

**CENTRAL ELECTRICITY REGULATORY COMMISSION  
NEW DELHI**

**Review Petition No. 12/2012**

**in**

**Petition No. 239/2009**

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

**Date of Hearing: 12.7.2012**

**Date of Order: 9.8.2012**

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**IN THE MATTER OF**

Review of order dated 20.4.2012 in Petition No. 239/2009 regarding determination of generation tariff for Anta Gas Power Station (419.33 MW) for the period from 1.4.2009 to 31.3.2014.

**AND**

**IN THE MATTER OF**

NTPC Ltd

**...Petitioner**

Vs

1. Uttar Pradesh Power Corporation Ltd., Lucknow
2. Jaipur Vidyut Vitran Nigam Ltd., Jaipur
3. Ajmer Vidyut Vitran Nigam Ltd., Ajmer
4. Jodhpur Vidyut Vitran Nigam Ltd., Jodhpur
5. North Delhi Power Ltd., Delhi
6. BSES Rajdhani Power Ltd., New Delhi
7. BSES Yamuna Power Ltd., Delhi
8. Haryana Power Purchase Centre, Haryana
9. Punjab State Electricity Board, Patiala
10. Himachal Pradesh State Electricity Board, Shimla
11. Power Development Department (J&K), Jammu
12. Power Department, Union Territory of Chandigarh, Chandigarh
13. Uttrakhand Power Corporation Ltd., Dehradun

**...Respondents**

**Parties Present**

1. Shri Shankar Saran, NTPC
2. Shri G.K Dua, NTPC
3. Shri Ajay Dua, NTPC
4. Shri Sudesh Jain, NTPC
5. Shri Vivek Kumar, NTPC

## ORDER

This application for review has been filed by NTPC, the petitioner herein, against the order of the Commission dated 20.4.2012 in Petition No.239/2009 relating to the determination of generation tariff in respect of Anta GPS (419.33 MW) (hereinafter referred to as 'the generating station') for the period 2009-14. Aggrieved by the said order, the petitioner has sought review on following issues:

- (i) Adjustment of cumulative repayment of loan consequent to truing up of un-discharged liability as on 31.3.2009;*
- (ii) Calculation of Average loan for KFW (D7) in Form-13; and*
- (iii) Disallowance of expenditure on account of GT-I compressor vanes in 2009-10.*

2. We have heard the representative of the petitioner, on admission. We do not find any merit in the issue raised in sub-para (i) above for the reasons recorded in the succeeding paragraphs.

### **Adjustment of cumulative repayment of loan consequent to truing-up of un-discharged liability as on 31.3.2009**

3. In our order dated 20.4.2012, the cumulative repayment of loan considered for computation of interest on loan was as under:

*"63(ii) Cumulative repayment of loan of `19466.88 lakh as on 31.3.2009 as considered in order dated 12.10.2011 in Petition No. 127/2009 has been considered as cumulative repayment as on 1.4.2009. However, after taking into account the proportionate adjustment to the cumulative repayment on account of un-discharged liabilities deducted from the capital cost as on 1.4.2009, the cumulative repayment as on 1.4.2009 is revised to `19498.42 lakh."*

4. The petitioner has submitted that in order dated 20.4.2012, the cumulative repayment of loan as on 31.3.2009 is `19466.88 lakh and the same has been considered by the Commission as cumulative repayment as on 1.4.2009. It has also submitted that after making proportionate adjustment of loan due to reduction in capital cost on account of un-discharged liabilities, the cumulative repayment of loan has been considered as `19498.42 lakh as on 1.4.2009, which is an increase of `31.54 lakh. The petitioner has further submitted

that based on the methodology of proportionate adjustment of loan repayment followed by the Commission in its various orders pertaining to the generating stations of the petitioner, the cumulative repayment of loan, after adjustment on account of un-discharged liability, as worked out in the petition, would be `19107.92 lakh. It has also submitted that while there has been reduction in the capital cost, there has been an increase in the cumulative repayment of loan due to adjustment of liabilities. Thus, the petitioner has submitted that there is error apparent on the face of the record and has prayed that the adjusted cumulative repayment and corresponding interest on loan calculations be accordingly modified.

5. The matter has been examined. As regards the computation of repayment of loan, the total un-discharged liabilities as on 31.3.2009 are deducted from the approved capital cost as on 31.3.2009, in order to arrive at the capital cost for the purpose of tariff as on 1.4.2009. Also, depending upon the period to which the un-discharged liabilities belonged (whether prior to 1.4.2004 or for the period 2004-09), the gross loan as on 1.4.2009 is adjusted to the extent of 50% of un-discharged liability, if the un-discharged liability pertain to the period prior to 1.4.2004 and to the extent of 70% of un-discharged liability, if the un-discharged liabilities pertain to the period 2004-09. In the present case, the un-discharged liabilities of `1078.14 lakh pertain to the period 2004-09, in as much as the loan component of this un-discharged liability has not been repaid till 31.3.2004. Thus, the cumulative repayment of loan upto 31.3.2004 was not reduced proportionately. The repayment of loan was adjusted to the extent of the loan component of un-discharged liability which has been repaid during the period 2004-09. Accordingly, the reduction in cumulative repayment of loan as on 1.4.2009 due to removal of un-discharged liabilities was worked out as (-) `31.54 lakh and the based on this, the cumulative repayment of loan was revised to `19498.42 lakh as on 1.4.2009. This methodology for calculating the cumulative repayment of loan has been adopted by the Commission in the orders pertaining to the determination of tariff of various

generating stations of the petitioner for the period 2009-14. Based on these discussions, we are of the view that there is no error apparent on the face of the order and the prayer of the petitioner for adjustment of cumulative repayment and corresponding interest on loan calculations in order dated 20.4.2012 is rejected. Hence, review of order on this count fails.

**Calculation of Average loan for KFW (D7) in Form-13**

6. As regards issue raised in sub-para (ii) of paragraph (1) above, the petitioner has submitted that in Form -13 enclosed with the order dated 20.4.2012 there is inadvertent error in calculation of average loan of KFW (D7) for 2009-10. The petitioner has further submitted that the average loan for the said year has been inadvertently shown as `3686.41 lakh instead of `1843.20 lakh in the order and has accordingly prayed that the calculations for interest on loan for 2009-10 may be corrected. The prayer of the petitioner is accepted and the arithmetical error in the calculation of interest on loan would be corrected and the revised calculations would be considered at the time of final disposal of this petition.

7. Review petition is admitted on the issue mentioned in sub para (iii) of paragraph 1 above. Issue Notice. The petitioner is directed to serve copy of the application latest by 16.8.2012 along with a copy of this order on the respondents, who may file their reply by 24.8.2012 with advance copy to the petitioner. The petitioner may file its rejoinder, if any, latest by 30.8.2012.

8. Matter to be listed for hearing on 4.9.2012.

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

**Sd/-**  
[V.S.VERMA]  
MEMBER

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

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