

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Coram:
1. Shri Bhanu Bhushan, Member
2. Shri R.Krishnamoorthy, Member

Petition No. 25/2008

In the matter of

Determination of impact of additional capital expenditure incurred during 2004-05, 2005-06 and 2006-07 on fixed charges of Vindhyachal Super Thermal Power Station, Stage-I (1260 MW).

And in the matter of

NTPC Limited, New Delhi
Vs

....Petitioner

1. Madhya Pradesh Power Trading Co. Ltd., Jabalpur
2. Maharashtra State Electricity Distribution Co. Ltd, Mumbai
3. Gujarat Urja Vikas Nigam Ltd., Vadodara
4. Chhattisgarh State Electricity Board, Raipur
5. Electricity Department, Govt. of Goa, Goa
6. Electricity Department, Admn. of Daman & Diu, Daman
7. Electricity Department, Admn. of Dadra & Nagar Haveli, Silvassa

....Respondents

The following were present:

1. Shri S.N.Goel, NTPC,
2. Shri S.K. Samui, NTPC
3. Shri Balaji Dubey, NTPC
4. Shri Pranav Kapoor, NTPC
5. Shri A.S.Pandey, NTPC
6. Shri H.K.Garg, MPPTCL

**ORDER
(DATE OF HEARING: 13.5.2008)**

The petitioner, NTPC Limited has made this application for approval of revised fixed charges in respect of Vindhyachal Super Thermal Power Station, Stage-I (1260 MW) (hereinafter referred to as “the generating station”) after

accounting for the impact of additional capital expenditure incurred during 2004-05, 2005-06 and 2006-07, based on the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2004 (hereinafter referred to as “the 2004 regulations”).

2. Heard the representatives of petitioner and the first respondent present.
3. In the light of the submissions made at the hearing, certain additional information is still needed from the petitioner. The petitioner is accordingly directed to submit the following information latest by 30.6.2008, with advance copy to the respondents.
 - (i) A certificate to the effect that the expenditure sought to be capitalized does not include any outstanding dues or undischarged liability; or in the alternative, the details of undischarged liability included in additional capitalization, as the case may be;
 - (ii) A certificate to the effect that all assets as per gross block as on 1.4.2004 and the assets now sought to be capitalized were in use, as on 1.4.2004, 1.4.2005, 1.4.2006 and 1.4.2007; and in case any of the assets other than assets detailed in the petition, was not in use or was unserviceable, the list of such assets along with other details, such as, the capital cost, date on which assets were taken out of service and cumulative depreciation recovered;

- (iii) Segregation of the additional expenditure sought to be capitalized, including works under R&M, under various heads in terms of Clause (2) of Regulation 18 of the 2004 regulations;
- (iv) Details of the gross value of assets to be decapitalized, along with cumulative depreciation recovered in respect of assets like switch gear and circuit breaker;
- (v) Clarification regarding decapitalised value of replaced/old assets like modern PLC base control system, SWAS panel, turbine vibration measurement system, recirculation valves etc.,
- (vi) List of the items/assets like construction machinery, IT and communication equipment, hospital equipment, vehicles etc., amounting to Rs.255 lakh, not allowed to be capitalized by the Commission during the period 1997-2004, along with necessary details; and
- (vii) Sources of financing of additional expenditure, along with all relevant details of debt, if financed through loans.

4. The respondents may file their response, if any, on the information to be filed by the petitioner, latest by 25.7.2008.

5. The petitioner is also directed to submit soft copy of the petition along with all formats in Word/Excel sheets and formulas etc., while filing the information being called for.

6. List the matter on 12.8.2008.

Sd/-
(R.KRISHNAMOORTHY)
MEMBER

Sd/-
(BHANU BHUSHAN)
MEMBER

New Delhi dated the 15th May, 2008