

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 16/RP/2014

in

Petition No. 188/GT2013

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

Date of Hearing: 24.7.2014

Date of Order: 5.8.2014

In the matter of

Review of order dated 15.5.2014 in Petition No.188/GT/2013 revising the tariff of Singrauli Super Thermal Power Station, (2000 MW) for the period from 1.4.2009 to 31.3.2014.

And in the matter of

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

...**Petitioner**

Vs

1. Uttar Pradesh Power Corporation Ltd
Shakti Bhawan,
14, Ashok Road,
Lucknow – 226001

2. Jaipur Vidyut Vitran Nigam Ltd
Vidyut Bhawan, Janpath,
Jaipur – 302205

3. Ajmer Vidyut Vitran Nigam Ltd
Old Power House,
Hatthi Bhatta, Jaipur Road,
Ajmer – 305001

4. Jodhpur Vidyut Vitran Nigam Ltd
New Power House, Industrial Area,
Jodhpur – 342003

5. Tata Power Delhi Distribution Ltd
33 kV Sub-station, Kingsway Camp,
Delhi –110009



6. BSES Rajdhani Power Ltd
BSES Bhawan, Nehru Place,
New Delhi – 110019
7. BSES Yamuna Power Ltd
BSES Bhawan, Nehru Place,
New Delhi – 110 019
8. Haryana Power Purchase Centre,
Shakti Bhawan, Sector, 6
Panchkula – 134109
9. Punjab State Power Corporation Ltd
The Mall, Secretariat Complex,
Patiala – 147 001
10. Himachal Pradesh State Electricity Board,
Vidyut Bhawan, Kumar House,
Shimla-171004
11. Power Development Department,
Government of J&K,
Secretariat, Srinagar-19009
12. Power Department,
Union Territory of Chandigarh,
1st Floor, UT Secretariat, Sector 9D,
Chandigarh – 160009
13. Uttarakhand Power Corporation Ltd
Urja Bhawan, Kanwali Road,
Dehradun – 248001

....Respondents

Parties present:

Shri Ajay Dua, NTPC
Shri A.S.Pandey, NTPC
Shri Vivek Kumar, NTPC

INTERIM ORDER

This application has been made by the petitioner, NTPC Ltd, for review of order dated 15.5.2014 in Petition No. 188/GT/2013 whereby the Commission had revised the tariff of Singrauli Super Thermal Power Station, (2000 MW) in terms of the proviso to Regulation 6(1) of the 2009 Tariff Regulations for the period from 1.4.2009 to 31.3.2014.

2. Aggrieved by the said order, the petitioner has sought review of the said order dated 15.5.2014 on the ground of error apparent on the face of the order, raising the following issues:

(a) Computation of de-capitalized value of spares as part of capital cost for 2011-12 as ₹464.75 instead of ₹384.29 lakh, as claimed in tariff petition; and

(b) Disallowance of the rate of interest of 8.5% and 8.7481% for the loans from Life Insurance Corporation of India, as claimed by NTPC.

3. Heard the representative of the petitioner on 'admission'. Review Petition is admitted on the issue raised in para 2(a) above. As regards the issue in para 2(b) above, the same has not been admitted for the reasons stated in the subsequent paragraph.

Disallowance of the rate of interest of 8.5% and 8.7481% for the loans from Life Insurance Corporation of India, as claimed by NTPC

4. The Commission in its order dated 15.5.2014 had allowed the rate of interest of 8.5230% and 8.7281% against the rate of interest of 8.54% and 8.7481% indicated by NTPC in Form-13 for the loan from Life Insurance Corporation of India (LIC-III T4D1 and LIC-III T4D4). NTPC has pointed out that the Commission while calculating the interest on loan did not take into account the submissions made by NTPC in affidavit dated 5.7.2013 as regards the difference in the rate of interest as provided in Form-8 (8.5230% and 8.7281% respectively) and Form-13 (8.54% and 8.7481% respectively). NTPC has submitted that the difference was on account of payment of upfront fee of 0.20% and applicable service taxes and the same appear to have been overlooked by the Commission while computing the interest on loan. NTPC has further submitted that the Commission in its order dated 7.8.2012 in Petition No. 225/2009 has considered the rate of interest of 8.54% and 8.7481% in case of loan from LIC-III (T4D1) and LIC-III (T4D4) respectively while calculating the weighted average rate of interest on loan. Accordingly, the petitioner has submitted that there is error apparent on the face of the record or otherwise sufficient reason for review of the order on this aspect.

5. We have examined the submissions of the petitioner. The petitioner in petition had claimed additional rate of interest @0.20% by way of upfront fees for LIC-III (T4D1) and LIC-III (T4D4). On scrutiny of Form-8 in respect of the above said loans, it was observed that the same loans were also allocated to various other generating stations such as Vindhyachal STPS, Stage-III, where no additional interest of 0.20% had been claimed by the petitioner. Moreover, in the absence of documentary evidence, the claim of upfront fees in

respect of other generating stations of the petitioner had been disallowed by the Commission in its various orders, which had not been challenged by the petitioner. Accordingly, the Commission, following the consistent methodology of not allowing upfront fees to the generating stations of the petitioner, had disallowed the same in order dated 15.5.2014, while working out the weighted average rate of interest on loan. In our view, there is no error apparent on the face of the order and review on this count is not maintainable.

6. The petitioner is directed to serve copy of the application for review, along with this order, on the respondents, latest by 14.8.2014. The respondents may file their replies by 22.8.2014, with advance copy to the petitioner, who may file its rejoinder, if any, by 29.8.2014. No further extension of time shall be granted for filing of replies/rejoinder.

7. Matter shall be listed for final hearing on 11.9.2014.

Sd/-
[A.K.Singhal]
Member

Sd/-
[M. Deena Dayalan]
Member

Sd/-
[Gireesh B.Pradhan]
Chairperson