



Annual Report 2000-01



Central Electricity Regulatory Commission

Commission's Logo



The logo epitomises the role of the Commission vis-a-vis various stakeholders in the electricity sector-the Central Generating and Transmission Companies and Consumers/users. The Commission's mandate is to promote economy, efficiency and competition in the electricity sector and protect the interests of the consumer while ensuring adequate returns to the Generators. It also has an adjudicatory role of settling disputes of generating and transmission companies. The Commission has to conduct its business in a transparent and fair manner. The 'Balance' around which the logo is structured therefore appropriately symbolises the quasi-judicial functioning of the Commission in the fulfilment of its mandate. The transmission tower in the middle indicates the fulcrum which is firmly grounded and on which hinge the two scales- the left representing the generators and the right representing the consumers. The transmission tower in the centre of the balance signifies its critical link between producers and consumers of electricity. The logo was designed by one of the founder Members Shri D.P. Sinha and the then secretary Shri Sanjeev Ahluwalia and adopted by the Commission during 1998-98.

THE COMMISSION IN BRIEF

The Electricity Regulatory Commission Act, 1998 (14 of 1998) established an independent regulatory commission at the Centre in July, 1998 and enabled the establishment of regulatory commissions in the States, to introduce competition, efficiency and economy in the power sector, to safeguard the consumer interest and improve the quality of supply and service. The full text of the Act is available on the web site of the Commission www.cercind.org.

The Commission functions in a quasi-judicial manner. It has the powers of civil courts. It consists of a Chairman, three full time Members and the Chairman of the Central Electricity Authority (CEA) as Ex-officio Member. In recognition of the need for a multi-disciplinary approach while addressing issues related to independent regulation, the Act prescribes that the Chairman and Members shall be persons having adequate knowledge and experience in engineering, law, economics, commerce, finance or management. It also prescribes a broad mix of disciplines to be represented in the Commission. The Chairman and Members are appointed by the President of India on the recommendation of a selection committee constituted by the Central Government as prescribed under the Act. The Act also provides for the appointment of a Secretary, functioning under the control of Chairman, whose powers and duties are defined by the Commission.

THE PROFILE OF THE FOUNDER MEMBERS OF THE COMMISSION

Prof. S.L. Rao

Chairman

(August 1998 to January 2001)



PHOTO

Professor S.L. Rao is an economist by training and a manager by experience. He has spent twenty-eight years as a manager in the private sector, holding positions in marketing, exports and general management in three different companies. He has taught Management in eminent institutions. After two years as a Management Consultant, he was appointed the first Executive Chairman of the National Management Programme. He was Director General of the National Council of Applied Economic Research from 1990-96. He was a distinguished Visiting Fellow at the Tata Energy Research Institute, Visiting Fellow at the Indian Ocean Centre in Perth, Australia and has been a Director on the Boards of a number of organizations. Prof. S.L. Rao joined as Chairman of the Central Electricity Regulatory Commission in August, 1998 and retired on January 21, 2001.

Shri D.P. Sinha

Member

(August, 1998 continuing)



PHOTO

Shri D.P. Sinha is a Member in the Central Electricity Regulatory Commission since August 1998. He holds a Degree in Engineering (Electronics & Telecom) from BIT Sindri (Ranchi University), 1963. He had also worked in the Central Electricity Authority as Member (G&O) from 1995-98. He was instrumental in regulating the Technical & Commercial issues relating to inter-state and inter-Regional exchange of power, its trading and banking which laid the foundation of the emerging Indian Electricity Grid at the National Level. Prior to that he was Chief Engineer (Load Despatch & Telecom) and Chairman, Central Power Telecom Coordination Committee (PTCC) during 1990-95 where he dealt with System Integration, SCADA, Control, Communication, Convergence & Computerization. He prepared the "Master Telecom Plan" for the Indian Power Sector, which is now under implementation by the Power Grid.

He also brings with him substantial international experience in all aspects of Power Engineering because of his earlier deputation to Canada, Zambia, U.K., Germany and U.S.A. He was instrumental in initial Conceptualization/Creation of the Indian Electricity Grid Code and the Draft ABT notification while in CEA (1990-98) which later went through due process in CERC and approved after certain amendments. It is his varied background and vast experience which is an asset to the Commission in its day-to-day working.

Shri G.S. Rajamani
Member
(August 1998 continuing)

PHOTO

Shri G.S. Rajamani is a Member in CERC since August 1998. He served in the Indian Defence Accounts Service from 1965 to 1998. He had been Additional Controller General of Defence Accounts and had worked in various Ministries in the Government of India including the Ministries of Communication, Environment, Electronics, Non-Conventional Energy Sources, Welfare and Defence. Prior to joining the Central Electricity Regulatory Commission in August, 1998, Shri Rajamani was Member (Economic & Commercial) in the Central Electricity Authority. He is a Post Graduate in Economics from Madras University and has a Master's Diploma in Public Administration from the Indian Institute of Public Administration.

Shri A.R. Ramanathan
Member
(August, 1998 to December, 2000)

PHOTO

Shri A.R. Ramanathan is a Member in the CERC since August, 1998 and has been a practicing Cost Accountant for over twenty years. He joined the Institute of Chartered Accountants of India in their coaching Directorate in 1964 and the Shri Ram College of Commerce, Delhi University in 1967 where he taught Graduate and Post-Graduate courses in Accounting, Company Law and Management Accounting. He has been a Member of the Advisory Committee on Cost Audit Rules set up by the Government of India and a Member of the Central Council of the Institute of Cost & Works Accountants of India. He was selected as a First Professional Member of the Company Law Board by the Government of India in 1991 and presided over the Northern Bench of the Board and was a Member of the Principal Bench of the Board till he joined the Central Electricity Regulatory Commission as a Member in 1998. He has jointly authored a book on Management Accounting and has published extensively. He has also authored a book on "Cost & Management Audit" published by M/s. Tata McGraw Hill. Mr Ramanathan retired on December 25, 2000.

Shri R.N. Srivastava
Chairman, CEA and Member Ex-Officio
(August 1998 to February 2001)

PHOTO

Shri R.N. Srivastava, Chairman, Central Electricity Authority & Ex-Officio Secretary to the Government of India is Member (Ex-officio), CERC

since August 1998. He obtained degrees in B.Sc., B.Tech.(Hons), Electrical Engineering (Power) from IIT Kharagpur and F.I.E (India). He joined Central Electricity Authority Group 'A' Service in 1963. Shri R.N. Srivastava has a long professional experience in Power Supply Industry in general, and Power Planning in particular, both in India and abroad. He was head of Planning, Ministry of Water and Electricity, Government of Abhu Dhabi, UAE from 1975 to 1980. Shri Srivastava also worked as Director General, National Power Training Institute from April 1994 to June 1995. He has authored a number of technical papers for international/national conferences and journals.

