

**BEFORE THE HIMACHAL PRADESH ELECTRICITY REGULATORY
COMMISSION SHIMLA**

Petition No.: 186/2002

In the matter of:

Filing of Petition for the approval of wheeling charges being levied on account of transmission of power within the State from Malana Hydro Electric Project in Kullu District of Himachal Pradesh in so far as it affects the Annual Revenue.

AND

In the matter of:

Himachal Pradesh State Electricity Board

....Petitioner

ORDER

S.S. GUPTA, CHAIRMAN

1. The Himachal Pradesh Electricity Regulatory Commission vide its order No. HPERC/Secy/376/PNB/RSJ/4482 dated 22-4-2002 directed the Himachal Pradesh State Electricity Board to file a petition for the approval of the wheeling charges being levied on account of transmission of power within the State from the Malana Hydro Electric Project in Kullu District of Himachal Pradesh in so far as it affects the Annual Revenue Requirement of the Board. The petition should have been submitted to the Commission within one month of the date of the order.
2. The Secretary, HPSEB, Shimla vide letter No. HPSEB/CE(PSP)/ Malana-HPERC/2002-323 dated 22-5-2002 filed an application submitting that the matter is under examination of the Board and certain inputs are also required from the State Government for which a reference has been made. A request was, therefore made to extend the date of filing of the petition by two months i.e. upto 22-07-2002.
3. On scrutiny of the above application, certain defects were noticed and the Commission vide letter HPERC/ED(TA)/PNB/376/DKG/2002-5014 dated 24-04-2002 directed the Secretary, HPSEB to rectify the same and file the application along with fees of Rs. 1000/-, failing which the application for extension in time shall be deemed to have been rejected. The Secretary, HPSEB, filed the said application vide letter No. HPSEB/CE(PSP)/ Malana-HPERC/2002-503 dated 13-06-2002.
4. The Petitioner HPSEB in its application dated 13-06-2002 has stated that the various aspects regarding formulation of the petition as per the directions of HPERC are under consideration of the Board and also pleaded for consideration/addressal of certain

issues before the contents of the petition are finalised. The issues that have a bearing on the decision of the petition are as under:

- i) The power from Malana HEP is being sold by M/s Malana Power Construction Limited (MPCL) outside the state and the wheeling and/or transfer of energy through Board's system is a part of Inter-State transmission of energy and the same may not fall under the purview of HPERC.
- ii) Para 4.9.2.1 of the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2001, relating to wheeling charges for inter-State transmission, reads as under:

“In case of wheeling of power through SEB/state utility system, the importing utility and the wheeling utility shall endeavour to mutually agree on wheeling charges as well as transmission losses. In such cases, approval of the Commission shall not be required. However, the wheeling utility shall not deny use of its system merely on the basis of non-agreement on wheeling charges.”

5. In view of the position contained in the preceding paragraphs, the Commission after examining in depth the issue of wheeling charges of Malana Power towards interstate transmission of Power is of the conclusion that the matter regarding wheeling charges in respect of Interstate transmission of power falls within the jurisdiction of CERC. Since however, the Petitioner HPSEB was directed to file the petition primarily with a view of approval of the wheeling charges being levied on account of transmission of power within the State from Malana HEP in Himachal Pradesh in so far as it affects the Annual revenue requirement of the Board, it is ordered that the issue, shall be decided at the time of filing ARR by HPSEB.

It is so ordered.

(S.S. Gupta)
Chairman

Dated Shimla, the 27th August, 2002