CENTRAL ELECTRICITY REGULATORY COMMISSION NEW DELHI

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- 1. Shri Bhanu Bhushan, Member
- 2. Shri R. Krishnamoorthy, Member

Petition No. 9/2008

In the matter of

Approval of provisional generation tariff in respect of Teesta Hydroelectric Project, Stage-V (3x170 MW) of National Hydroelectric Power Corporation Limited from the date of commercial operation to 31.3.2009.

And in the matter of

National Hydroelectric Power Corporation Ltd, FaridabadPetitioner

Vs

- 1. West Bengal State Electricity Distribution Company Ltd, Kolkata
- 2. Damodar Valley Corporation, Kolkata
- 3. Jharkhand State Electricity Board, Ranchi
- 4. Bihar State Electricity Board, Patna
- 5. Department of Power, Govt of Sikkim, Gangtok

..... Respondents

The following were present:

- 1. Shri R.N.Mishra, NHPC
- Shri Prashant Kaul, NHPC
- 3. Shri Anshuman Ray, NHPC
- 4. Shri S.K. Meena, NHPC
- 5. Shri Naveen Samrija, NHPC
- 6. Shri Sachin Shukla, NHPC
- 7. Shri T.K.Mohanty, NHPC
- 8. Shri A.K.Tewari, NHPC
- 9. Shri R.B.Sharma, Advocate, BSEB

ORDER (Date of Hearing 20.2.2008)

The petitioner has filed this petition for approval of provisional tariff in respect of Teesta Hydroelectric Project Stage-V (3x170 MW) for the period from the date of commercial operation to 31.3.2009, in accordance with the provisions of the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2004 (hereinafter referred to as "the 2004 regulations").

- 2. Teesta Hydroelectric Project located in the State of Sikkim is a run-of-river hydro power generating station with pondage, providing 4.30 hours of peaking power and is designed to produce annual energy generation of 2572.67 MUs in a 90% dependable year. The Project was sanctioned by the Govt. of India, Ministry of Power, in February 2000 at an estimated cost of Rs.219804 lakh, including IDC of Rs.20265 lakh, at April 1999 price level, with the debt equity ratio of 1:1.
- 3. During the hearing, the representatives of the petitioner informed that one unit of the generating station was synchronized and testing and commissioning was under process on the other two units and that the commercial operation of all the three units was expected by mid-March 2008. Subsequently, the petitioner informed that Unit-2 of the generating station was declared to be ready for commercial operation with effect from 25.2.2008, but on account of late notification of allocations to the beneficiaries, the said unit was declared on

commercial operation from 1.3.2008. The petitioner also informed that the matter regarding provisional tariff was discussed at the commercial sub-committee meeting of ERPC held at Kolkata on 6.2.2008 and the constituents of the region had unanimously accepted the proposal of the petitioner for provisional tariff @ Rs.1.62 per unit (composite) from the date of commercial operation to 31.3.2009. However, the petitioner has submitted that the petition for approval of final tariff of the generating station would be filed by July, 2008.

- 4. The petitioner has signed Power Purchase Agreements (PPA) with all the respondents. As regards evacuation of power from the generating station, it has been informed that the 400 kV D/C line of Power Grid Corporation of India from the generating station to Siliguri is ready to transmit power.
- 5. In consideration of the above, the provisional tariff for the generating station is allowed as follows:
 - (a) The power generated prior to the date of commercial operation shall be treated as infirm power and shall be accounted as UI at UI rate, in terms of the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) (Fourth Amendment) Regulations, 2007, effective from 7.1.2008.
 - (b) The declaration of commercial operation of the generating station shall only be after allocation is notified by the Govt. of India, Ministry of Power.

- (c) Single-part tariff @ Rs.1.62 per unit (composite) on scheduled saleable energy shall be applicable from the date of commercial operation of the generating station or a unit thereof, on provisional basis and shall continue to apply until further orders.
- (d) All scheduled energy is to be booked proportionally to the beneficiaries.
- 6. The petitioner shall file the petition for approval of final tariff in terms of the 2004 regulations, latest by 31.7.2008.
- 7. This order disposes of Petition No. 9/2008.

Sd/-(R.KRISHNAMOORTHY) MEMBER Sd/-(BHANU BHUSHAN) MEMBER

New Delhi dated the 31st March, 2008