D.V. Khera
Chairman, CEA and Member Ex-Officio,
(March 2001 continuing)



PHOTO

Shri D.V. Khera, Chairman, Central Electricity Authority is Member (Ex-officio), CERC since March 2001. He graduated in Electrical Engineering from Birla College of Engineering, Pilani, Rajasthan. He joined erstwhile Central Water and Power Commission (CWPC) in 1964 in the Central Power Engineering Service Cadre. Since then he has held many senior positions in Central Electricity Authority.

During his career he has dealt with various aspects of power development in the country. He has been very closely associated with every aspect of hydro power projects including Design and Engineering of hydro power projects, Hydro Power Planning, Appraisal of schemes etc. within and outside the country. His contributions to Hydro Power Development in the country as well as in the neighbouring countries viz. Bhutan, Nepal & Myanmar are noteworthy. He has worked in the areas of non-conventional power development viz. Tidal Power Project and small/mini hydro projects. He has experience of power sector planning of the country and was closely associated with preparation of plan document. He has contributed in the development of power sector in general and Hydro Power Generation in particular.

Shri Khera has been on the Board of various Central Public Sector Corporations. He has been member of various Expert Committees and contributed many technical papers dealing with hydro power development at the National and International level. He was deputed to number of countries viz. Japan, U.K., U.S.A., Canada, France, Russia, Ukraine, Czechoslovakia, Myanmar, Nepal, Bhutan in connection with Project Development, transfer of technology programme, equipment testing, discussions relating to international standards etc.

He is the recipient of the Eminent Engineer's Award of the Institution of Engineers (India), Delhi for his distinguished services in the engineering

sector. He carries with him rich technical, administrative and managerial experience in various areas of power sector development.

THE MANDATE OF THE COMMISSION

The Commission has the responsibility to discharge the following functions :-

- (a) to regulate the tariff of generating companies owned or controlled by the Central Government;
- (b) to regulate the tariff of generating companies other than those owned or controlled by the Centre, or otherwise have a composite scheme for generation and sale of electricity in more than one state;
- (c) to regulate the inter-state transmission of energy including tariff of the transmission utilities;
- (d) to promote competition, efficiency and economy in the activities of the electricity industry;
- (e) to aid and advise the Central Government in the formulation of tariff policy which shall be –
 - (i) fair to the consumers; and
 - (ii) facilitate mobilization of adequate resources for the power sector.
- (f) to associate with the environmental regulatory agencies to develop appropriate policies and procedures for environmental regulation of the power sector;
- (g) to frame guidelines in matters relating to electricity tariff;
- (h) to attribute or adjudicate upon disputes involving generating companies or transmission utilities in regard to matters connected with (a) to (c) above;
- (i) to aid and advise the Central Government on any other matter referred to the Central Commission by that Government;
- (j) to license any person for the construction, maintenance and operation of an inter-state transmission system.

Given the range of activities within its mandate, it recognizes the need for prioritization of objectives. Towards this end, the Commission has formulated a mission statement, which will guide it in formulating its work plan over the coming years.

MISSION STATEMENT

The Commission intends to promote competition, efficiency and economy in bulk power markets, improve the quality of supply, promote investments and advise government on the removal of institutional barriers to bridge the demand supply gap and thus foster the interests of consumers. In pursuit of these objectives the Commission will -

- Improve the operations and management of the regional transmission systems through the formulation of an Indian Electricity Grid Code and advise on the restructuring of the institutional arrangements thereof.
- Formulate an efficient tariff setting mechanism, which ensures speedy and time bound disposal of tariff petitions, promotes competition, economy and efficiency in the pricing of bulk power and transmission services and ensures least cost investments.
- Improve access to information for all stakeholders.
- Institute mechanisms to ensure that investment decisions for inter-state transmission are taken transparently, in a participative mode and are justifiable on the basis of least cost.
- Facilitate the technological and institutional changes required for the development of competitive markets in bulk power and transmission services.
- Advise on the removal of barriers to entry and exit for capital and management, within the limits of environmental, safety and security concerns and the existing legislative requirements, as the first step to the creation of competitive markets.
- Associate with environmental regulatory agencies for the application of economic principles to the formulation of environmental regulations.

HUMAN RESOURCES OF THE COMMISSION

The effectiveness and efficiency of the Commission in discharging its responsibilities depend upon the quality and functional specialization of its staff with the requisite expertise and experience in engineering system operation, economic and financial analysis, management accounting, information management and other related skills. Accordingly, the Commission has a sanctioned staff strength of 31 professionals in these areas. The Organizational Chart is available at Annexure – I and List of Members and Key Staff of the Commission is available at Annexure – II. In addition, the Commission intends to utilize the human resources with their wide range of expertise and experience available within the Government, industry and research institutions.

Recruitment status during the year 2000-01 is available in the Table 1.

The Commission has a very wide mandate under the Act. Its jurisdiction extends to the entire range of activities in the electricity sector either directly or indirectly. The tariff of generating companies owned or controlled by the Central Government, the tariff of other companies with a composite scheme for generation and sale in more than one state, the transmission of energy by Power Grid and the inter-state transmission of energy, including tariff, are some activities in which the Commission can work directly. Indirectly, it aids and advises the Central Government in the formulation of its tariff policy which shall be fair to the consumers and facilitate mobilization of adequate resources for the power sector. Under the provisions of the Electricity Laws (Amendment) Act 1998 (through an amendment of the Indian Electricity Act 1910), the Commission has been empowered to approve license of the transmission utilities for inter-state transmission systems. Through an amendment of the Electricity (Supply) Act 1948, the Commission will now specify the fees and charges to be paid for the Regional Load Despatch Centres. To supplement the in-house skills and experience available to it, the Commission engages consultants and for this purpose it has framed regulations.

Table -1

RECRUITMENT DURING 2000-01

S.No.	Name of the Post	Date of Interview	No. of candidates empanelled	No. of candidates actually joined	Remarks
1.	Chief (Law)	22.12.2000	03	01	
2.	Deputy Chief(Law)	06.12.2000	02	01	
3.	Joint Chief (Fin.)	13.11.2000	03	01	
4.	Chief (Eco.)	22.8.2000	01	Nil	Not joined
5.	Joint Chief (Eco.)	22.8.2000	01	Nil	Not joined
6.	Chief (Engg.)	8.8.2000		Nil	04 appeared and none found eligible
7.	Deputy Chief(Eco.)	22.8.2000	Nil	Nil	None found

					eligible
8.	Deputy Chief(Fin.)	13.11.2000		Nil	07 appeared and none found suitable
9.	PPS	-	-	01	On contract basis w.e.f. 19.1.2001
10.	PS	-	-	01	- DO -
11.	Driver	-	-	03	- DO -
12.	Peon	-	-	01	- DO -
13.	UDC	-	-	01	Permanently absorbed w.e.f. 1.12.2000 (from MOP)
14.	LDC	-	-	01	- DO -
15.	Peon	-	-	01	- DO -
	Total	-	10	12	

THE YEAR IN RETROSPECT

1. ADMINISTRATION

Prof S.L. Rao, Chairman and Shri A.R. Ramanathan, Member retired on January 21, 2001 and December 25, 2000 respectively. Shri Sanjeev S. Ahluwalia, Secretary has been repatriated to his parent cadre, Uttar Pradesh after completion of his two years deputation period on November 30, 2000. The two posts remained vacant for the balance period of 2000-01.

