

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

1. **Shri Ashok Basu, Chairman**
2. **Shri D.P. Sinha, Member**
3. **Shri G.S. Rajamani, Member**

Petition No. 77/2001

In the matter of

Approval of Tariff for Tanda Thermal Power Station for the period from
15.1.2000 to 31.3.2004.

And in the matter of

National Thermal Power Corporation Ltd. Petitioner

Vs

Uttar Pradesh Power Corporation Ltd. Respondent

Petition No. 91/2000

And in the matter of

Application seeking direction to NTPC to bill UPPCL, provisionally pending
notification of tariff norms by CERC.

And in the matter of

Uttar Pradesh Power Corporation Ltd. Petitioner

Vs

National Thermal Power Corporation Ltd. Respondent

The following were present:

1. Shri D.D. Chopra, Advocate, UPPCL
2. Dr. B.K. Agrawal, DGM, UPPCL
3. Shri B.K. Saxena, Sr. AE, UPPCL
4. Shri H.C. Verma, E.E, UPPCL

5. Shri Shyam Moorjani, Advocate, UPPCL
6. Shri Amit Kapur, Advocate, NTPC
7. Shri Prabjot Singh Bhullar, Advocate, NTPC
8. Shri B.N. Ojha, Director (O), NTPC
9. Shri K.K. Garg, GM (Comml.), NTPC
10. Shri A.K. Dhar, GM(Fin.), NTPC
11. Shri M.L. Khan, NTPC
12. Shri M.R.K. Rao, Sr. Mgr (Law), NTPC
13. Shri M.S. Chawla, DGM(Comml.), NTPC
14. Shri Ajay Dua, Manager (Comm.), NTPC

ORDER

(DATE OF HEARING 22.4.2002)

Petition No. 77/2001 has been filed by NTPC under Sections 13 and 28 of the Electricity Regulatory Commissions Act, 1998 (the Act). The petitioner in this petition has sought determination of terms and conditions of Tariff applicable to Tanda Thermal Power Station (the Tanda TPS) and determination of tariff based on the terms and conditions so decided by the Commission. Petition No.91/2000 has been filed by UPPCL seeking mainly a direction to NTPC to seek approval of the Commission for tariff for the Tanda TPS based on the notification issued by Ministry of Power on 30.3.1992 and the Commission's notification dated 26.3.2001. As these two petitions arise out of same set of facts, these were heard together and are being disposed of through a common order. For the purpose of this order National Thermal Power Corporation Ltd. is being referred to as the petitioner and UPPCL is being referred to as the respondent. The facts given in Petition No. 77/2001, are being adverted to; the petition 91/2000 interalia gets dealt with by implication.

2. The Tanda TPS was transferred to the petitioner on 14.1.2000 under the Uttar Pradesh Electricity Reforms (Transfer of Tanda Undertaking) Scheme 2000 (the Scheme) framed by the State Government of Uttar Pradesh by virtue of powers under Section 23 of the Uttar Pradesh State Electricity Reforms Act 1999 (the Reforms Act) for a total consideration of Rs.1,000/- crores. The power generated from the Tanda TPS is supplied exclusively to the respondent. The petitioner and Uttar Pradesh State Electricity Board, the predecessor of the respondent had also entered into a Power Purchase Agreement dated 7.1.2000 which is valid for a period for 25 years from the date of vesting of the Tanda TPS in the petitioner i.e. 14.1.2000. The petitioner has sought approval of tariff for the period from 14.1.2000 to 31.3.2004.

3. The terms and conditions of tariff for sale of power by a generating company were notified by Ministry of Power on 30.3.1992 under Section 43 A(2) of the Electricity (Supply) Act, 1948. However, with the establishment of the Commission, the power to regulate tariff of the generating companies owned or controlled by the Central Government and those involved in inter-state generation of electricity is now vested in the Commission since 15.5.1999. The Commission has notified the terms and conditions of tariff on 26.3.2001, applicable w.e.f. 1.4.2001. The contention of the respondent is that the tariff for sale of power from the Tanda TPS should be regulated in terms of Ministry of Power's notification dated 30.3.1992 for the period from 14.1.2000 to 31.3.2001 and thereafter in

terms of the Commission's notification dated 26.3.2001. Per contra, the petitioner had argued that because of the special circumstances applicable to the Tanda TPS, the terms and conditions of tariff notified by Ministry of Power and the Commission could not be extended to this project and these may be first determined by the Commission before finalising the tariff for sale of energy.

