

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Coram:

- 1.Shri Ashok Basu, Chairperson
2.Shri Bhanu Bhushan, Member**

Petition No. 107/2006

In the matter of

Approval of Generation Tariff of Dhauliganga HE Project Stage – I for the period
1.10.2005 to 31.3.2009

And in the matter of

National Hydroelectric Power Corporation Ltd

. ... **Petitioner**

Vs

1. Punjab State Electricity Board, Patiala
2. Haryana Vidyut Prasaran Nigam Ltd, Panchkula
3. Delhi Transco Ltd, New Delhi
4. Uttar Pradesh Power Corporation Ltd, Lucknow
5. Rajasthan Rajya Vidyut Prasaran Nigam Ltd, Rajasthan
6. Jaipur Vidyut Vitaran Nigam Ltd, Jaipur
7. Power Transmission Corporation of Uttaranchal Ltd, Dehradun
8. Jodhpur Vidyut Vitaran Nigam Ltd, Jodhpur
9. Himachal Pradesh State Electricity Board, Shimla
10. Ajmer Vidyut Vitaran Nigam Ltd, Ajmer
11. Engineering Department, Union Territory of Chandigarh, Chandigarh
12. Power Development Department, Govt of J&K, Srinagar

..... **Respondents**

The following were present:

1. Shri Ansuman Ray, NHPC
2. Shri R.P.Goyal, NHPC
3. Shri Cherian Mathew, NHPC
4. Shri Naveen Samriya, NHPC
5. Shri C.Vinod, NHPC
6. Shri S.K. Meena, NHPC
7. Shri R.S.Batra, NHPC
8. Shri P.Kumar, NHPC
9. Shri Prashant Kaul, NHPC
10. Shri T.P.S.Bawa, PSEB

11. Shri Jayant Verma, UPPCL
12. Shri P.K.Gupta, JodhpurVVNL
13. Shri A.S.Chauhan, JVVNL
14. Shri R.K.Arora, HPGCL

ORDER
(DATE OF HEARING: 22.2.2007)

The petition has been filed by the petitioner, a generating company owned or controlled by the Central Government for approval of tariff in respect of Dhauliganga Hydroelectric Project Stage-I (hereinafter referred to as “the generating station”) for the period from 1.10.2005 to 31.3.2009, based on the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2004, (hereinafter referred to as the “2004 regulations”).

2. The generating station with capacity of 280 MW, comprises of 4 units, each with a capacity of 70 MW. Unit–III of the generating station was commissioned on 1.10.2005 and the remaining three units were commissioned on 1.11.2005.

3. The Commission by its order dated 25.10.2005 in Petition No. 20/2005 allowed the provisional tariff of the generating station @183 paise/kWh from the date of commercial operation of the first generating Unit and up to 31.3.2006. The Commission by an order dated 10.4.2006 allowed the continuation of the provisional tariff of the generating station up to 31.12.2006 which was further extended up to 31.7.2007 or till such time the final tariff is approved by the Commission.

4. Heard the petitioner and the respondents PSEB and HPGCL.

5. The petitioner is directed to submit, the following information/ clarifications on affidavit, on or before 13.3.2007, with copy to the respondents:

- a) Details of works / assets on which escalation of Rs.110.69 crore has been claimed in different packages.
- b) Reasons for time overrun from the original sanction of April 1991 to RCE approval in July 2000 and also period of seven months from the date of scheduled commissioning of March 2005 as envisaged in the RCE dated 7.7.2002 viz-a-viz the actual commissioning of the station on 1.11.2005.
- c) Cost of initial spares provided in the total cost of the project, with details.
- d) Justification and year-wise break up for the employee cost of Rs 199 crore in the IEDC of Rs 515.11 crore, as also justification for the high IEDC.
- e) Details of other expenses amounting to Rs 6.99 crore as shown in Annexure-II, Schedule VI of the balance sheet for the year 2005-06.
- f) The details of rate of interest of different loans for the computation of IDC and methodology for calculation of IDC and FC.
- g) Clarification in respect of Form 5-D, wherein the actual expenditure on completion of different turnkey works of the project does not match after taking into account the original award value and escalation and ERV components.
- h) Details in respect of the ERV considered in reconciliation of capital cost as on 1.11.2005.
- i) Difference in the loan repayment instalments mentioned in loan agreements and in Form 13 of the petition, in respect of JBIC Tranche –I &II and the non-reconciliation of Form 4 and 13.

Sd/-
(BHANU BHUSHAN)
MEMBER

New Delhi dated the 23rd February, 2007

Sd/-
(ASHOK BASU)
CHAIRPERSON