(i) Central Advisory Committee(CAC)

To advise the Central Commission on policy formulation, quality continuity and extent of service provided by licensees with the license conditions and requirements, protection of consumer interest and energy supply and overall standards of performance by utilities, the Commission established Central Advisory Committee (CAC) with representation from Commerce, Industry, Transport, Agriculture, Labour, Consumers, Non-Governmental Organisations and Academic & Research bodies in the energy sector. The third meeting of the CAC was conducted in May, 2000 to discuss issues relating to cost of capital and Depreciation norms.

(ii) Notifications Issued during the Year:

Following notifications were issued by the Commission during the year 2000-01:

Table – 2

NOTIFICATIONS

Sl. No	Notification No.& Date	Subject	Date on which sent to MOP
1.	55 dt. 10.05.2000	CERC (Conduct of Business) (First Amendment) Regulations, 2000	3.7.2000
2.	63 dt. 25.05.2000	CERC(Filing of Annual Report by Thermal Generating Companies) 2000	3.7.2000
3.	91 dt.15.07.2000	CERC(Filing of Annual Report by Transmission Utility) 1999	24.8.2000
4.	74 dt.23.03.2001	CERC(Medical Facilities) Regulations, 2000	11.04.2001
5.	75 dt. 26.03.2001	CERC(Terms and Conditions of Tariff)Regulations, 2001	11.04.2001

(a) (Filing of Annual Report by Thermal Generating Companies) Order 02/2000:

Commission notified **CERC (Filing of Annual Report by Thermal Generating Companies)** Order 02/2000 on April 28, 2000 which came into force from the date of issue of notification the procedures to be followed for filing of annual report by thermal generating companies as per the instructions provided therein and the requisite data shall be furnished as per the schedule attached. NTPC had filed a review petition in this matter (Petition No 60/2000)

(b) (Filing of Annual Report by Transmission Utility) order dated July 10, 2000:

Commission notified **CERC (Filing of Annual Report by Transmission Utility)** order on July 10, 2000 which came into force with date of issue of notification the procedures to be followed for filing of annual report by transmission utility as per the instructions provided therein and the requisite data shall be furnished as per the schedule attached.

(c) CERC (Medical Facilities) Regulations, 2000:

Commission notified **CERC (Medical Facilities) Regulations 2000** on March 23, 2001 notifying the procedures to be followed for submission of Medical claims (outdoor treatment) by the employees of the Commission including contract employees.

(d) CERC (Terms and Conditions of Tariff) Regulations, 2001:

Commission notified **CERC (Terms and Conditions of Tariff)** Order on March 26, 2001 which came into force wef April 1, 2001 and shall remain in force for a period of 3 years, unless reviewed earlier or extended by the Commission regarding Terms and Conditions of Tariff as per the instructions provided herein and the requisite date shall be furnished as per the schedule attached.

ANNUAL STATEMENT OF ACCOUNTS 2000-2001

Expenditure:

The Commission was allocated a budget of Rs.650 lakhs for the year 2000-2001. As in the earlier year, expenditure in the current year was below the allocation. The expenditure on rent, rates and taxes has taken a major share. The allocations for Office Expenses and Salaries of Officers & Staff have taken the next position.

Major Head : '2801 Power'

Minor Head: 80.800

The Statement showing the actual expenditure vis-à-vis BE and RE during the financial year 2000-2001

Table 3

(Rs. in lakhs)

Unit of Appropriation	BE 2000-01	RE 2000-01	Actual Expenditure	Remarks
1	2	3	4	
Salary	185.00	125.00	96.55	Saving was due to delay in getting timely approval by Min of Power and DOP&T for filling of the vacant post.
DTE	20.00	15.00	5.67	Saving was due to enforcing economic measures on Domestic Travels on the lines of the instructions issued by Min of Finance.
FTE	25.00	20.00	6.27	Saving was due to drastic cuts imposed by the Commission on Foreign Travels as per the instructions issued by Min of Finance.
Office Expenses	130.00	120.00	54.69	Saving is due to enforcement of stringent austerity measures as issued by Min of Finance.
Professional Services	110.00	110.00	56.80	Saving is due to delay in submission of consultancy outputs by the consulting agencies.
RRT	170.00	170.00	165.76	Saving is due to non receipt of rent bill for March 2001 for office accommodation.
Other Charges	10.00	10.00	1.00	Saving is due to enforcement of stringent austerity measures as issued by Min of Finance.
Total	650.00	570.00	386.74	

Corpus Fund 2000-01

The Commission earned a sum of Rs.15,50,055/- on account of interest on FDR for Rs.2,00,01,000/- during 2000-01. The total outflow from the fund was Rs.1,06,201/- which was on account of Pay and Allowance etc for contract employees.

The details of seminar/conferences attended by Chairman, Members and Secretary CERC are provided in **Annexure III** and details of training undertaken by the Staff of the Commission in **Annexure IV**.

PROGRESS DURING 2000-01

The year 2000-01 was marked by significant achievements of the Commission. The Commission came out with its first comprehensive order on the tariff structure applicable to thermal, hydro and inter-state transmission systems under its jurisdiction. This order was culmination of the various activities of the Commission in the direction of working towards the 'establishment of predictable and fair system that rewards efficiency and discourages cost-plus approach to tariff making'. Some other notable work in the period under review related to the disposal of the ABT review petition, initiation of the study on framing regulations for competitive bidding and finalising the schedule for hydro stations for implementation of ABT. The Commission also came out with Staff Discussion Papers on Terms & Conditions and Procedure for Grant of Transmission License and Escalation Characteristics of O&M Expenses of Thermal and Hydro Stations and Interstate Transmission Systems which were circulated to the stakeholders.

During 2000-01 the Commission received 127 new petitions and 40 petitions were carried forward from the previous year. Of these 29 petitions were finally disposed of. Details of Petitions before the Commission is documented in **Annexure-V**. Major Orders of the Commission are briefly discussed below.

1. Tariff Order dated December 21, 2000 of the Commission

Section 28 of the ERC Act, mandates the Commission to determine by regulation the terms and conditions for fixation of tariff under Clauses (a), (b) and (c) of Section 13. Consequent to the deletion of section 43A(2) new sets of terms and conditions were required to be notified under the provisions of section 28 of ERC Act, as they now fall under the tariff jurisdiction of the Commission.

