

**CENTRAL ELECTRICITY REGULATORY COMMISSION  
NEW DELHI**

**Petition No. 229/2010**

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

**Date of Order: 2.11.2011**

**In the matter of**

Grant of provisional tariff for Indira Gandhi Super Thermal Power Project, (3 x 500 MW) of Aravalli Power Company Private Ltd, for the period from the date of anticipated commercial operation of Unit-I from 1.10.2010 to 30.3.2011, Unit-II from 31.3.2011 to 31.8.2011 and Unit-III from 1.9.2011 to 31.3.2014.

**AND**

**In the matter of**

Aravalli Power Company Private Ltd, New Delhi

.....**Petitioner**

Vs

- (1) Haryana Power Purchase Centre, Panchkula
- (2) North Delhi Power Ltd, Delhi
- (3) BSES Rajdhani Power Ltd, New Delhi
- (4) BSES Yamuna Power Ltd, Delhi

....**Respondents**

**ORDER**

The petitioner, NTPC Ltd, has filed this petition for determination of tariff of Indira Gandhi Super Thermal Power Project, (3 x 500 MW) ("the generating station") for the period from the date of anticipated commercial operation of Unit-I from 1.10.2010 to 30.3.2011, Unit-II from 31.3.2011 to 31.8.2011 and Unit-III from 1.9.2011 to 31.3.2014. Subsequently, the petitioner by Interlocutory Application I.A.No.9/2011 has submitted that the commercial operation of Unit-I of the generating station was declared on 5.3.2011 and has prayed that provisional tariff for the said unit be granted. Subsequently, by letter dated 12.10.2011, the petitioner has also requested for grant of provisional tariff for Unit-I of the generating station.



2. Clauses (1) and (2) of Regulation 5 of the 2009 regulations provides as under:

**“5. Application for determination of tariff.** (1) *The generating company or the transmission licensee, as the case may be, may make an application for determination of tariff in accordance with Central Electricity Regulatory Commission (Procedure for making of application for determination of tariff, publication of the application and other related matters) Regulations, 2004, as amended from time to time or any statutory re-enactment thereof, in respect of the units of the generating station or the transmission lines or sub-stations of the transmission system, completed or projected to be completed within six months from the date of application.*

(2) *The generating company or the transmission licensee, as the case may be, shall make an application as per **Appendix I** to these regulations, for determination of tariff based on capital expenditure incurred duly certified by the auditors or projected to be incurred up to the date of commercial operation and additional capital expenditure incurred duly certified by the auditors or projected to be incurred during the tariff period of the generating station or the transmission system:*

*Provided that in case of an existing project, the application shall be based on admitted capital cost including any additional capitalization already admitted up to 31.3.2009 and estimated additional capital expenditure for the respective years of the tariff period 2009-14:*

*Provided further that application shall contain details of underlying assumptions for projected capital cost and additional capital expenditure, where applicable.*

3. The petitioner has filed the petition in compliance with Clause (1) and (2) of Regulation 5 of the 2009 regulations. Since Unit-I of the generating station has been declared under commercial operation with effect from 5.3.2011, we consider the grant of provisional tariff in respect of Unit-I from the date of commercial operation (5.3.2011) by this order, based on the petition filed in terms of Regulation 5(1) of the 2009 regulations.

4. Regulation 5 of the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) (First Amendment) Regulations, 2011 provides as under:

*“(4) Where application for determination of tariff of an existing or a new project has been filed before the Commission in accordance with clauses (1) and (2) of this regulation, the Commission may consider in its discretion to grant provisional tariff upto 95% of the annual fixed cost of the project claimed in the application subject to adjustment as per proviso to clause (3) of this regulation after the final tariff order has been issued:*

*Provided that recovery of capacity charge and energy charge or transmission charge, as the case may be, in respect of the existing or new project for which provisional tariff has been granted shall be made in accordance with the relevant provisions of these regulations.”*

5. In exercise of power under Clause 4 of Regulation 5 of the 2009 regulations, we hereby grant provisional tariff in respect of Unit-I of the generating station from 5.3.2011 till the date of commercial operation of Unit-II of the generating station, pending determination of the final tariff, as stated in the subsequent paragraphs.

6. Based on the anticipated capital cost of ₹372852.00 lakh, the petitioner has claimed the annual fixed charge of ₹79779.00 lakh for Unit-I (500 MW) of the generating station for the year 2010-11.

7. After carrying out due prudence check, we allow the provisional annual fixed charges of ₹75790.05 lakh for Unit-I of the generating station from 5.3.2011 till the date of commercial operation of Unit-II of the generating station, based on the capital cost of ₹372852.00 lakh as claimed by the petitioner. The provisional annual fixed charges allowed as above is subject to truing-up in terms of Regulation 6 of the 2009 regulations.

8. The provisional tariff determined on annualized basis as above is applicable *pro rata* to the number of days the Unit-I would run from the date of commercial operation of the said unit till the date of commercial operation of Unit-II of the generating station.

9. Energy Charge Rate in respect of the generating station shall be determined in terms of Clauses 5 and 6 (a) of Regulation 21 of the 2009 regulations, on month to month basis.

10. The petitioner shall amend the petition taking into consideration the expected date of commercial operation of Unit-II of the generating station in terms of the provisions of the 2009 regulations, which will be considered in accordance with law.

11. The interlocutory application (I. A.No.9/2011) is disposed of in terms of the above. The provisional annual fixed charges allowed above is subject to adjustment as per proviso to Clause (3) of Regulation 5 of the 2009 regulations after the final tariff order has been issued.

**Sd/-**  
**[M.DEENA DAYALAN]**  
**MEMBER**

**Sd/-**  
**[S.JAYARAMAN]**  
**MEMBER**

**Sd/-**  
**[DR.PRAMOD DEO]**  
**CHAIRPERSON**

