

# CENTRAL ELECTRICITY REGULATORY COMMISSION

## RECORD OF PROCEEDINGS

### **Petition No.146/2009**

- Subject: Petition for approval of provisional tariff of Kahalgaon STPP, Stage-II (3X500 MW) from COD of Unit-III to 31.3.2014.
- Coram: Dr. Pramod Deo, Chairperson  
Shri R.Krishnamoorthy, Member  
Shri S.Jayaraman, Member  
Shri V.S.Verma, Member
- Date of hearing: **13.8.2009**
- Petitioner: NTPC Ltd, New Delhi
- Respondents: WBSEDCL, BSEB, JSEB, GRIDCO, Dept of Power, Govt of Sikkim, MPPTCL, MSEDCL, GUVNL, UPPCL, PDD(J&K),PDD UT of Chandigarh, PSEB, JVVNL, AVVNL, JoVVNL, CSEB, HPGCL, BSES-RPL, BSES-YPL ,NDPL,UPCL, Electricity Dept, Admn. of Dadra and Nagar Haveli, Electricity Dept, Admn. of Daman & Diu.
- Parties present: 1. Shri V.K.Padha, NTPC  
2. Shri D.Kar, NTPC  
3. Shri G.K Dua, NTPC  
4. Shri. B.Kumar, NTPC

This petition has been filed by NTPC for approval of provisional tariff for Unit-III of Kahalgaon STPP, Stage-II (3X500 MW) (hereinafter referred to as “the generating station”) from the date of commercial operation to 31.3.2014.

2. The representative of the petitioner submitted that the generating station was to be declared under commercial operation in due course of time and the petition had been filed for approval of provisional tariff for the generating station, based on the capital expenditure including capital works in progress, duly certified by the auditors.

3. On a specific query as to provision under which the petition had been filed, the representative of the petitioner submitted that as the tariff for the generating station had to be determined under the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2009 (the 2009 regulations), it was not possible to accurately estimate the likely capitalization as on the date of commercial operation, the cut-off date and additional capitalization for the periods during the year 2009-14, within

a short span of time. The representative submitted that in view of the said difficulties, it had sought relaxation of clauses (1) and (2) of Regulation 5 of the 2009 regulations, in terms of Regulation 44 of the 2009 regulations and the inherent powers vested with the Commission.

4. On a further query as to whether the present petition could be considered for determination of final tariff for the generating station, with liberty to the petitioner to approach the Commission with a separate application for interim relief, if any, the representative of the petitioner submitted that final tariff of the generating station could not be determined since the capital cost as on 31.3.2009 had been considered and not as on the date of commercial operation of the generating station. The representative of the petitioner also submitted that the actual expenditure incurred had been lesser than the expenditure claimed in the petition and hence the provisional tariff, if considered, would be beneficial to both the petitioner and the respondent beneficiaries. He further submitted that since procedures like publication of tariff in newspapers, invitation of comments etc, involved considerable time prior to the determination of final tariff, the Commission may determine the provisional tariff for the generating station after relaxation of clauses (1) and (2) of Regulation 5 of the 2009 regulations, in terms of Regulation 44 of the 2009 regulations.

5. The Commission on consideration of the submissions made, has directed that the petition may be kept pending, with liberty to the petitioner to amend the petition to seek approval of final tariff, in accordance with the specified procedure. However, the petitioner can approach the Commission with interim prayer, if the unit is commissioned before determination of final tariff.

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