The Tariff Order issued on December 21, 2000 was a culmination of discussions with the experts, consultants reports on key issues and the elaborate hearing process where all the stakeholders got a chance to present and defend their views. The back ground papers for various Suo-motto petitions on the terms and conditions and norms for tariffs were prepared by following consultants:

Study	Consultant
1) Cost of Capital	M/s CRISIL
2) Depreciation	M/s ICRA
3) Operational Norms for thermal stations	CEA
4) Operational Norms for Hydro stations	M/s WAPCOS and SNC_LAVALIN
5) O&M cost norms for thermal stations	M/s DCL consultants

The Order deals with the Tariff structure for bulk power for the entities under the jurisdiction of the Commission viz. Central Generating stations, interstate and inter-regional transmission systems and IPPs selling power to more than one state. It is guided by the objectives of fairness to the consumers, mobilisation of adequate resources for the power sector and stability in tariff and shall be applicable for a period of 3 years beginning April 1, 2001. The key issues highlighted in the Tariff order relating to Terms and Conditions of tariff and norms are summarized below:

1.1 Terms and Conditions

- Status quo has been maintained with regard to two elements of rate of return on investment viz. rate of return and rate base. Return on Equity (ROE) has been maintained at 16%. However, Commission expressed its preference for the adoption of Return on Capital Employed (ROCE) approach in future after a detailed study is undertaken in this regard.
- Depreciation shall be calculated annually by the straight line method spreading the depreciable value over the useful life of asset, as per rates prevailing prior to 1992 in the schedule as notified under the ES Act. To tide over the cash flow requirements for repayments of loans, the facility of advance against depreciation has been extended to all utilities.
- The order does away with the practice of linking the base level of O&M costs to the capital cost of old generating stations as the measurement of capital cost is difficult and controversial. The normative base is derived from actual O&M expenses for five years after suitable adjustments. The annual escalation factor for O&M expenses reflects the structure of O&M costs and links it to suitable price indices.
- The methodology outlined for quantification of foreign exchange variation permits the utilities to charge the impact of FERV to beneficiaries without the formal approval of the Commission. The treatment of foreign exchange rate variation is as per the accounting standard of Institute of Chartered Accountants of India.
- For smoothening the impact of advance tax, income tax liability assessed for various years of the tariff period is built into the fixed charges at the time of tariff fixation. These amounts shall be adjusted on the basis of actual income tax liability at the end of each financial year. This eliminates the tariff shocks originating from retrospective adjustment of income tax.
- The order stipulates the use of incentives/disincentives for improving the performance of the utilities. Incentives are offered to the utilities for performance beyond normative levels. Incentives are available to NTPC for

achieving PLF beyond the threshold levels of 77 percent. The utility will recover 50 percent of fixed cost/kwh saved with a cap of 21.5 paise/kwh as incentive for generation beyond the above mentioned threshold levels. This incentive rates will apply upto 90 percent PLF beyond which to prevent the flogging of machines only 50 percent of the incentive will be provided. For NLC, target PLF for the purpose of incentive is reckoned as 72%. For NLC readjusting of incentives at higher levels of operation is not proposed as the range for earning incentive is limited between 72 percent and 77 percent. The utility, however, has scope for reaching beyond 77% if appropriate initiatives are taken in mining lignite.

For the transmission sector, incentive are available for achieving availability beyond 98 percent as a return on equity. For each 0.5 percentage point increase in availability beyond 98 percent, an additional 1 percentage point return on equity will be provided with a cap of incentive at 99.75 percent availability which works out to be 4 percent.

For hydro stations, the concept of Capacity Index (CI) substitutes the concept of availability. This concept of CI ensures minimization of water spillage and availability of peak capacity of a given plant when most required by the system. Full fixed charges are recoverable at the normative level of 85 percent CI. Achievement beyond this brings incentives to the generator and underachievement results in disincentives.

- For the purpose of capacity expansion additional development surcharge has been provided. Surcharge rates shall be 5% for NTPC, NLC and NHPC and 10% for Powergrid. Use of these funds for 'other than investment in power sector' shall be only with the prior approval of the Commission.

Besides above, tariff order also includes revised **Operational norms for thermal and hydro generation and transmission sector** . Various aspects of revised norms are summarized below:

1.2 Operational Norms

1.2.1 Operational Norms for Central Sector Hydro Power Stations

- Design energy of all NHPC and NEEPCO projects to be reviewed by the Authority within period of 2 years.
- Different norms have been prescribed on auxiliary consumption in respect of surface and underground hydro stations and for conventional and static excitation system instead of single norm in vogue earlier.
- The concept of Capacity Index in place of availability has been introduced to avoid spillage of water in hydro generation

- Benefits of deemed generation for reasons solely attributed to hydrology has been done away. However, deemed generation due to reasons beyond the control of generating company, when it results in spillage of water, shall be permitted.
- Normative Availability (now Capacity index) for payment of annual capacity charge has been reduced from 90% to 85%.
- Primary Energy rate shall be equal to 90% of the lowest variable charge of central sector thermal power station in that region.
- Secondary energy rate shall be equal to per unit cost of primary energy.
- The revised norms are expected to improve the machine availability, better utilisation of water resources for hydro generation and provide additional incentives to the generator.

1.2.2 Thermal Operational Norms for Central Sector Utilities

The Commission had circulated thermal operational norms finalized by CEA in 1997 inviting suggestions/comments from Central Generating Utilities, State Electricity Boards/State Utilities and eminent experts in the power sector in January, 2000 as suo-motto petition no. 4/2000. CEA was appointed as Consultants to assist in the finalisation of the Operational Norms, besides required assistance during the hearings. This was done keeping in view that the CEA constitutes a reservoir of technical expertise in the power sector and their advice would be material in the matter.

At the instance of NTPC, during the hearing, the Commission constituted an expert group under the chairmanship of Shri V.S. Verma, Chief Engineer, CEA with a representative each of NTPC and NLC, Shri Bhanu Bhushan, Director PGCIL as Members and Chief (Finance), CERC as an Observer. SEBs were allowed to participate in the discussions and fully cooperate with the Group.

The expert group deliberated on various key issues like Settlement period, Specific secondary fuel oil consumption, Auxiliary energy consumption, Heat rate and degradation factors for existing generating stations, Heat rate and degradation factors for new generating stations, Boiler efficiency, Commercial operation date etc. at length.

Commission found that there was considerable divergence of opinion on the various issues and ultimately two separate reports were received by the Commission. It was also seen that there was an apparent reluctance on the part of the utilities to part with vital data which would have helped in resolving the matter.

The **Commission preferred to maintain a status quo on thermal operational norms** and decided in its order of December 21, 2000. These norms were not

made applicable to NEEPCO plants with smaller size units. NEEPCO was directed to approach the Commission with suitable petition for fixing of norms for smaller gas turbine based power stations being operated by them within a period of 3 months from the date of this order with necessary supporting data.

Commission also directed the NTPC, NLC and NEEPCO to maintain accurate and verifiable data relating to heat rate, coal/lignite consumption, secondary fuel oil consumption, PLF, availability, auxiliary power consumption etc. and submit to the Commission on a quarterly basis within 30 days of expiry of each quarter so that these details could form the basis for further examination of the norms during the next tariff review.