4. The petition was heard by the Commission on 7.1.2002 when on consideration of the contrary points of view raised by the parties, the Commission decided that all the aspects should be examined by a one Member Bench of the Commission, to make suitable recommendations to the Commission for its consideration and appropriate decision on the parameters to be followed for determination of tariff, including the capital base applicable for that purpose. Shri K.N. Sinha, Member (hereinafter referred to as the Special Bench) was nominated for this purpose. The Special Bench after hearing the parties made certain recommendations to the Commission in its order dated 22.2.2002, as the Special Bench was of the opinion that the norms for determination of tariff as notified by Ministry of Power and the Commission could not be applied to the Tanda TPS. The order passed by the Special Bench was circulated to the parties for their response. Affidavits have been filed on behalf of the petitioner as also the respondent. We will consider the responses of the parties in the light of the recommendations on different aspects made by the Special Bench.

CAPITAL BASE

5. The Tanda TPS was transferred to the petitioner at a cost of Rs.1000 crores, though the original cost of the generating station on the date of commissioning of all the four units during 1998 was Rs.607 crores. The depreciated book value of the plant on the date of transfer of the Tanda TPS to the petitioner on 14.1.2000 was Rs.431.09 crores. The Special Bench recommended that capital cost of Rs.607 crores should be reckoned for the purpose of fixation of tariff on the date of commercial operation of the plant and depreciation already recovered should be taken into account. The Special Bench, therefore, recommended that the capital base for the purpose of tariff determination after take over of the plant by the petitioner should be taken as Rs.431.09 crores, the book value of the plant on the date of transfer.

6. It has been submitted on behalf of the petitioner that the Scheme, which is statutory in nature stipulates that the fixed charges payable by the respondent to the petitioner are to be calculated on the basis of the consideration amount of Rs.1000 crores plus any subsequent capital expenditure incurred by the petitioner for the purpose of renovation and modernisation of the plant. The petitioner has further submitted that the capital base of Rs.1000 crores was also agreed between the parties in the Power Purchase Agreement (the PPA) signed on 7.1.2000. The stipulations contained in the Scheme as also the PPA bind all concerned, including the Commission. According to the petitioner, the Scheme framed under the Reforms Act, enacted after approval of the President under

Article 254 of the Constitution of India has to be the basis for determination of capital base. It is the contention of the petitioner that the Commission is not empowered to modify any part of operation of the Scheme since the transfer cost is a policy decision of the State Government. On the contrary, the respondent has supported the conclusion arrived at by the Special Bench so far as the capital base is concerned.

7. We have considered the submissions made on behalf of the petitioners on the question of deciding the capital base. The main plea that the capital base specified in the transfer scheme of Rs. 1000 crores should be taken into account for the purpose determination of fixed charges, has to be viewed in the light of the contentions brought out by the Special Bench. It has been very clearly explained that the Capital base of Rs. 1000 crores cannot be said to be the *transaction* within the meaning of the word used in section 23 (5)(b) of the Reforms Act and is, therefore, not binding for the purpose of determination of tariff capital in view of the Sections 28 and 38 of the Act. The Special Bench has also explained that accepting Rs. 1000 crores would in fact be "anti-competition" and goes against the spirit of Section 13(d) of the Electricity Regulatory Commissions Act, 1998 which assigns to the Commission, the function "to promote competition, efficiency and economy in the activities of the electricity industry". A transfer price which is decided by two parties across the table with "debt-dissolving approach", has both parties interest in having high transfer cost - the seller wanting to clear the maximum dues possible to the buyer and the buyer also taking the opportunity to

reduce his irrecoverable debt as much as possible. The transfer price based on such "debt dissolving approach", cannot form the basis for determining the tariff to the consumer. Accordingly, we do not agree with the contention of the petitioner that the tariff should be based on a capital cost of Rs. 1000 crores. In this context, we would like to draw attention to the following extract from the Order of the Special Bench dated 22.2.2002 which clearly brings out the position in this matter in an appropriate manner:

“A project is conceived with the objective of providing benefit to the consumers for its normal useful life. In this particular case, asset has not outlived its useful life. The transfer of asset at a higher price than the depreciated book value does not add value to the plant and consumer has to bear the additional cost in tariff without any additional benefit. Consumer has already paid for the cost of the asset to the extent of depreciation already recovered. With such artificial increase in capital base, consumer is made to pay again for the same asset. Had the transfer not taken place, the tariff would have continued to be worked on the basis of original cost and depreciation recovered. A mere change of ownership should not be a cause for increase of tariff.”

