

**CENTRAL ELECTRICITY REGULATORY COMMISSION  
NEW DELHI**

**Petition No. 214/2009**

**Coram:**

- 1. Dr. Pramod Deo, Chairperson**
- 2. Shri S. Jayaraman, Member**
- 3. Shri V.S.Verma, Member**

**DATE OF ORDER: 25.8.2010**

**In the matter of**

Approval of two-part tariff for Kopili Hydroelectric Project, Stage-II (25 MW) for the period from 26.7.2004 to 31.3.2009 after inclusion of actual additional capital expenditure and application of actual interest rates incurred on the syndicated loan for the period 1.4.2006 to 31.3.2009.

**And in the matter of**

North Eastern Electric Power Corporation Ltd, Shillong  
Vs

**..... Petitioner**

1. Assam State Electricity Board, Guwahati
2. Meghalaya State Electricity Board, Shillong
3. Department of Power, Govt. of Tripura, Agartala
4. Power and Electricity Department, Govt. of Mizoram, Aizawl
5. Electricity Deptt, Govt. of Manipur, Imphal
6. Department of Power, Govt. of Arunachal Pradesh, Itanagar
7. Department of Power, Govt. of Nagaland, Kohima
8. North Eastern Regional Electricity Board, Shillong
9. North Eastern Regional Load Despatch Centre, Shillong

**.....Respondents**

**ORDER**

The petitioner has filed this petition for revision of tariff in respect of Kopili Hydroelectric Project (25 MW) (hereinafter referred to as "the generating station") for the period from 26.7.2004 to 31.3.2009, after inclusion of actual additional capital expenditure and application of actual interest rates incurred on the syndicated loan for the period 1.4.2006 to 31.3.2009, in accordance with the provisions of the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2004 (hereinafter referred to as "the 2004 regulations").

2. The Commission by order dated 15.6.2010 determined the annual fixed charges of the generating station as under:

(Rs in lakh)

Particulars	2006-07	2007-08	2008-09
Depreciation	210.80	211.84	212.91
Interest on Loan	383.85	340.84	281.39
Return on Equity	339.93	341.61	343.34
Advance Against Depreciation	355.58	354.88	359.06
Interest on Working Capital	34.60	34.55	34.34
O & M Expenses	124.39	129.36	134.54
<b>TOTAL</b>	<b>1449.15</b>	<b>1413.08</b>	<b>1365.58</b>

3. In respect of capital cost, the Commission in para 21 of the order dated 15.6.2010 has observed as under:

*"21. The Commission had considered a capital cost of Rs. 8091.15 lakh, as on 31.3.2006, for the purpose of tariff for the period 2004-09, in Petition No. 70/2006. The same is considered as the capital cost as on 1.4.2006.*

4. However, in the table below para 22 of the said order, the amounts pertaining to the capital cost of the generating station, as on 1.4.2006 was inadvertently indicated as under:

(Rs in lakh)

Year	2006-07	2007-08	2008-09
Opening capital cost as on 1 <sup>st</sup> April of the financial year	33037.19	33065.47	33602.80
Additional Capitalization approved for the purpose of tariff	28.29	537.33	5.06
Capital Cost as on 31 <sup>st</sup> March of the financial year	<b>33065.47</b>	<b>33602.80</b>	<b>33607.86</b>

5. Regulation 103 of the Central Electricity Regulatory Commission (Conduct of Business) Regulations, 1999, provides as under:

*" 103. (1) The Commission may at any time, on its own motion, or on an application of any of the persons or parties concerned, within 45 days of making such decision, directions or order, review such decision, directions or orders and pass such appropriate orders as the Commission deems fit:*

*Provided that power of review by the Commission on its own motion under this clause may be exercised only for correction of clerical or arithmetical mistakes arising from any accidental slip or omission."*

6. In exercise of power under Regulation 103 of the Central Electricity Regulatory Commission (Conduct of Business) Regulations, 1999, the inadvertent clerical error in respect of the amounts pertaining to the capital cost for the period 2006-09, indicated in the table under para 22 of the order dated 15.6.2010, is sought to be corrected *suo motu*, by this order, as under:

"22. Taking into account the capital cost as on 1.4.2006 and the additional capital expenditure as approved at para 20 above, the capital cost considered for the purpose of tariff is as under:

(Rs. in lakh)

Particulars/Year	2006-07	2007-08	2008-09
Opening capital cost as on 1 <sup>st</sup> April of the financial year	8091.15	8096.00	8171.00
Additional Capitalization approved for the purpose of tariff	4.85	75.00	7.43
Capital Cost as on 31 <sup>st</sup> March of the financial year	<b>8096.00</b>	<b>8171.00</b>	<b>8178.43</b>

7. It is however clarified that the annual fixed charges for the period 2006-09 determined by the Commission in order dated 15.6.2010, was based on the above said capital cost. Hence, the question of revision of the annual fixed charges on account of the correction of the clerical error does not arise.

8. All other terms contained in order dated 15.6.2010 remains unaltered.

Sd/-  
**(V.S. VERMA)**  
MEMBER

Sd/-  
**(S.JAYARAMAN)**  
MEMBER

Sd/-  
**(DR.PRAMOD DEO)**  
CHAIRPERSON