

Highlights of KPTCL Tariff Order 2009

Dated 25.11.2009

KERC APPROVES REVISED TRANSMISSION TARIFF OF KPTCL FOR FINANCIAL YEAR 2009-10

- Under the provisions of KERC (Terms and Conditions for Determination of Transmission Tariff) Regulations 2006 (MYT Regulations), KPTCL had filed an application on 30th June 2009, for Annual Review of Performance for Financial Years (FY) 2007-08 and 2008-09 and for revision of Expected Revenue from Charges (ERC) for financial year 2009-10. **KPTCL had sought transmission tariff of Rs. 1,13,833 per MW per month, which translates to 29.64 paise per unit for FY10.**
- After due scrutiny as per MYT Regulations and Orders of Hon'ble ATE issued from time to time and after complying with the process of public consultations by inviting written objections and by conducting public hearing, **KERC has approved a revised Transmission Tariff of Rs. 1,02,427 per MW per month for FY10. This translates to 26.67 paise per unit as against 19.42 paise, which is being collected by KPTCL from ESCOMs as per 2005 Tariff Order.** KPTCL had sought 29.64 paise per unit i.e., 53% increase in tariff. However, the Commission has approved only 26.67 paise per unit i.e, 37% increase from the existing tariff.
- **The new Tariff will come into effect from 1st December 2009.**
- **KERC has also carried out Annual Review of Performance for FY08 & FY09 with reference to the actual expenses (based on audited accounts) as per MYT Regulations and Orders of the Hon'ble ATE issued from time to time. The aggregate net surplus of Rs.32.02 Crs for FY08 & FY09 has been factored in while determining transmission tariff for FY10.**

- **While determining the tariff for KPTCL, loss levels fixed by the Commission in its earlier Order has been retained, though KPTCL has claimed higher losses, so as to ensure efficiency in operation.**
- Expenditure has been allowed only as per MYT Regulations and not as claimed by KPTCL.

Summary of the application **filed** by KPTCL is indicated below:

Particulars	2007-08	2008-09	2009-10
Net ARR Rs. Crores	817.90	1061.19	1263.55
Surplus/ Deficit (-) in Resources Rs. Crores	-51.91	-262.17	-422.68
Transmission Tariff Per Mega Watt per month	-	-	1,13,833
Transmission Tariff proposed- Ps. Per unit	21.27	26.33	29.64
Transmission loss in %	4.37%	4.30%	4.31%

Summary of the Commission **approved** figures is as follows:

Particulars	2007-08	2008-09	2009-10
Net ARR Rs. Crores	713.95	819.05	1168.84
Surplus/ Deficit (-) in Resources Rs. Crores	52.05	-20.03	32.02*
Transmission Tariff Per Mega Watt per month	-	-	1,02,427
Transmission Tariff- Paise Per unit	-	-	26.67
Transmission loss in %	4.06%	4.03%	4.00%

* The net surplus of FY08 & FY09 is carried forward to FY10 and hence no revised tariff is indicated for FY08 & FY09.

- The break-up of major expenses as claimed by KPTCL and as approved by KERC for FY10 is as follows:

PARTICULARS	As claimed by KPTCL	As approved by KERC
O & M Expenses	413.94	317.88
Depreciation	342.13	342.13
Interest and Finance Charges	454.70	471.71
RoE	184.38	209.74