We agree with the conclusions of the Special Bench.

8. We have considered the submissions made on behalf of the petitioner on the question of deciding the capital base. The Special Bench elaborately dealt

with the various issues arising out of the transfer scheme and the PPA signed between the parties. After detailed deliberation the Special Bench recommended the capital base as indicated in para - 5 of the Order for determination of tariff. As we have already noted, the petition has been filed under Section 13 read with Section 28 of the Act. Under Section 28 of the Act, the Commission is empowered to determine the terms and conditions for fixation of tariff and in doing so, it is guided, inter alia by such financial principles and their applications as contained in Schedule VI of the Electricity (Supply) Act, 1948, as the Commission consider it appropriate. Had the Tanda TPS continued under the ownership of the respondent, the provision of the Schedule VI of the Electricity (Supply) Act, 1948 would have continued to apply. However, Tanda TPS was transferred to the petitioner, which is a Central Generating Company, on 14-01-2000. The Commission while fixing the operational and financial norms for central sector generating and transmission companies, in its order dated 21-12-2000 had dealt with the issue of rate base and its findings on rate base methodology in para 2.7 and 2.8 respectively. The Commission had already concluded in its above order that the liability side approach will have to be followed for the purpose of tariff setting and the rate base would get reduced only to the extent of loan repayment and depreciation is independent of the rate base determination.

In the light of the above, the book value of Rs.607 crores which is the original cost of the project as on COD shall be the basis for calculation of tariff, as already recommended by the Special Bench.

9. The point, however remains about the depreciation of Rs.175.91 crores recovered before the transfer of the plant to petitioner. This amount was recovered by UPPCL from the consumers and retained by them; this does not get specifically transferred to the petitioner. We feel that this aspect i.e. treatment of this amount, should be appropriately dealt with by UPERC as part of their jurisdiction.

10. It is seen that parties while signing the Power Purchase Agreement had in their mind that the transfer price of Rs.1000 crores could not be allowed for determination of tariff and therefore, a provision was made in the Power Purchase Agreement itself to the following effect.

“ In case an order by any Statutory Authority or Court of Law restrains NTPC from charging a tariff based on the transfer price of Rs.1000 crores, the Govt. of Uttar Pradesh and UPSEB shall within 30 days of such an order, implement an appropriate mechanism acceptable to NTPC to fully compensate NTPC for any difference between the above transfer price and the capital cost (excluding any additional expenditure on renovation and modernisation and other capital works which may be incurred by NTPC subsequent to the date of transfer of this station) adopted in tariff.”

11. In view of the above referred provisions of the Power Purchase Agreement, the petitioner is at liberty to take appropriate steps in accordance with law to claim compensation on account of difference between the transfer price and the capital base allowed by us for tariff purposes.

DEBT EQUITY RATIO

12. The Special Bench in its order dated 22.2.2002 has recommended the debt-equity ratio of 70:30 for the purpose of determining tariff. The recommendation made by the Special Bench is acceptable to the petitioner. There is no serious dispute on behalf of the respondent on this issue though before the Special Bench it was argued that debt-equity in the ratio of 80:20 should be considered. We, therefore, accept the recommendation made by the Special Bench and direct that notionally the debt-equity ratio of 70:30 shall be adopted for computation of tariff. The amounts of loan and equity on the date of commissioning of the Tanda TPS considered for tariff calculation are Rs.424.90 crores and Rs.182.10 crores respectively.

INTEREST ON LOAN

13. The Special Bench did not make any specific recommendation on the question of rate of interest on loan to be allowed since no documentary evidence in support of the rate of interest being charged by the Government of India on the loans sanctioned was placed before it, though the petitioner in its petition has claimed interest @ 14.5%, which flows from the interest payable for the loan sanctioned by Government of India for Faridabad Gas Turbine Project during March 2001. The petitioner has since placed on record a copy of Ministry of Power letter dated 20.1.2000 which indicates the rate of interest. In view of the evidence placed on record by the petitioner, we are satisfied that the petitioner is

entitled to interest @ 14.5% on the loan component of capital cost. The interest on loan for different years work out as under:

(Rs. in Crores)				
1999-2000	2000-01	2001-02	2002-03	2003-04
58.53	52.37	46.21	40.05	33.89