I.2.3 Norms for Inter-State Transmission Tariff.

In accordance with section 13 (c) and Section 28 of ERC Act 1998 the Commission formulated the norms for inter-state transmission system after the public hearing. The main features of the order are :-

- Normative Availability for recovery of full fixed cost was set at 98%.
- Sharing of charges for inter-regional assets will be on 50:50 basis by the two contiguous regions irrespective of the nature of power flow.
- No transmission charges are payable by the importing region for utilisation of POWERGRID system in intermediary region(s).
- Mutual agreement is proposed between the utilities for charges in case of wheeling of power through SEB/State utility system and in case of non-agreement, Contract Path method has been recommended for calculation of the wheeling charges. The wheeling charges are not to exceed the charges corresponding to new transmission line of adequate capacity along the Contracted Path.
- The incremental transmission losses on account of wheeling are payable in kind i.e. transmission losses shall be compensated by an equivalent amount of energy charged to the importing utility.

1.3 Methodology for calculation of availability of Inter-State Transmission System

The norms for inter-state transmission system notified by the Commission are applicable w.e.f. April 1, 2001 and for prior period GOI tariff notification dated December 16, 1997 is to be applied. GOI tariff notification envisaged incentive based on annual availability of transmission system. This notification, however, did not prescribe the methodology for calculation of

availability of Transmission system. The Commission after hearing views of the parties and with active assistance of CEA finalised the procedure for calculation of Transmission System Availability.

As per this methodology the transmission elements are grouped into various categories of transmission elements viz. AC lines, Inter-connecting transformers (ICTs), Static VAR Compensator (SVC), Switched Bus Reactor, HVDC lines and HVDC back to back station. The transmission availability is calculated based on weightage assigned to each category, total hours under consideration and non-available hours for each element of the category.

2) Schedule for Hydro Stations for implementation of ABT

As a part of reforms process in Power Sector, GOI had considered introduction of Availability Based Tariff (ABT) structure. Commission vide its Order dated January 4, 2000 directed implementation of ABT for central hydro generating stations located in Northern and Eastern Regions of the country with an aggregate capacity of 2150 MW. While finalisation of schedule of hydro stations was under consideration of the Commission, NHPC filed a review petition (No.17/2000) seeking review of certain aspects of the Commission's Order dated January 4, 2000 in relation to its applicability to NHPC hydro stations. Admitting the review petition, the Commission opined that once the schedule for hydro stations was issued, various aspects raised by NHPC in its review petition would get addressed.

Commission engaged M/s. SNC-Lavalin of Canada as consultants for preparation of hydro schedule required for the implementation of ABT for hydro plants. The same was finalised during the year and order issued in petition no. 17/2000.

In view of the special situation prevalent in the North-eastern Region such as low level of preparedness and inadequate infrastructure, the Commission felt that it may not be possible to implement the ABT in its present form. Commission therefore directed NEEPCO to file a petition before the Commission with the program of implementation of ABT in the region. Subsequently NEEPCO has filed a petition in August, 2000 praying for implementation of ABT in the N.E. Region.

3. Commission's Notification on terms and conditions of tariff

In exercise of its powers conferred under section 28 of the ERC Act, 1998, Commission vide notification dated March 26, 2001 notified the terms and conditions in accordance with which the tariff under clauses (a), (b) and (c) of Section 13 of the Act shall be determined. The notification includes the Tariff filing formats to be utilised by the generating companies for providing information

to the Commission for fixation of tariff. These Regulations shall come into force w.e.f. April 1, 2001 and shall remain in force for a period of 3 years, unless reviewed earlier or extended by the Commission. The norms prescribed under these Regulations shall, however, not apply to the generating stations under the control of NEEPCO.

4. Environmental Agenda of the Commission.

According to section 13(f) of ERC Act 1998, Commission has to associate with environmental regulatory agencies to develop appropriate policies and procedures for the environmental regulation of the power sector.

With regard to environmental regulation, Commission has initiated the task of preparing an “**Environmental Agenda For CERC**” during the year. Tata Energy Research Institute (TERI) who was appointed a consultant to carry out a study in this regard submitted its report and recommendations during the year under review. The consultant's report reviewed/discussed following aspects of environmental aspects:

- i) Existing environmental norms concerning to power sector.
- ii) Environmental guidelines of India in comparison with other countries which include tariff & tax based incentives for environmental management followed in other countries.
- iii) Existing literature on Cost-benefits of environmental norms.
- iv) Cost-Benefit of environmental norms. By using a simulation exercise, it discussed the environmental cost estimation of hydro, thermal and gas based plants.
- v) Policy issues relating to environment benign development of power sector.
- Vi) Environmental Agenda for CERC.

Recommendations suggested for environmental regulation are :

- i) Association with environmental agencies.
- ii) Use of tariff determination function.
- iii) Resolution of outstanding issues.
- iv) Aid and advice to Government of India.

5. Terms & Conditions and Procedure for Grant of Transmission License

Section 27C of the Indian Electricity Act 1910 empowers Commission to grant license transmission for inter-state transmission. As required under the provisions of Section 27 C(3) & (4) a document containing the draft procedure for grant of transmission license, including the procedure for obtaining approval of the CTU, the terms and conditions, application form and fees for license was prepared by the staff of the Commission. The draft document was

widely circulated in November, 2000 to elicit views of the stakeholders in the electricity sector. The final Notification in this regard is to be issued after the process of public hearing during the ensuing financial year i.e. 2001-02.

6. Order on Grid Disturbances in Eastern and Northern Region

Two major grid disturbances took place during 2000-01 first in Eastern Region on July 25, 2000 and second in Northern Region on January 2, 2001. The Commission had conducted suo-moto enquiry into the role of concerned functionaries in integrated system of operation, which led to these grid disturbances. The Commission had in its Orders issued strict directives to various SEBs/utilities, generating companies, CTU and RLDCs for averting the recurrence of such grid disturbances. The major directives were in regard to the process of scheduling, strict compliance of schedules and RLDCs instructions for maintaining the system parameters, operation of Under-frequency relays etc. The agencies concerned have been actively pursuing the effective compliance with the directives of the Commission.

7. Constitution of IEGC Review Panel

The Commission vide its order dated October 30, 1999 and December 21, 1999 had approved the Indian Electricity Grid Code (IEGC) which came into force w.e.f. February 1, 2000. The Commission considers that IEGC is a dynamic document, which may require revision depending upon changing needs of the grid. Accordingly, the Commission has constituted in July, 2000 the IEGC review panel as per provision contained in Chapter 8 of IEGC document. The IEGC Review Panel has held its two meetings on February 12, 2001 & March 26, 2001 and the IEGC Review Panel is in the process of finalising its proposal for amendments to the IEGC, for approval of the Commission.

