

CENTRAL ELECTRICITY REGULATORY COMMISSION

RECORD OF PROCEEDINGS

I.A. No. 39/2008 in Petition No. 109/2006

Subject: Petition for 'in principle' approval of project capital cost and financing plan of 1000 MW Thermal Power Project at Chandannagar, Surguja District, Chattisgarh proposed to be set up by IFFCO Chattisgarh Power Ltd.-Interlocutory application for extension of time for furnishing the details of the capital cost and other details to the Commission.

Coram: Dr. Pramod Deo, Chairperson
Shri R.Krishnamoorthy, Member
Shri V.S.Verma, Member

Petitioner: IFFCO Chattisgarh Power Ltd

Respondents: Chattisgarh State Electricity Board, Madhya Pradesh Power Trading Co. Ltd.

Date of hearing: **26.2.2009**

Parties present: Shri S.E.Yadav, IFFCO Chattisgarh Power Ltd
Shri D.K.Srivastava, IFFCO Chattisgarh Power Ltd

The petitioner has made this application under Section 79 (1) (b) of the Electricity Act, 2003 (the Act) read with the second proviso to Regulation 17 of the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2004, as amended, for 'in principle' approval of project capital cost and financing plan of 1000 MW Thermal Power Project at Chandannagar, Surguja District, Chattisgarh. The petitioner has filed the interlocutory application praying for extension of time up to 31.12.2009 for furnishing the details of the capital cost and other details to the Commission as called for vide order dated 27.6.2007 read with letter dated 7.4.2008.

2. The petitioner submitted that it had issued the Request for Qualification (RFQ) and Request for Proposal (RFQ) to the qualified bidders and that the bidders were taking unusually longer time in submitting their bids, causing the delay in the submission of the required information to the Commission. The petitioner also submitted that coal block/linkages are available and the bids are

expected to be submitted by March 2009. The petitioner further submitted that it would require some more time for obtaining statutory clearances and for the finalization of the capital cost of the project and on this count prayed for extension of time up to 31.12.2009, for furnishing the information.

3. In response to the query of the Commission as to the status of PPAs and as to how the tariff was to be determined in terms of the relevant provisions of the tariff policy, the petitioner clarified that PPA has been finalized but the financial closure of the project could not be achieved on account of the delays in the submissions of the bids. The petitioner prayed for extension of time as price bids are to be finalized by July 2009, after submission of bids in March 2009.

4. The Commission, however, observed that the prayer for grant of extension of time would be considered along with the issue of maintainability of the petition for determination of tariff under Section 62 of the Act in the light of the provisions of the Tariff Policy notified by the Central Government. The petitioner was granted two weeks time to file its submissions on the maintainability of the petition.

5. Subject to the above, order in the petition was reserved.

Sd/-
(K.S.Dhingra)
Chief (Legal)