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Central Electricity Regulatory Commission
3rd & 4th Floor, Chandernagore, Building, 36 Janpath, New Delhi 110 001
(Tele No.23353503 FAX No.23753923)

No. C-7/189(204)/2009-CERC

Dated: 23 October 2009

To

Sh. Umesh Chandra
Executive Director (Comm.)
Power Grid Corporation of India Ltd.
"Saudamini" Plot No. 2
Sector-29
Gurgaon-122 001

Sir,

Sub: Filing of Petitions for Tariff Period 2009-14

Ref: Your Letter No. CCL-88 dated 13.7.2009

In response to your letter under reference, I am to state that after considering the recommendations of the taskforce in which PGCIL was also represented, the Commission has approved the following procedure for filing of petitions for determination of transmission tariff:

- (a) Assets forming part of a transmission scheme/project would be clubbed for the purpose of tariff determination for tariff block 2009-14. Assets from two different projects would not be clubbed for the purpose of tariff determination.
- (b) For the transmission scheme/projects completed fully and under commercial operation up to 31.03.2009 :
 - (i) Elements of a transmission project commissioned within 2 years from the actual DOCO of first element will be combined and treated as stage 1 of that project. If any element of that project is commissioned after 2 years the same would be considered as a part of next stage of that transmission project. Thus the total transmission project commissioning will be divided in stages based on the date of commissioning of the individual assets. Maximum period of each stage will be two years.
 - (ii) The actual DOCO of last element of a stage of transmission scheme/project would be treated as the notional DOCO of combined assets of a particular stage of transmission scheme/project.
 - (iii) Cut off date in such cases will be reckoned from the notional DOCO of combined assets (stage wise)

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(c) For the transmission scheme/projects partially under commercial operation in 2004-09 period and remaining assets likely to be commissioned in block 2009-14 period.

(i) The tariff petitions may be filed for determination of tariff applicable for block 2009-14 period for the assets already under commercial operation upto 31.03.2009, stage wise as defined at b (i) above.

(ii) Subsequent to c (i) above, any element of the transmission scheme/project likely to be commissioned during 2009-14 period (as and when asset is commissioned), shall be combined with the assets of the project/scheme already commissioned up to 31.03.2009, if actual DOCO of new asset falls within 2 years period of the actual DOCO of first element of the stage. If any element is commissioned beyond 2 years from the date of actual DOCO of the first element of the transmission scheme/project same shall be shifted to the next stage of the scheme/project. The tariff will be re-notified for all the elements in that particular stage including the newly commissioned element. Application for tariff will be filed accordingly. In case of commissioning of any subsequent elements (if any) similar methodology shall be adopted.


(iii) Notional DOCO and Cut off date shall be as defined at b (ii & iii) above.

(d) New scheme / project commissioned / likely to be commissioned during the tariff period 2009-14 shall follow the same methodology as referred in (b) and (c) above.


(e) In case, the commission decides to introduce new scheme of transmission pricing, line wise / asset wise tariff of combined asset would be apportioned pro-rata on some suitable basis such as capital cost, circuit kms. etc.

2. You may take further action in the matter accordingly.

Yours faithfully


(Alok Kumar)
Secretary

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Authorized Signatory
Power Grid Corporation of India Ltd.
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