8. Fees & Charges of RLDCs for undertaking Load Despatch functions

As per section 55 (10) of Electricity (Supply) Act 1948 the Commission is required to notify the fees and charges to be paid to RLDCs for undertaking load despatch functions. The Commission on the petition filed by CTU have ordered that for the past period i.e. 1998-99 and 1999-2000 the RLDC charges shall be recovered as per CEA's letter dated July 15, 1998. For the subsequent period CEA has been requested to make appropriate recommendations to the Commission in this regard. The Commission has also directed its staff to prepare a base paper for escalation in O&M expenses of RLDCs. Final orders would be issued after the public hearing in this regard.

9. Procedure for Regulation of Power Supply

The Commission is concerned with the mounting dues of central power utilities. In this regard, the Commission has in June, 2000 issued the interim procedure for regulation of power supply against defaulting beneficiaries on account of non-payment of dues of central Utilities. The final procedure for regulation of power supply will be issued after the public hearing.

10. Maintenance of Grid Parameters

The Commission has conducted the proceedings for the Petitions filed by various RLDCs in regard to violation of grid discipline by the regional constituents. The Commission has directed the defaulting constituents for strict observance of the IEGC and take appropriate steps for maintaining the grid parameters in real time operation.

11. Regulations for Competitive Bidding

The Commission is in the process of developing regulations for approving the process and documentation used by procurers for soliciting bids for supply of electricity and electricity transmission services. M/s PricewaterhouseCoopers (PwC) was commissioned to carry out a consultancy on regulations for competitive bidding on August 8, 2000.

The approach to the study is phased with: (i) the first phase involving a review and evaluation of the international experience of competitive bidding; (ii) the second phase involving review of guidelines and policy directives of Government of India; (iii) the third phase involving recommending the process to be followed for competitive bidding, within the framework of existing policy of the Government of India and the prevailing administrative and legal environment; and (iv) a review of the Pipavav Mega Power Project. These reviews have already been presented to CERC and were discussed widely within the Commission. The findings of PwC on "Recommendations on the bid process and specifying minimum conditions and criteria" were also discussed at the meeting of experts held on November 7, 2000. On this basis suggestions for the final draft on competitive bidding regulations were made.

The next and final phase involves drafting the competitive bidding regulations for procurement of generation and transmission services will be sent out as a document for public hearing. This will be followed by public hearings/discussions and notification of "Competitive Bidding Regulations".

12. Monitoring Inflation in Sectors Relevant for Power Utilities

The Commission has constructed a specific price index relevant for the power utilities. The index consists of those components of WPI that are related to the activities of power utilities. This along with CPI will help in monitoring the operation and maintenance expenses of power utilities.

13. Staff Discussion Papers

Two staff discussion papers that were circulated to the utilities

- Escalation Formula for O&M Expenses of Power Generating Stations
- Review of Annual Escalation Formula for O&M costs of Transmission System

14. Annual Filing of Data from Utilities

In order to streamline the process of data collection from the utilities, the annual filing requirements for thermal generation & transmission were notified vide Extraordinary Gazette Notification No. 63 dated May 25, 2000 and Extraordinary Gazette Notification No.91 dated July 15, 2000 respectively. The annual filing requirements for Hydro Generation are under finalisation.

15. Review Petitions

As provided under the Section 12 of the ERC Act, Commission has powers as vested in a Civil Court under the Code of Civil Procedures, 1908 in respect of matters, which inter-alia require to review its decisions, directions and orders. CERC was confronted from the very outset with the review of its orders in Petition No. 2/1999 regarding **Availability Based Tariff**. Following utilities filed their petitions with the Commission for review of Commission's Orders on ABT:

NTPC	Petition No. 13/2000
NHPC	Petition No. 17/2000
NLC	Petition No 21/2000
APTRANSCO	Petition No. 18/2000

Also, review petitions were filed by NLC, NTPC, RVPNL, HVPNL, PGCIL, UPPCL, PSEB and National Grid of U.K. on the review of the **Tariff orders** dated December 21, 2000 of the Commission.

16. Order on Hirma Power Project:

Power Trading Corporation of India filed the petition (no. 24/2000) for approval of tariff for the proposed Hirma Power project with net capacity of 3960 MW (6x660 MW) in the state of Orissa to be developed by M/S Southern Energy Asia Pacific Ltd. (SEAP, Hong Kong). The power generated from the project is proposed to be transmitted to five states of Gujarat, M.P. in Western region and Haryana, Punjab and Rajasthan in

the Northern Region. SBI Caps are the consultants for evaluation of the proposals of petitioner and match with the proposal of the project developer in order to arrive independently at the most competitive tariff and terms and conditions. The Commission took up this petition under section 13(h) of the ERC Act which contemplates arbitration of dispute involving generating companies with regard to matter connected with tariff. Commission in its order dated September 26, 2000 in petition No. 24/2000 decided that the appropriate levelised tariff for the fixed charges shall be Rs. 1.3398/kwh at 85% PLF with 74% front loading and with the use of super critical boilers.

17. Advice Rendered To The Central Government (MOP)

Under section 13 (e) of the ERC Act, the Commission can aid and advise the Central Government in the matter of formulation of tariff policy. During the year under review, Commission rendered advice to the Ministry of Power in its various orders on the petitions which shall have bearing on the formulation of tariff policy by the Central Government. The following advice was rendered.

1. Purchase of Power by PTC from Hirma Mega Power Project- Petition No.24/2000

Commission in its Order dated September 26, 2000 advised Ministry of Power, Government of India to take appropriate steps to obtain advance ruling from the Ministry of Finance on the availability of custom duty exemption on the equipment imported for Mega Power Projects in the larger interest of the power sector.

2. Norms, Terms and Conditions relating to electricity tariff to entities within CERC's jurisdiction -- Petition Nos 4/2000, 31/2000, 32/2000, 34/2000, 85/2000, 86/2000 and 88/2000

i) Commission in its Order dated December 21,2000 has comprehensively covered various issues relating to norms, terms and conditions for electricity tariffs applicable to entities under its jurisdiction. Commission has advised the Government that the terms and conditions developed by the Central Commission under section 28 of ERC Act, 1998 shall be made applicable to other electricity entities in the country which do not fall under its jurisdiction, to ensure uniformity at the national level on selected matters of tariff.

ii) In the matter of depreciation charge, Commission advised that the rates be notified under sections 43A(2), 68,75A(3) and Schedule VI as well so that there is uniformity at the national level.

iii) On Development Surcharge, Commission in its Order stated that it constitutes a diverted receipt in the hands of utility in the capacity of a trustee.

It is not to be confused with appropriation of profits. This surcharge shall be in the nature of a receipt collected along with tariff by the utility and shall be accounted for separately. The utility is expected to apply this receipt only on expansion of capacity and not to take credit for the same in profit and loss account of the company. However, in order to avoid any controversy and unintended burden to the beneficiaries on account of taxation, Commission advised the Central Government to issue a suitable clarification to preempt any avoidable dispute on this account.

