

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Coram:

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

**Review Petition No.103/2002
in
Petition No.72/2000**

In the matter of

Review of order dated 24.6.2002 in Petition No.72/2000 of Talcher STPS (1000 MW)

Petition No. 35/2001

And in the matter of

Approval of tariff for Talchar Super Thermal Power Station

And in the matter of

National Thermal Power Corporation Ltd

Vs

Bihar State Electricity Board and others

. Petitioner

.... Respondents

The following were present:

1. Shri K.K. Garg, GM(Comml.), NTPC
2. Shri M.S. Chawla, AGM(Comml.), NTPC
3. Shri Robin Majumdar, NTPC
4. Ms Ranjana Gupta, NTPC
5. Shri B. Arya, NTPC
6. Ms. Alka Saigal, NTPC
7. Shri Ajay Sardana, NTPC
8. Shri R. Singhal, NTPC
9. Shri Ajay Dua, Manager (Comml.), NTPC
10. Shri R.K. Mehta, Advocate, GRIDCO
11. Shri S.S. Nayak, AE (Elec.), GRIDCO
12. Shri D.D. Chopra, Advocate, UPPCL
13. Shri T.K. Srivastava, EE, UPPCL
14. Shri T.P.S. Bawa, SE, PSEB
15. Shri G.M. Agarwal, DCE(Comml.), RVPNL
16. Shri J.S. Bhargava, AE (ISP), RVPNL
17. Shri D. Khandelwal, SE, MPSEB
18. Shri K.J. Alva, CA, KPTCL
19. Shri R.K. Arora, XEN/T, HVPN

ORDER
(DATE OF HEARING 11-3-2003)

The Review Petition is placed before us for hearing after admission.

2. Shri K.K. Garg, General Manager (Comml.), NTPC on behalf of the petitioner, submitted that NTPC claimed an amount of Rs.97.82 crore as additional capitalisation for three years, namely, 1998-99, 1999-2000 and 2000-2001. Out of this, an amount of Rs.48.11 crore was found to be justified by the Commission. However, additional capitalisation was not allowed on the ground that it was exceeding the project cost of Rs.2543.03 crores approved by Government of India. Shri Garg further submitted that Commission should consider project cost of Rs.2552.84 crore for the purpose of determination of generation tariff, the details of which are mentioned here under:

	<u>Rs. in crore</u>
As per RCE approved by Ministry of Power	2543.03
Capital expenditure on Y2K compliance	4.72
Capital expenditure on New works of small nature	3.07
FERV	2.02

Total	2552.84
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3. When asked to elaborate on the issue of error apparent on the face of record mentioned in the review petition, Shri Garg submitted that the prayer was made for allowing the additional capitalisation for three years, 1998-99, 1999-2000 and 2000-2001. He submitted that if at all, the total cost was exceeding the approved project cost it was only in the 3rd year, 2000-2001. Therefore, according to him, there was an error apparent on the face of the record.

4. The representative of the petitioner further explained that the initial spares of Rs.59.78 crore were considered in the revenue account and not in the capital account by Government of India while approving tariff for the previous block. He, however, could not clarify whether the cost of the initial spares of Rs.57.78 crore had been transferred from the revenue account to capital account and if so, when, Shri Garg requested for time to furnish the necessary details regarding transfer of the cost of initial spares from revenue account to capital account. The petitioner is directed to place on record the details within two weeks from the date of receipt of copy of the order, on affidavit with advance copy to the respondents.

5. List this review petition for hearing on 10.6.2003, along with Petition No. 35/2001.

Sd/-
(K.N. SINHA)
MEMBER

Sd/-
(G.S. RAJAMANI)
MEMBER

Sd/-
(ASHOK BASU)
CHAIRMAN

New Delhi dated 22nd April, 2003