REPAYMENT OF LOAN

14. After consideration of different aspects, the Special Bench has recommended that repayment of loan should start right from the first year so that tariff for the consumers is not unduly inflated. According to the petitioner, in accordance with terms of loan prescribed by Government of India, a moratorium of 5 years on repayment of loan is applicable which has been considered by the petitioner while formulating its proposal for tariff. The respondent has not contested the recommendation made by the Special Bench. For the reasons recorded by the Special Bench in its order dated 22.2.2002, we accept the recommendation made. Accordingly, we direct that repayment of loan shall be reckoned from the first year of taking over itself and moratorium on repayment of loan shall not be considered for the purpose of calculation of tariff. The loan amount shall be recoverable in 10 yearly installments, the first installment being recovered in the year of transfer of the Tanda TPS to the petitioner, that is, 1999-2000.

RETURN ON EQUITY

15. The petitioner has claimed 16% ROE as agreed to between the parties in the Power Purchase Agreement. On the contrary, the respondent argued in favour of adoption of ROE of 11%. After considering the rival claims, the Special Bench had recommended that 16% ROE be allowed. In their written response, the parties have stuck to their respective claims as put forth before the Special Bench. We are in agreement with the recommendation made by the Special Bench. The tariff norms issued by the Central Government as also by the Commission prescribe for ROE of 16%. We do not find any reason to deviate from the ROE already decided and in vogue since 1.11.1998 so far as the Central Sector generating companies are concerned. The year-wise entitlement of the petitioner to ROE is as given below:

(Rs. in crores)				
1999-2000	2000-01	2001-02	2002-03	2003-04
29.14	29.14	29.14	29.14	29.14

DEPRECIATION

16. The petitioner has based its proposal for tariff by considering depreciation @ 7.84%, as provided in the Power Purchase Agreement. Against this, the Special Bench has recommended that for the period from 14.1.2000 to 31.3.2001, the depreciation should be worked out as per Ministry of Power's notification dated 29.3.1994 on the subject. However, for the period from 1.4.2001 to 31.3.2004, the provisions for depreciation rates and advance against depreciation

as prescribed in the Commission's notification dated 26.3.2001 should be followed. For computation of depreciation, the detailed break-up of cost for different items aggregating to the capital cost of Rs.607 crores was to be furnished by the parties. However, neither of the parties has furnished the requisite details. In view of the above, the depreciation rate of 7.84% for the period from 14.1.2000 to 31.3.2001 and 3.6% for the period from 1.4.2000 to 31.3.2004 applicable to depreciation of plant and machinery in generating station having steam electric NHRS and waste heat recovery boiler/plant has been considered for the computation of depreciation and the amounts recoverable on account of depreciation in different years have been worked out as:

(Rs. in crores)				
1999-2000	2000-01	2001-02	2002-03	2003-04
47.59	47.59	21.85	21.85	21.85

Depreciation of an amount of Rs.175.91 crores charged up to the date of transfer shall be considered for limiting the cumulative depreciation amount claimed to 90% of the project cost of Rs.607 crores.

ADVANCE AGAINST DEPRECIATION

17. For the purpose of calculation of advance against depreciation, 1/12th of the normative loan of Rs.424.90 crores and repayment thereof have been

considered. The advance against depreciation payable by the respondent in different years is as under:

(Rs. in crores)				
1999-2000	2000-01	2001-02	2002-03	2003-04
0.00	0.00	13.56	13.56	13.56

O&M EXPENSES

18. The Special Bench had recommended that O&M should be traced @ 2.5% of the original project cost of Rs.607 crores with 10% annual escalation from the date of commercial operation i.e. 1998 and up to 31.3.2001 and for the period beyond 31.3.2001, and an annual escalation of 6% should be considered. The petitioner has pleaded that in view of the stipulations made in Power Purchase Agreement, O&M charges are to be computed @2.5% of the current capital cost of Rs.1540 crores plus annual escalation @ 10%. It was stated on behalf of the petitioner that since the different units of the Tanda TPS were commissioned over a time span of 10 years, it would not be appropriate to consider the entire capital cost of Rs.607 crores as pertaining to the year 1997-98. It has, therefore, pleaded that the current capital cost of Rs.1540 crores should be considered for O&M expenses. In the alternative, it has been pleaded that O&M expenses based on capital cost of Rs.607 crores should be worked out since 1987, when first unit of the Tanda TPS was commissioned. The respondent has furnished the details of actual O&M expenses for the period 1988-89 to 14.01.2000 and the petitioner has furnished the details of actual O&M expenses incurred after taking over of the station and upto the period 2000-01. We find that the recommendation made by

the Special Bench are in accordance with the prevalent practice and the norms notified by the Central Government and the Commission. In respect of generating stations belonging to the petitioner itself, the date of commercial operation of the plant is taken as the base date for the purpose of calculation of O&M expenses and O&M expenses are charged on actual completion cost on the date of commissioning of the complete plant. As the units of the Station have been commissioned over a period of time, O&M expenses would be recoverable according to the Gol notification dated 30.3.1992 up to 31.3.2001 and thereafter escalation at 6% per annum shall be applicable. The O&M expenses recoverable from the respondent in different years are summarised herein below:

