

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 11/RP/2014

in

Petition No.12/MP/2014

Coram

Shri Gireesh B. Pradhan, Chairperson

Shri M. Deena Dayalan, Member

Shri A.K.Singhal, Member

Smt. Neerja Mathur, Member (EO)

Date of Hearing: 15.4.2014

Date of Order : 24.4.2014

In the matter of

Review of Order dated 13.2.2014 in Petition No 12/MP/2014 seeking extension of time to allow injection of infirm power for testing including full load testing upto commercial declaration of Unit-2 of Mauda STPP (500 MW) Stage I, in compliance with the directions of the Hon'ble Commission's order dated 10.10.2013 in Petition No. 179/MP/2013.

And In the matter of

NTPC Ltd
NTPC Bhawan,
Core-7, SCOPE Complex,
7, Institutional Area, Lodhi Road,
New Delhi-110003

...Petitioner

Vs

1. Madhya Pradesh Power Management Company Limited,
Shakti Bhavan, Vidyut Nagar,
Jabalpur-482 008

2. Maharashtra State Electricity Distribution Company Ltd,
'Prakashgad', Bandra (East),
Mumbai-400 051

3. Gujarat Urja Vikas Nigam Limited,
Vidyut Bhavan, Race Course,
Vadodara-390 007

4. Chhattisgarh State Power Distribution Company Ltd,
Dhagania, Raipur-492 013

5. Electricity Department,
Government of Goa,
Vidyut Bhavan, 3 rd Floor,
Panaji, Goa

6. Electricity Department,
Administration of Daman & Diu,
Daman-396 210

7. Electricity Department,
Administration of Dadra and Nagar Haveli,
Silvassa via VAPI

...Respondents

Parties present:

For Petitioner:

Shri M.G.Ramachandran, Advocate, NTPC
Ms. Anushree Bardhan, Advocate, NTPC
Ms. Poorva Saigal, Advocate, NTPC
Shri A.K.Chaudhury, NTPC
Shri A.S. Pandey, NTPC
Shri Bhupinder Kumar, NTPC
Shri Parimal Piyush, NTPC

ORDER

This petition has been filed by the petitioner, NTPC Ltd praying for the following specific relief(s):

- (a) Review the order dated 13.2.2014 passed by this Hon'ble Commission in Petition No. 12/MP/2014 to the extent of disallowance of IDC and IEDC for the extended period 15.2.2014 to 31.3.2014; and
- (b) Pass any such further or orders as the Hon'ble Commission may deem just and proper in the circumstances of the case."

2. Petition No.12/MP/2014 was filed by the petitioner seeking extension of time for injection of infirm power for the purpose of commissioning test including full load testing of Unit No. 2 of Mauda STPP (500 MW) Stage I from 10.2.2014 up to 31.3.2014. The Commission by order dated 13.2.2014

allowed the prayer of the petitioner and extended the time for injection of infirm power form Unit 2 upto 31.3.2014 for the said purpose. However, the said extension was granted subject to the condition that no IDC/IEDC would be allowed for the extended period. The relevant portion of the order dated 13.2.2014 is extracted as under:

"8.Taking into consideration the submissions of the petitioner and the documents available on record, we allow the extension of time for injection of infirm power into the grid for the purpose of commissioning tests including full load test of Unit-2 from 10.2.2014 up to 31.3.2014 subject to the condition that no IDC/IEDC shall be allowed for the extended period.

3. Aggrieved by the said order, this review application has been filed by the petitioner with the prayers as mentioned in para 1 above. The petitioner, in this petition, has pointed out that there is error apparent in the face of the order and has submitted that the condition imposed in order dated 13.2.2014 not to allow IDC/IEDC is outside and unrelated to the scope of proceedings for extension of time for injection of infirm power. It has also been submitted that the issue of IDC/IEDC relate to project cost to be considered at the date of commercial operation and is dependent on the scrutiny of the project cost by the Commission including the reasons for delay, if any, occurred in the commercial operation of Unit-2 and whether such delay is attributable to the petitioner or not as per practice, for the purpose of determination of tariff. It has further been submitted that there is no nexus in regard to the eligibility of IEDC/IDC in the capitalisation of project cost for the purpose of tariff and extension of time for injection of power. Accordingly, it has been prayed by the petitioner that the non-grant of IEDC/IDC should not be imposed at this stage as a condition for extension of time for injection of infirm power.

4. Heard the learned counsel for petitioner on "admission". During the hearing, the learned counsel reiterated the submissions made in the petition and contended that the condition imposed by

the Commission not to allow IEDC/IDC for the extended period is an error apparent on the face of the order. He accordingly prayed that the order dated 13.2.2014 may be corrected and review application be allowed.

5. We have examined the submissions of the petitioner. The Commission in its order dated 13.2.2014 had allowed extension of time to the petitioner for injection of infirm power from the said unit from 10.2.2014 to the date of commercial operation (i.e 31.3.2014) as prayed for by the petitioner, subject to the disallowance of IDC/IEDC for the extended period. According to the petitioner, the disallowance of IEDC/IDC is outside the scope of the proceedings for extension of time for injection of power. The petitioner has also contended that the IEDC/IDC form part of the capital cost of the project and the same shall be examined by the Commission at the time of determination of tariff considering all factors including the reasons for delay in commercial operation and disallowance of IEDC/IDC in the impugned order for the extended period will operate as a bar on consideration of the admissibility of IEDC/IDC on merits at the time of determination of tariff We find merit in the submissions of the petitioner. The decision to allow extension of time for injection of infirm power upto the date of commercial operation of Unit-2 of the generating station would not automatically entitle the petitioner for IEDC/IDC during the extended period, unless the delay in commercial operation of the said unit is examined on merits, after considering the reasons submitted by the petitioner. This aspect has not been duly reflected in the order dated 13.2.2014 while directing that the IEDC/IDC for the extended period would be disallowed. We consider it as an error apparent on the face of the record which needs to be rectified. In view of this, the issue of IEDC /IDC for the extended period from 10.2.2014 to 31.3.2014 shall be considered at the time of determination of tariff based on the submissions of the petitioner and beneficiaries.

6. Accordingly, we direct that the sentence "*subject to the condition that no IDC/IEDC shall be allowed for the extended period*" appearing in line 7 of para 8 of order dated 13.2.2014, stands deleted and shall be substituted by the sentence "*The extension of time granted as above shall not automatically entitle the petitioner for IEDC/IDC for the delay in declaration of COD from the scheduled COD and the same shall be considered on merits at the time of determination of tariff of the unit/project*".

7. Except the above, all other terms in the order dated 13.2.2014 shall remain unchanged.

8. Review Petition is accordingly disposed of at the admission stage.

Sd/-
[Smt. Neerja Mathur]
Member

Sd/-
[A.K.Singhal]
Member

Sd/-
[M. Deena Dayalan]
Member

Sd/-
[Gireesh B.Pradhan]
Chairperson