

**Central Electricity Regulatory Commission
New Delhi**

RECORD OF PROCEEDINGS

Petition No. 332/2009

Subject: Approval of tariff of Badarpur Thermal Power Station (705 MW) for the period from 1.4.2009 to 31.3.2014.

Date of Hearing: 26.5.2011

Coram: Shri S.Jayaraman, Member
Shri V.S.Verma, Member
Shri M.Deena Dayalan, Member

Petitioner: NTPC, New Delhi

Respondents: NDPL, BRPL, BYPL, NDMC and MES

Parties present: Shri V.K.Padha, NTPC
Shri Ajay Dua, NTPC
Shri Sameer Agarwal, NTPC
Shri Shashwat, NDPL
Shri K.Rustogi, NDPL
Shri Dushyant Manocha, Advocate, BRPL
Shri Sanjay Srivastav, BRPL
Shri Vivek Soni, BRPL
Shri Sunil Kakkar, BYPL

This petition has been filed by the petitioner NTPC, for approval of tariff of Badarpur Thermal Power Station (705 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 ("the 2009 regulations")

2. The representative of the petitioner submitted as under:

- (a) This petition was filed during 2009 taking into consideration the projected additional capital expenditure for 2009-14 and the Renovation and Modernization (R&M) expenditure estimated to be incurred for various works during 2009-14.
- (b) This petition has been amended taking into consideration the order of the Commission dated 28.9.2010 in Petition No.194/2009 (Additional capital expenditure from 1.6.2006 to 31.3.2009), the additional capital expenditure for 2009-10 and the revised phased funding of the expenditure for 2010-14.

- (c) The R&M and life extension schemes approved by CEA for Stage-II units and other capital addition works for the generating station were to be implemented during 2009-14 after approval by the Commission.
 - (d) Pursuant to the order of Commission dated 12.5.2011 in Petition No. 324/2009 approving R&M of the generating station, slight shift in the implementation schedule requiring phasing of expenditure is required.
 - (e) The Commission may consider the above aspects while determining the tariff of the generating station.
3. The learned counsel for the respondent No.2, BRPL submitted as under:
- (a) Pursuant to the order dated 12.5.2011 in Petition No.324/2009, there would be reduction in the Station Heat Rate, the O&M expenses and consequently the maintenance spares for working capital, in respect of the generating station. Based on this, the claim of the petitioner in respect of the generating station would undergo revision and accordingly, the petition requires to be modified.
 - (b) Auxiliary consumption should be reduced from 11% to 9% in terms of the CEA recommendations.
 - (c) The Commission may permit the respondent to file a detailed reply in the matter.
4. In response to the above, the representative of the petitioner clarified as under:
- (a) The Commission after prudence check based on the 2009 regulations had allowed the claims of the petitioner in Petition No. 324/2009 and the same could be considered while determining tariff for the period 2009-14 for the generating station, without amendment of the present petition.
 - (b) Since, the 2009 regulations provide for truing-up of the expenditure, amendment of the petition based on the revised phased funding of the R&M expenditure was not required.
5. The Commission after hearing the parties directed the petitioner to submit on affidavit, the following:
- (a) Revised phasing of R&M expenditure in line with the order dated 12.5.2011 in Petition No. 324/2009.
 - (b) Details of the package/schemes corresponding to the revised phasing;
 - (c) The expected date of completion of R&M works.

6. The petitioner is directed to submit the above information, with advance copy to the respondents, by 14.6.2011 and the respondents to file its reply, with copy to the petitioner, on or before 27.6.2011. Rejoinder, if any by 4.7.2011.

7. Matter shall be listed for hearing on 7.7.2011.

Sd/-
T.Rout
Joint Chief (Law)