

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 207/GT/2013

Subject : Approval of tariff of Mazaffarpur Thermal Power Station, Stage-I (2 X 110 MW) for the period from anticipated COD of Unit-I i.e. 30.9.2012 to 31.3.2013

Petition No. 260/GT/2014

Subject : Revision of tariff of Mazaffarpur Thermal Power Station, Stage-I (2 X 110 MW) for the period from 1.11.2013 to 31.3.2014

Date of hearing : 13.10.2014

Coram : Shri Gireesh B. Pradhan, Chairperson
Shri M. Deena Dayalan, Member
Shri A.K. Singhal, Member
Shri A.S. Bakshi, Member

Petitioner : Kanti Bijlee Utpadan Nigam Limited

Respondents : Bihar State Electricity Board

Parties present : Ms. Anushree Bardhan, Advocate, KBUNL
Ms. Poorva Saigal, Advocate, KBUNL
Shri M.K. Sinha, KBUNL

Record of Proceedings

Both the petitions were taken up for hearing today. During the hearing, the learned counsel for the petitioner submitted that the Commission by its Order dated 21.2.2014 had granted provisional tariff of the generating station from the date of commercial operation of Unit-I (1.11.2013) to 31.3.2014. The learned counsel accordingly prayed that final tariff may be determined from the actual CoD of the generating station after 1.11.2013 based on the submissions made in the petition. The learned counsel further submitted that copies of the petition have been served to the respondents.

2. None appeared on behalf of the respondents. The Commission after hearing the learned counsel directed the petitioner to submit additional information, on affidavit, with advance copy to the respondents, on or before 10.11.2014 on the following:

- (a) Gross Block as per valuation done at the time of takeover, giving reconciliation of Gross Block of Unit -I and Unit-II and gross block of common facilities separately;
- (b) Reconciliation of Gross Block of Unit-I and Unit-II as on COD of Unit-I (31.10.2013) with the books of accounts;

- (c) Scheduled completion of R&M of Unit-I as against the actual date of completion i.e. 1.11.2013;
- (d) Actual R&M expenditure incurred for Unit-I from the date of takeover to the actual COD as against the estimated expenditure;
- (e) Escalation in the price due to time overrun in respect of R&M of Unit-I;
- (f) Reasons for the delay in completion for R&M for Unit-I as against the contractual timeline, along with the amount of LD recovered from the contractor, if any, due to delay in completion of R&M for Unit-I;
- (g) Details of revenue earned (excluding fuel cost) from injection of infirm power from the date of synchronization to actual COD of Unit-I;
- (h) Initial spares capitalized as on COD of Unit-I after R&M.
- (i) Operational details of the following parameters for the period from 1.11.2013 to 31.3.2014 shall be furnished as against guaranteed improvement.
 - (i) Plant Availability Factor.
 - (ii) Gross Station Heat Rate.
 - (iii) Auxiliary power consumption.
 - (iv) Specific fuel oil consumption.
- (j) Cost benefit envisaged for taking up R&M of Unit-I and Unit-II;
- (k) Party-wise un-discharged liabilities details included in capital cost claimed;
- (l) Details of Rashtriya Sam Vikas Yojna grants received and basis of allocation of the same between the two units;
- (m) In Form 5B of the Petition 260/GT/2014, IDC claimed is ₹2.23 crore whereas, no information has been given in Form 14 of the said petition. Soft copy, in formula based excel file for detailed calculation of IDC of ₹2.23 crore, containing date of drawl of normative loan, date of repayment, rate of interest etc. shall be furnished;
- (n) Necessary details regarding normative loan showing date wise deployment of normative loan, repayment etc.;
- (o) In Form – IA of the Petition 260/GT/2014 equity due to transfer price has been shown as ₹13.68 crore whereas in auditor certificate regarding capitalisation statement on cash basis as on 31.10.2013 taken over assets has been shown as ₹16.55 crore. The details regarding balance source of funding shall be submitted;
- (p) Date wise deployment of balance equity of ₹13.01 crore;
- (q) The equity deployment as on CoD to be submitted instead of the equity deployed as on 31.3.2014;

- (r) Liability position as on CoD and capitalisation as on CoD i.e. 31.3.2014 on cash basis;
- (s) The revised forms with Petition 260/GT/2014 shall be submitted, duly certified by the Auditor.
- (t) Editable soft copy of all forms and calculations.
- (u) In Form 9A and 9B of Petition 260/GT/2014, mention the specific date, instead of mentioning general statement of relevant date, shall be mentioned;
- (v) Detailed depreciation schedule (in editable soft copy also) showing the asset wise gross block, rate of depreciation etc.;
- (w) The entire loan taken for the project has been allocated to Unit II of the generating station. Justification for charging the same rate of interest to the normative loan deployed for Unit I along with the average rate of interest paid on overall loan portfolio during the year 2013-14
- (x) In the Petition 260/GT/2014, the necessary details in Forms 14 and 14A shall be duly filled and audited.

3. The respondent shall file their reply before 20.11.2014 with an advance copy to the petitioner who shall file its rejoinder by 30.11.2014. No further extension of time shall be granted for filing of reply/rejoinder/information after the due date. In case the information/ reply/ rejoinder is not filed within the said date, the matter shall be considered based on available records.

4. The Commission reserved its order in the petition.

By order of the Commission

-S/d-
(T. Rout)
Chief (Law)