

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Coram:

1. **Shri Ashok Basu, Chairman**
2. **Shri K.N. Sinha, Member**
3. **Shri Bhanu Bhushan, Member**
4. **Shri A.H. Jung, Member**

Petition No. 41/2005

In the matter of

Determination of Provisional Transmission tariff for 400 kV Ramagundam-Hyderabad D/C transmission line (under Ramagundam Stage-III associated transmission system) along with associated bays and equipment in Southern Region for the period from 1.11.2004 to 31.3.2009.

And in the matter of

Power Grid Corporation of India Limited

..Petitioner

Vs

1. Karnataka Power Transmission Corporation Ltd, , Bangalore
 2. Transmission Corporatin of Andhra Pradesh Ltd., Hyderabad
 3. Kerala State Electricity Board, Thiruvananthapuram
 4. Tamil Nadu Electricity Board, Chennai
 5. Electricity Department, Govt. of Goa, Panaji
-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 Rakesh Prasad, PGCIL
5. Shri Ramesh Babu, KSEB
6. Shri R. Balachandran, KSEB
7. Shri N. Vijaya Bhaskar, KPTCL

**ORDER
(DATE OF HEARING: 22.9.2005)**

The application is made for approval of provisional transmission charges for 400 kV Ramagundam-Hyderabad D/C transmission line (the transmission line) (under Ramagundam Stage-III associated transmission system) along with associated bays and equipment in Southern Region.

2. The administrative approval for the scheme for strengthening of grid system and evacuation of power from Ramagundam Stage-III in Southern Region (the scheme) which includes the transmission line, has been accorded by the Central Government in Ministry of Power vide letter dated 29/30.8.2001 at an estimated cost of Rs. 390.12 crore (4th quarter, 2000 price level), which included IDC of Rs. 42.04 crore. The scheme was to be completed by August 2005. The transmission line was completed in March 2004, ahead of schedule. The constituents of Southern Region, in 135th SRE Board meeting held on 10.8.2004 agreed for advancement of the date of commissioning of the transmission line. Accordingly, the transmission line has been declared under commercial operation w.e.f. 1.11.2004. The other elements of the scheme are being completed progressively.

3. The estimated completion cost of the transmission line is stated to be Rs.9736.52 lakh against the apportioned approved cost of Rs. 11214.00 lakh. The actual expenditure up to the date of commercial operation, that is, 1.11.2004 was Rs. 9225.77 lakh as per the Chartered Accountant's certificate dated 30.12.2004 placed on record by the petitioner and the balance estimated expenditure is stated to be Rs.510.75 lakh. Subsequently, the petitioner filed the auditor's certificate dated 16.9.2005 under affidavit on 21.9.2005, according to which the expenditure up to 1.11.2004 was Rs. 9172.10 lakh and the estimated completion cost will be Rs. 9318.99 lakh.

4. The petitioner has claimed provisional annual transmission charges of Rs. 991.06 lakh based on the capital cost of Rs. 9225.77 lakh 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.

5. The Commission has considered the expenditure of Rs. 9225.77 lakh as the base for determining the provisional tariff. However, we allow annual transmission charges of Rs.941.50 lakh for the transmission line, 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.

6. The petitioner has sought approval for the reimbursement of expenditure of Rs. 1, 18,756/- 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.

7. 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 31.3.2006.

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

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

**sd-/
(K.N.SINHA)
MEMBER**

**sd-/
(ASHOK BASU)
CHAIRMAN**

New Delhi dated the 21st December 2005