CENTRAL ELECTRICITY REGULTORY COMMISSION NEW DELHI

Coram:

- 1. Shri Ashok Basu, Chairman
- 2. Shri K.N. Sinha, Member

Petition No.81/2003

In the matter of

Petition for revising/fixing tariff/tariff norms for purchase of power by Delhi Transco Ltd. from Badarpur Thermal Power Station (3x95 MW + 2x210 MW)

And in the matter of

Delhi Transco Limited, New Delhi Petitioner

Vs

- 1. Badarpur Thermal Power Station
- 2. National Thermal Power Corporation Ltd
- 3. Ministry of Power, GOI Respondents

The following were present:

- 1. Shri M.K. Choudhary, DTL
- 2. Shri A.K. Kaul, DTL
- 3. Shri V.K. Garq, DTL
- 4. Shri V.K. Mathur, DTL
- 5. Shri N.K. Joshi, DTL
- 6. Shri M.G. Ramachandran, Advocate,
- 7. Shri S.K. Jayaswal, MOP
- 8. Shri R.N. Sen, General Manager, BTPS
- 9. Shri V.B.K. Jain. NTPC
- 10. Shri R. Datt, NTPC
- 11. Shri S.K. Samui, SM(C), NTPC
- 12. Shri M.S. Chawla, AGM(C), NTPC
- 13. Shri R.S. Sharma, ED(C), NTPC
- 14. Shri P.K. Gupta, DGM(F), NTPC
- 15. Shri S.D. Jha, Sr. Manager (C), NTPC
- 16. Shri Ajay Dua, Manager, NTPC
- 17. Shri Balaji Duney, Sr. Law Officer, NTPC
- 18. Shri A.K. Dhar, GM(F), NTPC
- 19. Shri A.K. Juneja, DGM(C), NTPC
- 20. Shri Manoj Mathur, DGM(C), NTPC
- 21. Shri Ajay Sardana, NTPC
- 22. Shri R. Singhal, NTPC
- 23. Shri K.V. Balakrishnan, NTPC

24. Shri S.K. Aggarwal, Sr. Engineer (C), NTPC

ORDER (DATE OF HEARING: 17.2.2004)

In this petition, the petitioner has prayed for fixation of revised tariff for the power supplied from Badarpur Thermal Power Station (for short "BTPS") based on tariff norms to be decided by the Commission, with a further direction for revision of tariff after a definite time interval.

- 2. The petitioner is wholly-owned company of Government of National Capital Territory of Delhi, established under the Delhi Electricity Reforms Act, 2000. The petitioner purchases power from different sources, including the Badarpur Thermal Power Station owned by the Central Government in Ministry of Power. According to the petition, the tariff for supply of power from BTPS was notified by Ministry of Power on 17.3.1987, which became effective from 1.4.1987. It is stated that since then there has not been any revision of tariff. The petitioner has accordingly filed the present petition with the substantive prayers noted above.
- 3. Ministry of Power, Respondent 3 had filed a reply on 21.1.2004. A supplementary reply has been filed on 16.2.2004. According to Respondent 3, a committee has been constituted by CEA for preparation of operational norms for thermal power stations. The Committee is in the process of finalising the norms, taking into consideration power stations of different sizes and vintage. According to the Respondent 3, the recommendations of the committee could be applied for determination of tariff of BTPS as well. The respondent also submitted that the

petitioner owes a sum of Rs.11653.99 crore as on 31st October 2003 which are to be settled. This will require revaluation of assets of BTPS for the purpose of fixation of tariff. It is further submitted that the petitioner in its Aggregate Revenue Requirement for the year 2004-2005 filed before Delhi Electricity Regulatory Commission has proposed to pay Rs.2.88 per unit for purchase of energy from Indraprastha Thermal Power Station and Rajghat Thermal Power Station and therefore, the petitioner may be directed to pay the same rate for the supply from BTPS.

- 4. We have heard Shri M.K. Choudhry for the petitioner. Shri M.G. Ramachandran, Advocate has entered appearance on behalf of Respondent 3 (Ministry of Power) along with Shri S.K. Jayaswal, Director, Ministry of Power and Shri R.N. Sen, General Manager, BTPS.
- 5. Though the question of jurisdiction is not raised by any of the parties, Shri Ramachandran was forthright in his submission that the Commission had jurisdiction to determine tariff for the power supplied from BTPS, and owned by the Central Government (Ministry of Power). The learned counsel submitted that before tariff is determined by the Commission, the question of applicability of norms has to be considered as the general terms and conditions for determination of tariff notified by the Commission cannot be applied to BTPS on consideration of age of the generating station and size of the units. According to the learned counsel, as the committee appointed by CEA was going into the question of

technical norms, the Commission may admit the petition for adjudication at a subsequent date, preferably after three months. The learned counsel stated that the Commission was invested with the exclusive jurisdiction to fix the technical norms of operation for the generating stations. However, as submitted by the learned counsel the recommendations of the committee appointed by CEA would be of assistance to the Central Government (Respondent 3) in formulating the proposals for tariff for BTPS, the first unit of which is of July 1973 vintage and the generating station as a whole was commissioned in December 1981. He submitted that the recommendations of the committee would not be binding on the Commission.

- 6. We have considered the submissions very carefully. A number of factors have to be considered by the Commission for the purpose of tariff determination, the necessary data for which may be made available on record by Respondent 3. Therefore, at this stage, it is not possible to undertake the exercise of tariff determination. At the same time, no purpose is likely to be served by keeping this petition pending. The petitioner cannot be made to pay tariff of Rs.2.88/kWh on ad hoc basis as submitted by Respondent 3.
- 7. We are conscious of the fact that in accordance with the formats prescribed by the Commission, very detailed and elaborate data is to be filed while seeking approval of tariff. The collation of the information before filing may take some time. We, therefore, feel that some time needs to be allowed to Respondent 3 for this

purpose. The representatives of Respondent 3 present at the hearing have agreed to file an appropriate petition for determination of tariff by 10.4.2004. In case any relaxation of the notified norms is needed on consideration of vintage of the generating station or any other factor, Respondent 3 while filing the petition for determination of tariff shall support the request for relaxation by giving necessary justification. The petition for determination of tariff shall accordingly be filed by 10.4.2004 with a copy to the present petitioner.

8. With the above directions Petition No. 81/2003 stands disposed of.

sd/-

(K.N. SINHA) MEMBER sd/-

(ASHOK BASU) CHAIRMAN

New Delhi dated the 23rd February 2004