(Rs. in crores)

1999-2000	2000-01	2001-02	2002-2003	2003-04
33.81	37.20	39.44	41.81	44.31

INTEREST ON WORKING CAPITAL

19. The Special Bench has recommended that the norms notified by the Commission on 26.3.2001 should be considered for computation of working capital. For computing the working capital as per the notification dated 26.3.2001, the following components are to be considered:

Fuel cost for one month

a) Coal stock for 30 days

b) Oil stock for 60 days

d) Operation and Maintenance expenses for one month;

- e) Maintenance spares at actuals subject to a maximum of one percent of the capital cost but not exceeding one year's requirements less value of one fifth of initial spares already capitalized for the first five years. The maintenance spares are presently calculated at 1% of Rs.607 crores, which is to be adjusted based on the above provision, between the parties;
- f) Receivables equivalent to two months of average billing for sale of electricity calculated on Target Availability.

Based on the above, the total working capital year-wise shall be as under:

(Rs. in crores)				
1999-2000	2000-01	2001-02	2002-03	2003-04
70.39	66.28	67.42	74.63	80.40

20. The interest rate for this purpose shall be the cash-credit rates prevailing at the time of tariff filing. The rate of interest allowed on working capital shall be based on annual average prime lending rate of State Bank of India. The interest @ 12% for the year 1999-2000 and 11.5% for the years 2000-01 to 2003-04 shall be allowed. The net amount of interest payable on working capital year-wise is as under:

(Rs. in crores)				
1999-2000	2000-01	2001-02	2002-03	2003-04
8.45	7.62	7.75	8.58	9.25

21. The details of fixed charges are summarised as under:

(Rs. in Crores)

S.No.	Particulars	1999-2000*	2000-01	2001-02	2002-03	2003-04
1.	Depreciation	47.59	47.59	21.85	21.85	21.85
2.	Interest on Loan	58.53	52.37	46.21	40.05	33.89
3.	Return on Equity	29.14	29.14	29.14	29.14	29.14
4.	Advance against Depreciation	0.00	0.00	13.56	13.56	13.56
5.	Interest on Working Capital	8.45	7.62	7.75	8.58	9.25
6.	O&M Expenses	33.81	37.20	39.44	41.81	44.31
	TOTAL	177.52	173.92	157.95	154.99	152.00

* Pro rata payments shall be made for the period 14.1.2000 to 31.3.2000.

TARGET PLANT LOAD FACTOR/TARGET AVAILABILITY

22. The Special Bench has recommended the following Target PLF/Target Availability for the purposes of incentive and recovery of full fixed charges for the period from 2000-01 to 2003-04.

2000-01	2001-02	2002-03	2003-04
30.89%	36%	50%	60%

23. The petitioner in its affidavit filed on 29.4.2002 has submitted that Target PLF/Target Availability as recommended by the Special Bench is not achievable unless exhaustive R&M is undertaken. They have further submitted that since R&M has a long gestation period of 7 years, the Target PLF/Target Availability recommended by the Special Bench should be relaxed. We feel that with the replacement of missing items, it should be possible for the petitioner to achieve improvements in the plant performance. Further, the units under R&M shall not be reckoned for the purpose of PLF computation. Under these circumstances, the

recommendation made by the Special Bench on the twin issue of Target PLF/Target Availability is accepted. The manner of payment of fixed charges & incentive/disincentive shall be as notified by the Commission on 26.3.2001.

