



2. The case was last heard on 30/10/2007, wherein the respondents requested the Commission to allow them four weeks' time to file their submissions. The Commission had accepted the request. The next hearing in the subject case was scheduled on 03/01/2008.

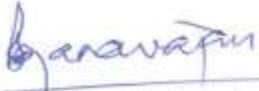
3. During the course of hearing today i.e on 03/01/2008, all the four respondents have submitted their representations. MP Paschim KVVCL has submitted that the expenditure on the employee expenses may be considered on first priority and the revision in the O&M norms as requested by the petitioner may be accepted in such a way that the actual expenditure on the employee cost should be in the limit of +/- 5% of the projections. Madhya KVVCL and MP Poorv KVVCL have submitted that the upward revision in the existing norms may be considered only if it leads to better efficiency and for the inefficient performance of the Transmission Company, the Distribution Companies may be compensated accordingly. MPAKVN has submitted that the petitioner's proposal may not be considered as the Transmission Charges as fixed by the Commission on per MW basis are on higher side when compared to the PGCIL charges. Further, the intermittent variation in the transmission tariff may adversely increase the cost of power which ultimately will have an effect on SEZ industries as well.

4. The Commission heard the petitioner and the respondents. The Commission states that the norms for the determination of the Transmission Tariff have been fixed by Commission through notification of the regulation namely MPERC (Terms and Conditions for Determination of Transmission Tariff) Regulations, 2005. The Commission has further stated that the said regulation has the provision for the true up on the basis of the uncontrollable variations. Clause 1.25 of the said regulations stipulates as under:

*" -----A review shall be undertaken by the Commission to scrutinise and true up the data and to accommodate any uncontrollable variations.----- "*

In view of this the Commission is of the opinion that the Commission will certainly consider the variation in the norms on the basis of the audited statements of the accounts and the uncontrollable factors, whatever may be, when the true-up petition is filed before the Commission. For the present case, the Commission is not considering the revision in the O&M norms as requested by the petitioner.

With the above direction the Commission decides to close the Case.

  
**(R. Natarajan)**  
(Member (Econ.))

  
**(D. Roy Bardhan)**  
Member (Engg.)