

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 9/RP/2014
in
Petition No. 204/GT/2011

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

Date of Hearing: 01.4.2014
Date of Order: 15.4.2014

In the matter of

Review of Order dated 21.1.2014 in Petition No.204/GT/2011 regarding approval of generation tariff of Farakka Super Thermal Power Station, Stage-III (1 x 500 MW) for the period from the actual date of commercial operation COD (4.4.2012) 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. West Bengal State Electricity Distribution Co. Ltd.
Vidyut Bhawan, Block-DJ, Sector-II,
Salt Lake City, Kolkata-7000091
2. Bihar State Electricity Board
Vidyut Bhawan, Bailey Road
Patna-800001
3. Jharkhand State Electricity Board
Engineering Bhawan, Heavy Engineering Corporation
Dhurwa, Ranchi-834004
4. GRIDCO Ltd.
Vidyut Bhawan, Janpath
Bhubaneswar-751007
5. Damodar Valley Corporation
DVC Towers, VIP Road
Kolkata-700054
6. Power Department, Government of Sikkim,
Kazi Road, Gangtok, Sikkim-737101

...**Respondents**



Parties present:

Shri M.G.Ramachandran, Advocate, NTPC
Ms. Poorva Saigal, Advocate, NTPC
Ms. Anushree Bardhan, Advocate, NTPC
Shri A.Basu Roy, NTPC
Shri Umesh Ambati, NTPC

ORDER

This application has been made by the petitioner, NTPC Ltd, for review of order dated 21.1.2014 in Petition No. 204/GT/2011, whereby the Commission had determined the tariff of Farakka Super Thermal Power Station, Stage-III (1 x 500 MW) (hereinafter "the generating station") for the period from the actual date of commercial operation COD (4.4.2012) to 31.3.2014

2. Aggrieved by the said order, the petitioner has sought review of the said order dated 21.1.2014 on the ground of error apparent on the face of the order, raising the following issues:

- (i) The cost over run for the delay of 14 months have to be shared equally between NTPC and the beneficiaries on the ground that NTPC cannot be absolved of its responsibility, even though the delay was for reasons not attributable to NTPC;
- (ii) Not allowing the delay of 1 month on account of the Parliamentary Elections in 2009;
- (iii) Non-consideration of the delay of 2 months due to the damaged sluice gate as a force majeure event;
- (iv) Disallowance of ₹2132 lakh on pro rata basis as increase in the contract price due to escalation of cost for the period of delay of 14 months for the main plant turnkey package and the main plant civil work package;
- (v) Disallowance of ₹7920.52 lakh (50% of ₹15841.04 lakh to be shared equally between NTPC and the beneficiaries) as cost overrun towards Interest During Construction & Financing Charges;
- (vi) Non-consideration of the start date for interest calculation in few Bond Series;
- (vii) Calculation of the weighted average rate of coal as ₹3494.27 per MT instead of the recomputed ₹3544.99 per MT;
- (viii) Non-consideration of the increase in water charges;

- (ix) Non consideration of relaxation of Target Availability to 80%;
- (x) Disallowance of ₹760.18 lakh as Cost overrun due to time overrun for IEDC;
- (xi) Surveillance fee of 0.03% paid by the petitioner in all bond series to be considered in calculation of weighted average rate of interest;
- (xii) In case of PFC-V loan, D-22 repayment has not been considered in calculations at Form – 13;
- (xiii) Values at depreciation computation table at para 61 of the order is different from the Annual Fixed Charge components considered in the order.
3. Heard the learned counsel for the petitioner on 'admission'. Admit. Issue notice.
4. The petitioner is directed to serve copy of the application for review, along with this order, on the respondents, latest by 17.4.2014. The respondents may file their reply by 24.4.2014, with advance copy to the petitioner, who may file its rejoinder, if any, by 28.4.2014.
5. Matter to be listed for final hearing on 6.5.2014.

Sd/-
[A.K.Singhal]
Member

Sd/-
[M. Deena Dayalan]
Member

Sd/-
[Gireesh B.Pradhan]
Chairperson