

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 285/MP/2013

Subject : Petition under section 79 (f) of the Electricity Act, 2003 for adjudicating the dispute on the secondary fuel oil consumption rate adopted in the revised energy charge bills of NTPC stations violating the provisions of the regulation 21 (6) (a) of the CERC (Terms and Conditions of Tariff) Regulations, 2009.

Date of hearing : 17.4.2014

Coram : Shri Gireesh B. Pradhan, Chairperson
Shri A.K. Singhal, Member

Petitioner : Kerala State Electricity Board

Respondent : National Thermal Power Corporation Limited

Parties present : Shri P.V. Sivaprasad, KSEB
Shri B. Pradeep, KSEB
Shri SR Anand, KSEB
Shri S.S. Biju, KSEB
Shri M.G. Ramachandran, Advocate, NTPC
Shri Ajay Dua, NTPC
Shri Rohit Chhabra, NTPC

Record of Proceedings

Learned counsel for the respondent submitted that in terms of the 2009 Tariff Regulations, the Normative Station Heat Rate has been specified to be 2500 kCal/ kWh. Further the coal cost forming part of the energy charge rate is determined with reference to the Heat Rate specified at 2490 kCal/ kWh, after adjustments of 10 kCcal/ kWh for the Secondary Fuel Oil Consumption. If the Secondary Fuel Oil Consumption is 0.6 ml per kWh, the calculation of the heat to be generated through the coal for the energy charge rate would be 2500 kCal/ kWh minus 6 kCal/ kWh to be achieved through the Secondary Fuel Oil Consumption i.e. 2494 kCal/ kWh. The learned counsel submitted that the respondent has given concession and billed the petitioner only for 2492 kCal/ kWh and not for 2494 kCal/ kWh.

2. The representative of the petitioner requested the Commission to issue necessary directions/clarifications to the effect that the normative Secondary Fuel Oil Consumption shall be calculated by the respondent strictly in accordance with formulae specified under Regulation 21 (6) (a) of the 2009 Tariff Regulations for computing of 'Energy Charge Rate'.

3. The Commission directed the petitioner and respondent to convene a meeting to resolve the matter and file a joint or separate affidavit in this regard by 10.5.2014.

4. Subject to above, order in the petition was reserved.

By order of the Commission

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