) Faridabad transmission system (to be borne by HVPNL)	99.76%	2734.60	109.38
(c) U. P. Strengthening scheme and Mau-Balia transmission line (to be borne by UPPCL)	100.00%	296.71	11.86

5. The details of calculations in support of the incentive allowed by us are given in the Annexure attached.
6. The Commission in its order dated 9.7.2004, had provisionally allowed incentive of 80% of that claimed by the petitioner in the petition. The provisional incentive charged by the petitioner shall be adjusted against final incentive for the year 2003-04 approved by us in this order.
7. Sharing of incentive:
- (i) The incentive in respect of Northern Region transmission assets and the inter-regional assets (excluding bilateral projects) shall be borne by the respondents, the

beneficiaries in the Northern Region, in proportion of the transmission charges for the year 2003-04 shared by them for the region.

(ii) The incentive in respect of bilateral assets shall be borne by HVPNL, RRVPNL and UPPCL as shown in the table under para 4 above.

8. This order disposes of Petition No. 57/2004.

Sd-/
(A.H.JUNG)
MEMBER

sd-/
(BHANU BHUSHAN)
MEMBER

sd-/
(ASHOK BASU)
CHAIRPERSON

New Delhi dated the 15th January 2007

ANNEXURE

Name of the Company: PGCIL						
Name of the Region: Northern						
Petition No.: 57/2004- Incentive for the years 2003-04						
				(Rs. in lakh)		
Basic Availability for Incentive calculation						98.00%
Availability of the Transmission System Elements of PGCIL of Northern Region						99.11%
Availability eligible for incentive (A)						3.00%
Name of the Transmission System/Line (1)	Petition No. for the period 2001-04 (2)	Date of commercial operation. (3)	Equity as per Prior period Tariff (4)	Period during the year (Year) (5)	Incentive amount (6)	
	REGIONAL TRANSMISSION SYSTEM/LINE				(4)*(5)*(A)	
1	ANTA	6/2002	Before 31.3.2001	2476.42	1.00	74.29
2	AURAIYA	8/2002	-do-	4337.33	1.00	130.12
3	SINGARAULI	13/2002	-do-	7302.80	1.00	219.08
4	RIHAND	38/2002	-do-	45604.35	1.00	1368.13
5	BAIRA-SIUL	22/2002	-do-	191.47	1.00	5.74
6	TANAKPUR	14/2002	-do-	794.00	1.00	23.82
7	MOGA-HISSAR, HISSAR-BHIWANI	44/2002	-do-	5567.16	1.00	167.01
8	BAWANA-BHIWANI, BAWANA-HISSAR (MBTL)		-do-	1101.73	1.00	33.05
9	Chamera HEP-I	19/2002	-do-	10842.92	1.00	325.29
10	SALAL -I	20/2002	-do-	918.50	1.00	27.56
11	Salal Stage-II	21/2002	-do-	4560.39	1.00	136.81
12	URI HEP	18/2002	-do-	9266.00	1.00	277.98
13	CHAMERA-KISHANPUR	39/2002	-do-	4834.00	1.00	145.02
14	ICT-I AT KISHANPUR S/S	37/2002	-do-	2999.00	1.00	89.97
15	RAPP B-ANTA	50/2002	-do-	469.88	1.00	14.10
16	RAPP B-CHITTORGARH		-do-	1215.05	1.00	36.45
17	RAPP-UDAIPUR		-do-	407.26	1.00	12.22
18	ADDL. TRANSFORMER RIHAND DADRI	70/2002	-do-	1878.77	1.00	56.36
19	UNCHAHAAR-KANPUR-II	68/2002	-do-	90.28	1.00	2.71
20	UNCHAHAAR-KANPUR-I		-do-	267.08	1.00	8.01
21	PANKI-MAINPURI		-do-	147.11	1.00	4.41
22	SERIES CAPACITORS PAMPORE	89/2001	-do-	183.05	1.00	5.49
23	KISHENPUR MOGA CKT-I	43/2002	-do-	4567.56	1.00	137.03
24	KISHENPUR MOGA CKT-II		-do-	7738.41	1.00	232.15
25	ICT-III AT MOGA & BUS REACTOR AT KISHENPUR		-do-	182.53	1.00	5.48
26	T/F AT MALARKOTLA	73/2002	-do-	459.12	1.00	13.77
27	BAWANA-BHIWANI, BAWANA-HISSAR, NJTL		-do-	891.60	1.00	26.75
28	HISSAR-JAIPUR, NJTL		-do-	2800.42	1.00	84.01