3. Availability Based Tariff- Petition No. 2/1999

Commission in its Order dated January 4, 2000 on Availability Based Tariff has advised the GOI to decide at least a month in advance with regard to the allocation of the unallocated share of a generating station based on availability so that trading of such capacity is facilitated and the burden on the SEBs is reduced. This would provide substantial additional revenue to the generator if it is able to market this surplus power.

4. Grid Disturbance on January 2, 2001 in Northern Region- Enquiry No. 1/2001

During hearing on the above suo-moto petition, Commission observed that it is for the Government as owner of the PGCIL to ensure that it performs the functions that are implied under the authority given to it under the law over the RLDCs. The lack of understanding by PGCIL as to how it should exercise these powers, has jeopardized the safe operations and security of the Electricity Grid. Government has to apply its mind and decide how it proposes to deal with the matter if the country is to avoid repeated grid collapses that have taken place. The Commission advised Central Government as owner of PGCIL to instruct PGCIL in the exercise of its power as CTU. Commission further advised GOI to instruct PGCIL as CTU to follow and explore the ways of improving the quality of the existing equipment under para 7(a) of the order on the petition.

During further hearing on the petition for restoration of grid disturbance, Commission observed that PGCIL has excellent potential for management of transmission lines including their construction but as CTU, they have not been able to manage the grid in a satisfactory manner. Commission advised GOI to take suitable steps so that Powergrid as CTU is able to manage the grid in a satisfactory manner as it is the Government which notified PGCIL as CTU under section 27A, under the amendment to Indian Electricity Act, 1910.

18. Appeals Against ABT Order in Various High Courts

Commission vide its order dated January 4, 2000 in Petition No. 2/99, directed implementation of Availability Based Tariff. Based on an application for review of order dated January 4, 2000 filed by NTPC, the Commission issued a further detailed order on December 15, 2000. In accordance with

the Commission's orders adverted to above, the Availability Based Tariff was to be introduced in accordance with the following schedule:

1) Southern Region	01.04.2001
2) Eastern Region	01.05.2001
3) Northern Region	01.06.2001
4) Western Region	01.08.2001

NTPC has filed appeals against the Commission's Orders on ABT before the High Court of Delhi under Section 16 of the ERC Act, 1998. Delhi High Court have passed an interim order on March 7, 2001. TNEB has also filed appeal against the Commission's Orders on ABT on which the Madras High Court has issued the following Order:

“ Interim Stay Notice returnable in 4 weeks.”

The above order of Madras High Court have been interpreted that it has stayed the implementation of ABT. AP Transco has also filed an appeal before the Andhra Pradesh High Court against the implementation of ABT in the Southern Region w.e.f. April 1, 2001. As an interim measure, the AP High Court has directed stay of recovery of UI charges. An appeal has been filed before the Karnataka High Court at Bangalore also.

Different High Courts have adopted different approaches in handling the appeals filed before them, even while considering interim prayer by the appellants. The diversity of approach between the High Courts cannot be ruled out at the time of final disposal of the appeals.

AGENDA FOR 2001-02

1. Finalize the draft competitive bidding regulations for approving the process and documentation used by procurers for soliciting bids for supply of electricity and electricity transmission services.
2. Issue of tariff orders for hydro, thermal and interstate transmission services as per the Commission tariff notification dated March 26, 2001.
3. Review of IEGC based on recommendations of IEGC review.
4. Notification on procedure , terms & conditions and application form for grant of transmission license.
5. Finalisation of procedure for regulation of power supply on account of non payment of dues.
6. Notification on fees and charges to be paid to RLDCs for undertaking load despatch functions.
7. Monitoring of implementation of ABT and IEGC.
8. Compilation of Thermal Operation data
9. Issue Order on thermal and hydro operation norms for NEEPCO plants to facilitate implementation of ABT in the North Eastern Region
10. Monitoring of performance standards and price regulation
11. Conduct regional hearings to facilitate participation of distant stakeholders and clear the backlog.
12. To finalise the filing requirements of hydro generation stations
13. Prepare following Staff Discussion Papers
 - Annual escalation characteristics of RLDC charges.
 - Competition in the electricity sector
14. To initiate action for review of design energy of existing hydro stations of NHPC & NEEPCO as envisaged in Commission's Order dated December 8, 2000 on 'Operation Norms for Hydro stations'.

15. Introduction of two part tariff for Baira Siul, Loktak and Kopili hydro stations.
16. A study on estimation of environmental costs using primary data
17. Study environment related theoretical aspects in electricity sector on a continuing basis.
18. Removal of difficulties under section 60 of ERC Act.
 - The Commission has been without the chairman since January, 21, 2001 and without secretary since and December 2000.
 - Filling up of vacant posts

ANNEXURE-II**LIST OF MEMBERS AND KEY STAFF OF THE COMMISSION**
(AS ON 31.3.2001)

Designation	Name	E-mail
Chairman	Vacant	
Member	D.P.Sinha	Dps42a@hotmail.com
Member	G.S.Rajamani	Gsr23@hotmail.com
Member	Vacant	
Member (EO)	D.V. Khera	
Secretary	K.Venugopal(Officiating)	Venu_k_gopal@hotmail.com
Chief (Finance)	K.Venugopal	Venu_k_gopal@hotmail.com
Chief (Legal)	K.S.Dhingra	ks_dhingra@hotmail.com
Chief	Vacant (2 posts)	
Joint Chief (Finance)	U.K. Shukla	Ukshukla@cercind.org
Joint Chief	Vacant	
Deputy Chief (Engg)	P.S.Mhaske	Pmhaske@yahoo.com
Deputy Chief (Engg)	S.C.Anand	Anandsca@hotmail.com
Deputy Chief (Engg)	S.C.Shrivastava	Scschandra@hotmail.com
Deputy Chief(Eco)	D.K. Joshi	Joshi_cerc@hotmail.com
Deputy Chief(Finance)	P.K. Awasthi	Awasthi_prabhat@yahoo.com
Deputy Chief(Legal)	S.K. Srivastava	
Deputy Chief	Vacant (2 posts)	
Assistant Secretary	R.S.Bisht	Bisht7@hotmail.com
Assistant Chief (Engg)	AjayTalegaonkar	Ajay_tal@hotmail.com
Assistant Chief (Engg)	Hemant Jain	Hem_jain@hotmail.com
Assistant Chief(Finance)	M.K.Gupta	Mkgca@hotmail.com
Assistant Chief (Eco)	U.R. Prasad	u_rcp@hotmail.com
Assistant Chief(Environ)	S.Manickavasagam	s_vasagam@yahoo.com
Assistant Chief(MIS)	Bhupinder Singh	Vilkhu@hotmail.com
Bench Officer	A.K. Roy	
Bench Officer	R.C. Sharma	
Assistant Chief(A/cs)	Sitab Singh	
Assistant Chief	Vacant (1 post)	

