

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No.285/2009

Subject: Approval of tariff for Kawas Gas Power Station (656.20 MW)
for the period from 1.4.2009 to 31.3.2014.

Date of hearing: 14.6.2011

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

Petitioner: NTPC Ltd

Respondents: MPPTCL, MSEDCL, GUVNL, CSPDCL, ED-Government of
Goa, ED-Admn of Dadra and Nagar Haveli,

Parties present: Shri V.K.Padha, NTPC
Shri D.G.Salpekar, NTPC
Shri A.S.Pandey, NTPC
Shri Ajay Dua, NTPC
Shri S.K.Sharma, NTPC,
Shri G.K.Dua, NTPC
Shri A.K.Juneja, NTPC
Shri A.Mehenta, NTPC
Shri S.K.Jain, NTPC

RECORD OF PROCEEDINGS

This petition has been filed by the petitioner, NTPC, for approval of tariff for Kawas Gas Power Station (656.20 MW) (hereinafter referred to as “the generating station”) for the period from 1.4.2009 to 31.3.2014, based on the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2009 (hereinafter referred to as “the 2009 regulations”).

2. The representative of the petitioner submitted as under:

- (a) Additional capital expenditure as per original scope of work of the generating station and which has been put to use has been claimed in terms of Regulations 9(1), 9(2) of the 2009 regulations. In addition to this, other capital expenditure which are necessary for the reliable operation of the generating station during its life time has also been claimed. Requirement of capital expenditure for replacement of obsolete items and also for infusion of additional capital expenditure for successful operation are also relevant in case of thermal power

stations. Most of the gas turbine manufacturers recommend replacement of hot gas path components after one lakh Equivalent Operating Hours (EOH). Refurbishment of Gas Turbine rotor after recommended life and replacement of Hot Gas Path Components are two most important requirements to extend life of Gas Turbines for another one lakh EOH. In view of this, additional capital expenditure in addition to those covered under Regulations 9(1) and 9 (2) may be permitted to be recovered.

- (b) The petition has been amended in terms of the directions of the Commission and copies of the same including the additional information as sought for by the Commission has been served on the respondents.
- (c) Reply by the respondent and rejoinder to the same has been filed.
- (d) In addition to the above, claims made towards:
 - (i) Payment of Fees and charges made in terms of the Central Electricity Regulatory Commission (Regional Load Despatch Centre and other related matters) Regulations, 2009;
 - (ii) The cost incurred towards development of infrastructure for implementation of the scheme based on the Govt. of India notification dated 27.4.2010, which require the generating stations to supply power to rural households within the radius of 5 km from the existing /upcoming projects, which may be allowed.

3. None appeared on behalf of the respondents. The Commission directed the petitioner to submit on affidavit, the reconciliation position of gross block and liabilities (assets/works wise) as on 1.4.2009, on or before 29.7.2011.

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

Sd/-
(T.Rout)
Joint Chief (Law)