

**Central Electricity Regulatory Commission
New Delhi**

Petition No. 249/2010

**Coram: Dr. Pramod Deo, Chairperson
Shri S.Jayaraman, Member
Shri V.S.Verma, Member
Shri M.Deena Dayalan, Member**

DATE OF HEARING: 10.2.2011

DATE OF ORDER: 25.2.2011

IN THE MATTER OF

Miscellaneous Petition for issuing orders by the CERC to NTPC to submit FERV computations for 07-08 & 08-09 for the amounts as mentioned in the fillings before the CERC in Petition No.149/2009 in respect of Simhadri Power Project Stage-I

AND IN THE MATTER OF

1. Transmission Corporation of Andhra Pradesh Limited, Hyderabad
2. Andhra Pradesh Central Power Distribution Company Ltd, Hyderabad
3. Andhra Pradesh Southern Power Distribution Company Ltd, Tirupati
4. Andhra Pradesh Eastern Power Distribution Company Ltd, Vishakapatnam
5. Andhra Pradesh Northern Power Distribution Company Ltd, Warangal ...**Petitioners**

Vs

NTPC Ltd, New Delhi

...**Respondent**

The following were present:

Shri C.Mohan Chander, APTRANSCO
Shri Ajay Dua, NTPC
Shri Anil Chhouthary, NTPC

ORDER

This application has been filed by Andhra Pradesh Central Power Distribution Company Ltd, the petitioner No.1, for and on behalf of other petitioners (hereinafter jointly referred to as "the petitioner") for issuing orders to NTPC to submit the Foreign Exchange Rate Variation (FERV) computations for the years 2007-08 and 2008-09 for the amounts as mentioned in the fillings in respect of Petition No.149/2009 pertaining to Simhadri Power Project Stage-I (the generating station).



2. The petitioner has submitted that the respondent had claimed FERV amounts of ₹161.80 lakh and ₹22810.93 lakh for the years 2007-08 and 2008-09 respectively (in Petition No.149/2009) and in terms of Regulation 10 of the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations 2004, the Commission had excluded the said amounts in the capital cost by its order dated 8.1.2010 as under:

“23. (a) FERV: The claim for exclusion of an amount of Rs.22972.73 for the years 2007-09 {Rs.161.80 lakh in 2007-08 and Rs.22810.93 lakh in 2008-09} on account of impact of FERV is allowed, as the petitioner has billed the said amount directly to the beneficiaries in accordance with the 2004 regulations.”

3. The petitioner has also submitted that pursuant to the above order, the respondent was requested vide its letters dated 15.1.2010 and 27.1.2010 to furnish the detailed computations for verification of the claim of FERV for the years 2007-08 and 2008-09 which the respondent failed to furnish. Subsequently, by letter dated 4.2.2010 it was informed by the respondent that the bill on account for FERV for 2008-09 would be submitted along with details and supporting documents and that an amount (-) ₹ 23.68 lakh had been credited to the petitioners towards of FERV for 2007-08. According to the petitioner, instead of considering the actual loan repayment and interest thereon the respondent has considered the normative loan repayment for computing FERV impact for each year and the computations in respect of the FERV amounts were not furnished to the petitioner.

4. The respondent in its reply has clarified that the FERV amounts as mentioned above were based on actual loan outstanding as per books of accounts and the FERV amounts billed on the beneficiaries including the petitioners, were based on normative repayment and interest thereon for the relevant years, in line with the regulations specified by the Commission. He also submitted that FERV amounts mentioned in petition for additional capitalization were only for the purpose of books of accounts.

5. During the hearing on 13.1.2011, the representative of the respondent submitted that a copy containing computations of FERV had been handed over to the petitioners on 12.1.2011. In response, the representative of the petitioners acknowledged the receipt of FERV computations from the respondent and prayed that it may be granted some time for verification of these computations. Accordingly, the Commission granted two weeks time to the petitioner.

6. The representative of the petitioner, during the hearing, submitted that the FERV computations furnished by the respondent had been examined and was found to be in order. The representative also submitted that the statement of the respondent that FERV amounts indicated in the petition for additional capitalization were only for the purpose of books of accounts was acceptable. In support of this submission, the petitioner also filed affidavit dated 7.2.2011 and prayed that the petition be disposed of accordingly.

7. In the circumstances above, the affidavit of the petitioner dated 7.2.2011 is taken on record and the petition is disposed of in line with the submissions contained therein.

Sd/-
[M.DEENA DAYALAN]
MEMBER

Sd/-
[V.S.VERMA)
MEMBER

Sd/-
[S. JAYARAMAN]
MEMBER

Sd/-
[DR.PRAMOD DEO]
CHAIRPERSON