ANNEXURE III

Seminars/Conferences attended by Chairman/Members/Secretary, CERC

S.No	Name & Designation	Seminar/Conference/Programme	Country visited
1.	Sh. A.R. Ramanathan, Member	World Forum of Energy, 17-25 May, 2000	U.S.A. Canada
2.	Prof. S.L. Rao, Chairman	World Forum on Energy Regulation, 21-27 May, 2000	Canada, U.S.A.
3.	Sh.Sanjeev S. Ahluwalia, Secretary	World Forum on Energy Regulation, 21-27 May, 2000	Canada, U.S.A.
4.	Prof. S.L. Rao, Chairman	Meeting with Regulation & Regulated Entity in Gas & Electricity, 24-30 June, 2000	London
5.	Prof. S.L. Rao, Chairman	SAFIR Meeting, 10-12 September, 2000	Bangladesh
6.	Sh.Sanjeev S. Ahluwalia, Secretary	Eisenhower Fellowship Programme, 14.9.2000 to 2.11.2000	U.S.A.
7.	Sh. D.P. Sinha, Member	South Asia Energy Regulation Partnership Programme., USEA, 23.2.2001 to 3.3.2001	U.S.A.

ANNEXURE IV**TRAINING**

S.No.	Name of Training Institution	Name of Training & duration	No. of Officers deputed for training
1.	ASCI, New Delhi	Training on Regulatory staff functions, 8-12 May, 2000	04 - AC(F), (Env.),(Eco.) and DC(F)
2.	Centre for Training & Social Research, New Delhi.	Technical Workshop on Pay Fixation, 21-23 September, 2000	03 - Assistants
3.	TERI, New Delhi	National Conference on Regulation in Infrastructure Services, 14-15 November, 2000	04 - Chief(Fin.), J.C.(Legal), DC(Eco.), DC(Engg.)
4.	Rightmen Services (India) Pvt. Ltd. Delhi	Three Day Workshop on Finance for Non-Finance Executives, November 30, 2000 to December 2, 2000	03 - DC(Engg.), AC(Engg.), AC(Engg.)
5.	SAFIR/TERI	SAFIR Training on Infrastructure Regulation and Reform 4-15 th December, 2000, Sri Lanka.	01 - DC(Eco)
6.	ASCI, New Delhi	Training Programme on Tariff Structure and analysis, 22-26 January, 2001	03 - DC(F), AC(F), AC(Engg.)
7.	NPTI, Faridabad.	Two-Day Workshop on Implementation of Reservation Policy, 1-2 February, 2001	01 - Asstt Secy.
8.	TERI, New Delhi	Workshop on Refurbishment of Thermal Power Plant on February 12, 2001	01 - DC(Engg.)

ANNEXURE-V**STATUS OF PETITIONS BEFORE CERC****1.4.2000 to 31.3.2001****(A) PETITIONS**

Carried forward from last year (1999-2000)	No. of Petitions received during 2000-2001	Total	Disposed off	Pending as on 31.3.2001
40	127	167	29	138

-Details are given below

S. No	Petition No.	Filed by	Subject	Date of receipt	Date of Disposal	Approx. time taken
01	2/2000	NHPC	Approval of Incentive set out in notification	10.1.2000	7.4.2000	3 months
02.	4/2000	SUO-MOTU	Operational Norms for thermal generation	20.1.2000	21.12.2000	11 months
03.	7/2000	NHPC	Approval for initiating proceedings against the respondents	28.1.2000	17.7.2000	8 months
04.	10/2000	MPEB	Fixation of wheeling charges	7.2.2000	23.10.2000	8½ months
05.	13/2000	NTPC	Review Petition in Petition No. 2/99-(ABT)	15.2.2000	15.12.2000	10 months
06.	17/2000	NHPC	Review of ABT order	2.3.2000	8.12.2000	9 months
07.	20/2000	NHPC	Provisional approval of Foreign Exchange variation in respect of Chamera & Uri H.E. Projects for the year 1999-2000	21.3.2000	7.12.2000	7 months
08.	21/2000	NLC	Review of ABT order	29.3.2000	19.3.2001	12 months
09.	22/2000	TNEB	For billing Powergrid for not transmitting the power to TN	18.2.2000	20.9.2000	9 months
10.	24/2000	PTC	Generation tariff and other issues for HIRMA Mega Power Project.	31.3.2000	26.9.2000	6 months
11.	26/2000	NHPC	Approval of foreign exchange verification in respect of Uri HEP.	11.4.2000	7.12.2000	8 months
12.	29/2000	TNEB	Review of IEGC	18.4.2000	22.6.2000	2 months
13.	30/2000	TNEB	IT liability – Reimbursement by the beneficiary	18.4.2000	22.6.2000	2 months
14.	31/2000	Suo moto by the Commission	Rate of Depreciation	19/4/2000	21.12.2000	8 months
15.	32/2000	Suo moto by the Commission	Rate of Return	19/4/2000	21.12.2000	8 months

		sion				
16.	34/2000	NHPC	Levying & Surcharge of Generating Stations	5.5.2000	21.12.2000	7½ months
17.	35/2000			18.2.2000	30.8.2000	6 months
18.	37/2000	PGCIL	Review of IEGC order	2.6.2000	22.6.2000	20 days
19.	38/2000			8.6.2000	4.8.2000	2½ months
20.	51/2000	NHPC	Amendment of tariff of Chamera I	7.7.2000	10.10.2000	3 months
21.	55/2000	NHPC	Fixing of Normative availability of Tanakpur project	17.7.2000	10.10.2000	3 months
22.	56/2000	NHPC	Fixing of Normative availability of Uri Project	- do -	- do -	3 months
23.	57/2000	NHPC	Fixing of Normative availability of Salal Project	- do -	- do -	3 months
24.	60/2000	NHPC	Filing of Annual Report by Thermal Generating companies	21.7.2000	24.8.2000	1 month
25.	85/2000	Suo moto by the Commission	Operational Norms and O&M cost norms for Hydro Power Stations	7.9.2000	21.12.2000	3 months
26.	86/2000	SUO-MOTU	Determination of Norms for Inter-state Transmission Tariff	8.9.2000	21.12.2000	3 months
27.	88/2000	Suo moto by the Commission	O&M Cost and Escalation Characteristic of such costs for Thermal Power Generation	12.9.2000	21.12.2000	3 months
28.	90/2000	WBSEB	Exemption from Free Governor Action	14.9.2000	2.1.2001	4 months
29.	97/2000	NRLDC	Maintenance of Grid Frequency	13.10.2000	14.2.2001	4 months

Average time taken for disposal of petitions in 5-7 months and the range varies between 20 days to 1 yr.

(B) INTERLOCUTORY APPLICATIONS

No. of IA carried forward from last year (1999-2000)	No. of IA received during the period 2000-2001	Total	Disposed off	No. of IA pending on 31.3.2001
2	95	97	85	12

Number of hearings held during the year ... 159