

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Coram :

1. Shri Ashok Basu, Chairman
2. Shri G.S. Rajamani, Member
3. Shri K.N. Sinha, Member

Petition No. 87/2001

In the matter of

Fixation of two-part tariff of Ranganadi Hydro Electric Project of
NEEPCO

And in the matter of

North Eastern Electric Power Corporation Ltd.

... Petitioner

Versus

Assam State Electricity Board, Guwahati & Others

... Respondents

The following were present:

1. Shri Parag P. Tripathy, Sr. Advocate, NEEPCO
2. Shri S. Mishra, Advocate, NEEPCO
3. Shri Melcolm D. Roy, ED (Comml.), NEEPCO

ORDER

(DATE OF HEARING: 1.4.2003)

The Commission had issued a notice for personal appearance of CMD of the petitioner company, NEEPCO on 1.4.2003, as the petitioner had not complied with the directions of the Commission to file certain additional information. Shri Parag P. Tripathy, Senior Advocate, who appeared on behalf of the petitioner, submitted that an affidavit had already been filed along with the details asked for. He also brought to our attention another affidavit filed by

the petitioner seeking exemption from personal appearance of the CMD. We cannot refrain ourselves from expressing our displeasure for inordinate delay in submission of the necessary data and for this reason we had to direct personal appearance of the CMD before the Commission. As the affidavit had already been filed and the directions of the Commission stood complied with, we had dispensed with personal appearance of the CMD with the hope that such delays would not recur in future.

2. Shri Malcolm David Roy, Executive Director, for the petitioner informed that the project had been financed by NEC with loan and equity in the ratio of 1:1. However, the financial package approved by Ministry of Home Affairs did not conform to this ratio. As such, the petitioner proposed to approach Ministry of Home Affairs for approval of financial package in the above ratio. In response to a query, Shri Roy explained that the petitioner had not yet submitted the proposal to Ministry of Home Affairs for approval of financial package because the capitalisation of expenditure incurred up to the date of commercial operation and thereafter was considered only recently. He, however, stated that the proposal would be sent to the Ministry in due course of time.

3. The Commission vide order dated 11th April 2002, had provisionally allowed 80% of the tariff claimed in the petition. The learned Senior Counsel for the petitioner pleaded that the provisional tariff already approved could be

continued for a further period of six months during which time it should be possible to obtain approval on the revised financial package. On consideration of the prayer made, we allow continuation of provisional tariff as already approved up to 30th September 2003. However, considering the fact that there has already been inordinate delay in obtaining the approval of the revised financial package by the petitioner, the Commission would proceed to determine the tariff based on the actual financial package any time after 30th September 2003, if the petitioner fails to submit approved revised financial package.

4. List this petition on 21st October, 2003 along with petition No 91/2002.

5. Shri Roy also stated that due to vibration problems encountered in the generating units, the plant had been under shut down since August, 2002. The first unit was re-commissioned on 31st Jan, 2003. The other two units are expected to be re-commissioned by end July, 2003 and end Sept, 2003.

Sd/-
(K.N. SINHA)
MEMBER

Sd/-
(G.S. RAJAMANI)
MEMBER

Sd/-
(ASHOK BASU)
CHAIRMAN

New Delhi dated the 17th April, 2003