

CENTRAL ELECTRICITY REGULATORY COMMISSION
4th Floor, Chanderlok Building, 36, Janpath, New Delhi- 110001
Ph: 23753942 Fax-23753923 New Delhi

Petition No. 89/GT/2011

Date: 09.10.2013

To,

Director (Commercial),
Damodar Valley Corporation,
DVC Towers, First Floor,
VIP Road,
Kolkatta-700054

Sir,

Subject: Petition No. 89/GT/2011: Determination of tariff in respect of Mejia Thermal Power Station Units 7&8 (2x500 MW) from the respective dates of their commercial operation.

With reference to the subject mentioned above, I am directed to request you to furnish the following information on affidavit, with advance copy to the respondents, latest by **24.10.2013**:

1. The DVC Board, vide sanction Order No. 810 dated 3.12.20009, has approved the capital cost of ₹5286.27 Crore including IDC & FC and Working Capital Margin Money for the station. However, the total actual capital cost as on COD of both the Units (unit-7 & 8) has been shown as ₹5411.83 Crore. in the statement of expenditure at page 253 of the petition, duly audited and certified by the auditors. Hence, the reason for increase in the total estimated expenditure as on COD of the station along with justification shall be submitted.
2. The break-up of overheads as shown in the auditor certified statement of capital cost at page no. 254 of the petition shall be submitted.
3. The COD of Unit-7 and Unit-8 has been declared on 2.8.2011 and 16.8.2012 respectively as against their respective Scheduled COD on 31.8.2010 [Unit-7] and 16.8.2012 [Unit-8]. As such, there is time overrun of about 11 months in commissioning of Unit-7 and about 17.5 months in commissioning of Unit-8 (station). Hence, the implications of time overrun on cost overrun shall be submitted along with the details of increase in IDC & FC, price escalation in different packages, increase in IEDC, etc. Further, if delay is attributable to EPC contractor, the amount of liquidated damages (LD) recovered / to be recovered shall be submitted.
4. It has been observed that hard cost of the project is about ₹5.41 Crore/MW as against the benchmark hard cost of the project of ₹4.83 Crore/MW for both units (500 MW). Hence, the reasons for higher capital cost with documentary proof shall be submitted.
5. Amount of initial spares included in the capital cost up to COD of unit-I and the station.
6. Form-5D complete in all respects indicating the component of taxes & duties, IDC & FC, IEDC and FERV, etc may be furnished. It is also noticed from Form-5D that the Main Plant Package was awarded through negotiation. The detailed explanation for award on negotiation basis along with details of negotiations shall be submitted.

7. Form 5-E as enclosed herewith duly filled in all respects shall be submitted.
8. Form-9 complete in all respects indicating the asset-wise break-up of claim of additional capital expenditure of ₹97.52 Crore in the year 2012-13 and ₹204.20 Crore. during 2013-14 along with justification against each item shall be submitted.
9. Justification for higher claim of auxiliary power consumption of 6.83% as compared to ceiling of 6.00% for steam driven BFP with natural draft cooling towers, as per Tariff Regulations, 2009.
10. The revenue earned from infirm power excluding the cost of fuel from the synchronization of first unit shall be submitted.
11. Heat balance Diagram giving Turbine Cycle Heat Rate, Boiler efficiency at 100% MCR and 0% make up shall be submitted.
12. List of deferred works along with actual / estimated cost after COD with proper justification shall be submitted

Further action in this matter will be taken on receipt of the above information / clarification.

Yours faithfully,

Sd/-
(B. Sreekumar)
Deputy Chief (Law)

Jnit Size		
dumber of Units		
Sreenf ield/ Extension		
S.No.	Variables	(Design Operating Range) Values
1	Coal Quality -Calorific Value	
2	Ash Content	
3	Moisture Content	
4	Boiler Efficiency	
5	Suspended Particulate Matter	
6	Ash Utilisation	
7	Boiler Configuration	
8	Turbine Heat Rate	
9	CW temperature	
10	Water Source	
11	Distance of Water Source	
12	Clarifier	
13	Mode of Unloading Oil	
14	Coal Unloading Mechanism	
15	Type of Fly Ash Disposal and Distance	
16	Type of Bottom Ash Disposal and Distance	
17	Type of Soil	
18	Foundation Type (Chimney)	
19	Water Table	
20	Seismic and Wind Zone	
21	Condensate Cooling Method	
22	Desalination/RO Plant	
23	Evacuation Voltage Level	
24	Type of Coal (Domestic/Imported)	
Parameter/Variables		Values
Completion Schedule		
Terms of Payment		
Performance Guarantee Liability		
Basis of Price (Firm/Escalation-Linked)		
Equipment Supplier (Country of Origin)		
Optional Packages		Yes/no
Desalination Plant/RO Plant		
MGR		
Railway Siding		
Unloading Equipment at Jetty		
Rolling Stock/Locomotive		
FGD Plant		
Length of Transmission Line till Tie Point (in km)		

PETITIONER