29	ABDULLAPUR-BAWANA,NALAGARH-HISSAR		-do-	6875.47	1.00	206.26
30	ICT-I AT JAIPUR		-do-	393.43	1.00	11.80
31	2 NOS.LILO BAYS WITH ICT-I AT JAIPUR		-do-	31.74	1.00	0.95
32	ICT-II AT JAIPUR		-do-	94.90	1.00	2.85
33	LILO OF CMTL & ICT-I AT JALANDHAR		-do-	1409.22	1.00	42.28
34	ICT-II AT JALANDHAR		-do-	161.86	1.00	4.86
35	JALANDHAR-DASUYA		-do-	320.01	1.00	9.60
36	ICT-I AT NALAGARH		-do-	230.62	1.00	6.92
37	ICT-II AT NALAGARH		-do-	145.13	1.00	4.35
38	BUS REACTOR AT NALAGARH		-do-	72.36	1.00	2.17
39	JALANDHAR-HAMIRPUR	10/2002	1.9.2001	237.71	1.00	7.13
40	SINGARAULI-KANPUR LINE-I	58/2002	1.1.2003	161.71	1.00	4.85
41	SINGRAULI -KANPUR LINE-II		-do-	571.13	1.00	17.13
42	ICT -I AT ALLAHABAD		1.2.2003	499.39	1.00	14.98
43	ICT -II AT ALLAHABAD		1.1.2003	455.72	1.00	13.67
44	ICT -IV AT BALLABHGARH	110/2002	1.7.2002	175.63	1.00	5.27
45	FACT, BALLABHGARH	116/2002	-do-	372.75	1.00	11.18
46	SPECIAL ENERGY METERS	101/2003	1.5.2002	428.89	1.00	12.87
47	Meerut-Mandola-I	8/2003	1.10.2003	626.49	0.50	9.40
48	Meerut-Mandola-II		1.4.2003	518.00	1.00	15.54
49	ICT -II at Meerut		1.4.2003	248.31	1.00	7.45
50	ICT -III at Meerut		1.7.2003	427.17	0.75	9.61
51	Panki- Naubasta	60/2003	1.10.2003	626.87	0.50	9.40
52	Series Compensation on Panki-Muradnagar	191/2004	1.2.2004	368.67	0.17	1.84
53	LILO Chamera-I --Kishanpur	57/2003	1.8.2003	659.13	0.67	13.18
54	NathpaJhakri- Nallagarh	28/2003	1.4.2003	8353.29	1.00	250.60
55	NathpaJhakri- Abdullapur		1.4.2003	7213.06	1.00	216.39
56	Agra- Agra	192/2004	1.7.2003	586.75	0.75	13.20
	SUB TOTAL			154359.56		4588.57
	INTER-REGIONAL PROJECTS					
	Basic Availability for Incentive calculation					98.00%
	Availability of the Transmission System Elements of PGCIL Inter-Regional Project					99.11%
	Availability eligible for incentive (B)					3.00%
						Incentive amount (6)= (4)*(5) *(B)
1	VINDHYACHAL HVDC (50%)	15/2002	Before 31.3.2001	2773.09	1.00	83.19
2	400 KV BIHARSHARIF SASARAM SARNATH LINE & BAY (50%)	55/2002	1.7.2001	1659.44	1.00	49.78
3	SASARAM -HVDC (50%)	111/2002	1.12.2002	588.89	1.00	17.67
	SUB TOTAL			5021.42		150.64
	BILATERAL PROJECTS					
	Basic Availability for Incentive calculation					98.00%
	Availability of the Bi-lateral Project: LILO of Ballabgarh- Bassi at Bhiwadi, ICT-I&II (to be borne by Rajasthan)					99.24%
	Availability eligible for incentive (C)					3.00%
						Incentive amount (6)= (4)*(5) * (C)
1	LILO OF BALLABHGARH -BASSI AT BHIWADI AND ICT -I&II AT BHIWADI	134/2002	1.3.2003	1944.68	1.00	58.34

Availability of the Bi-lateral Project: Faridabad Transmission System (to be borne by HVPNL).						99.77%
Availability of the Bi-lateral Project: UP Strengthening scheme and Mau-Balia (to be borne by UPPCL)						100.00%
Availability eligible for incentive (D)						4.00%
						Incentive amount (6)= (4)*(5) * (D)
2	Faridabad transmission system: FARIDABAD-SAMAYAPUR	54/2002	Before 31.3.2001	1554.33	1.00	62.17
3	Faridabad transmission system:FARIDABAD-PALLA		-do-	1180.27	1.00	47.21
4	ALLAHABAD-REWA ROAD CKT-I	193/2004	1.1.2003	26.07	1.00	1.04
5	Allahabad- Rewa Road Ckt-II		1.8.2003	14.65	0.67	0.39
6	LILO of Modipuram- Simbholi		1.7.2003	69.53	0.75	2.09
7	Modipuram- Nara		1.4.2003	24.31	1.00	0.97
8	Mau- Balia	125/2005	1.5.2003	200.87	0.92	7.37
SUB TOTAL				5014.71		179.58
Total Incentive amount						4918.80