OPERATIONAL PARAMETERS

24. The Special Bench had recommended a heat rate of 3200 Kcal/kWh for the year 2001-02 and heat rate of 3000 Kcal/kWh for subsequent years for the purposes of tariff determination. On the question of auxiliary energy consumption, the Special Bench recommended 12% for the year 2001-02 and 11% for the subsequent year for the purposes of tariff setting. As regards specific fuel oil consumption, the Special Bench recommended 10ml/kWh for the year 2001-02, 6ml/kWh for the year 2002-03 and 3.5ml/kWh for the year 2003-04. The petitioner in its response has submitted that the operational parameters recommended by the Special Bench are unachievable without exhaustive R&M. We have already considered this aspect while dealing with Target PLF/Target Availability. For the same reasons, we feel satisfied that the normative parameters recommended by the Special Bench are in order. We therefore, direct that the energy charges shall be computed considering the norms recommended by the Special Bench for the period 2001-02 to 2003-04. So far as the period from 14.1.2000 to 31.3.2001 is concerned, the operational parameters as agreed to between the parties in the Power Purchase Agreement shall be followed:

25. In the light of the foregoing, the following energy charges are allowed:

(Rs. in crores)

Year	14.1.2000* to 31.3.2001	2001-02#	2002-03#	2003-04#
Energy Charges (Paise/kWh energy sent out)	152.04	148.40	133.13	129.84

* As on 31.3.2000 based on average of fuel price and GCV for January, February & March 2000

As on 31.3.2001 based on average of fuel price & GCV for January, February and March 2001

26. The details of computation of energy charges are given hereunder:

CALCULATION OF RATE OF ENERGY CHARGE

Sr.No.	Description	Formula	1999-2000 14.1.2000 to 31.3.2000	2000-2001	2001-02	2002-03	2003-04
1	Gross Station Heat Rate (kCal/kWh)		3440	3440	3200	3000	3000
2	Auxilliary Energy Consumption (%)		12.2	12.00	11.00	11.00	11.00
3	Specific Fuel Oil Consumption (ml/kWh)		15.00	15.00	10.00	6.00	3.50
4	Weighted Average Price of Coal (Rs./MT)		1241.00	1241.00	1349.37	1349.37	1349.37
5	Weighted Average GCV of Coal (kCal/Kg)		3553.67	3553.67	3631.67	3631.67	3631.67
6	Weighted Average Price of Oil (Rs./KL)		12349.85	12349.85	15267.26	15267.26	15267.26
7	Weighted Average GCV of Oil (kCal/Lit.)		9866.67	9866.67	9623.33	9623.33	9623.33
8	Rate of Energy Charge from Sec. Fuel Oil/ Alternate Fuel (Paise/kWh Generated) - $(REC)_s$	$(Q_s)_n \times P_s$	18.52	18.52	15.27	9.16	5.34
9	Heat Contribution from SFO / Alternate Fuel (kCal/kWh Generated) - (H_s)	$(Q_s)_n \times (GCV)_s$	148.00	148.00	96.23	57.74	33.68
10	Heat Contribution from Coal/Primary Fuel (kCal/kWh Generated) - (H_p)	$GHR - H_s$	3292.00	3292.00	3103.7	2942.26	2966.32
11	Specific Coal/ Primary Fuel Consumption (Kg./kWh Generated) - $(Q_p)_n$	$H_p / (GCV)_p$	0.93	0.93	0.85	0.81	0.82
12	Rate of Energy charge from Primary Fuel (Paise/kWh Generated) - $(REC)_p$	$(Q_p)_n \times P_p$	114.96	114.96	115.32	109.32	110.22
13	Rate of Energy charge ex - bus (Paise/kWh energy sent out)-(REC)	$((REC)_s + (REC)_p) / (1 - (AUX))$	152.04	152.04	148.40	133.13	129.84

27. Weighted Average GCV and Weighted Average Price of coal and Secondary Fuel Oil are based on auditors certificates and Price Store Ledger (PSL) furnished by the petitioner. In the absence of details of Grade of fuel supplied, Quantum of fuel supply and corresponding GCV, Base Price of fuels and transportation charges etc., variable charge computation are based on the available information. However, this should not be construed as the acceptance of PSL rates in all cases by the Commission.

28. The energy charges approved by us shall be subject to fuel price adjustment in terms of the Commission's notification dated 26.3.2001.

29. The matters not specifically covered in this order, but for which provisions are made in the Commission's notification dated 26.3.2001, shall be governed by that notification. This is, however, subject to the directions of any of the superior courts on these matters.

30. With these directions, petitions 77/2001 and 91/2000 stand disposed of.

Sd/-
(G.S. RAJAMANI)
MEMBER

Sd/-
(D.P. SINHA)
MEMBER

Sd/-
(ASHOK BASU)
CHAIRMAN

New Delhi dated the 28th June 2002