

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 236/GT/2014

Subject : Revision of tariff of Salal Hydro Electric Power Station from 1.4.2009 to 31.3.2014 after the truing up exercise and for approval of tariff of Salal Hydro Electric Power Station for the period 2014-19.

Date of hearing : 28.11.2014

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

Petitioner : NHPC Limited

Respondents : Punjab State Power Corporation Ltd. & 13 Others

Parties present : Shri Piyush Kumar, NHPC
Shri A. K. Pandey, NHPC
Shri S.K. Meena, NHPC
Shri R.B. Sharma, Advocate, BRPL

Record of Proceedings

This petition has been filed by the petitioner, NHPC Limited for approval of tariff of Salal Hydro Electric Power Station for the period 1.4.2009 to 31.3.2014 after truing up exercise in terms of Regulation 6 (1) of the 2009 Tariff Regulations and for determination of tariff for the period 2014-19 in terms of the provisions of the 2014 Tariff Regulations.

2. During the hearing, the representative for the petitioner made detailed submissions in the matter and prayed that tariff of the generating station may be revised for 2009-14 after truing-up and tariff for the period 2014-19 may be approved. The representative further submitted that additional information sought for by the Commission has been filed and copies have been served on the respondents. He however, prayed for grant of time to file rejoinder to the reply filed by respondent, BRPL.

3. The learned counsel for the respondent, BRPL submitted as under:

- (i) The claim of the petitioner for additional capital expenditure under Regulation 9 (2) (iv) for the period 2012-13 and 2013-14 which had not been allowed earlier and which has been claimed now cannot be allowed.
- (ii) The petitioner has not de-capitalised the items which are in nature of minor asset or spares, etc. This de-capitalisation is required to be adjusted in the capital cost under Regulation 7 (1) (c) of the 2009 Tariff Regulations. The exclusion of the minor items from the Capital cost for the purpose of tariff may not be allowed.

- (iii) For the period 2014-15, the petitioner has claimed additional capitalization under Regulation 14 (3) (viii) of 2014 Tariff Regulations whereas the Commission has provided various categories for claiming such capitalization whereas, most of the claims is required to be made under Regulation 14 (3) (viii) read with Regulation 14 (3) (vii) of 2014 Tariff Regulations.
- (iv) Similarly, for the period 2015-19, the claim for additional capitalization may be considered under Regulation 14 (3) (viii) read with Regulation 14 (3) (vii) of 2014 Tariff Regulations where the claim is required to be substantiated with documentary evidence and justification.

4. The Commission after hearing the parties directed the petitioner to submit details of assets not in use, if any, on affidavit, with advance copy to the respondents, on or before 15.12.2014.

5. The above information shall be submitted within the due date mentioned above. The parties shall complete the pleadings before the said date. In case the information/ rejoinder is not filed within the said date, the matter shall be considered based on available records.

6. The Commission reserved its order in the petition.

By order of the Commission

sd/-
(T. Rout)
Chief (Law)