

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 13/RP/2012

Subject: Review of order dated 9.4.2012 in Petition No. 20/2010 pertaining to the determination of generation tariff for NLC TPS-I (600 MW) for the period from 1.4.2009 to 31.3.2014.

Date of Hearing: 22.11.2012

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

Petitioner: NLC Ltd.

Respondent: TANGEDCO

Parties present: Shri N. Rathinasabapathy, NLC
Shri S. Vallinayagam, Advocate, TANGEDCO
Shri S. Balaguru, TANGEDCO

RECORD OF PROCEEDINGS

During the hearing, the representative of the petitioner submitted that:

(a) The Commission in its order dated 9.4.2012 has disallowed the part of the common assets amounting to ₹76.29 lakh, even though liberty was granted to the petitioner in order dated 18.12.2009 in Petition No. 13/2009 to approach the Commission to claim the disallowed portion of common assets for 2007-09 with proper justification. The disallowed portion of common assets amounting to ₹76.29 lakh may be allowed to the petitioner in continuation of the methodology already adopted by the Commission in its order dated 17.11.2008 in Petition No. 125/2007. The decision of the Commission to disallow additional capitalization for common assets on the ground that the same are minor in nature or in the nature of O&M is an error apparent in the face of the record and the order may be reviewed accordingly.

(b) In terms of the directions of the Commission in the record of proceedings dated 26.10.2010, the petitioner had submitted the claims for additional capital expenditure, after amending the petition. However, the Commission had rejected the claims of the petitioner on direct assets on the ground that the expenditure

cannot be considered under any of the provisions of Regulations 9(2) of the 2009 Tariff Regulations. The rejection of the claims of the petitioner based on Regulation 9(2) without application of Regulations 3(3), 5(2) and 7(2) is an error apparent on the face of the record and the order may be reviewed.

(c) The Commission has allowed compensation allowance under Regulation 19(e) by exercising the power under Regulation 44 of the 2009 Tariff Regulations. However, the Commission has rejected an expenditure of ₹180 lakh in 2009-10 incurred for bus bar protection as recommended by the protection subcommittee and CEA and ₹82 lakh in 2010-11 towards 220 kV & 110 kV feeder Numerical protection relays, which was carried out only as per the directions of the protection subcommittee. Some of the items including these are to be allowed under Regulation 9(2)(ii) of the 2009 Tariff Regulations. Also, some of the claims including an expenditure of ₹0.80 lakh for portable flue gas analyzer which is a statutory measurement for polluting gases in stack emission to fulfill the statutory environment norms of TNPCB is to be allowed under Regulation 9(2)(ii) of the 2009 Tariff Regulations. As these items fall under the provisions of the 2009 Tariff Regulations as stated, the disallowance of the same is an error apparent on the face of the record.

2. The learned counsel for the respondent submitted that the issues raised in the petition are in the nature of an appeal in disguise. Also, the delay of 16 days in filing the review petition has not been explained by the petitioner. As the application is time barred and since there is no error apparent on the face of record, the review application may be rejected.

3. The representative of the petitioner clarified that the review petition is not time barred and the same is within the stipulated time period considering the corrigendum order dated 1.5.2012 issued by the Commission in this case. The learned counsel for the petitioner submitted that the order dated 1.5.2012 does not materially affect the order on merits.

4. The Commission after hearing the parties reserved orders in the petition.

By order of the Commission

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