

**CENTRAL ELECTRICITY REGULATORY COMMISSION  
NEW DELHI**

**Petition No. 143/MP/2015**

Subject : Petition under Section 79 of the Electricity Act, 2003 for providing clarification on sharing of capacity charges among beneficiaries of the generating station as per Regulation 30 (4) of Central Electricity Regulatory Commission (Terms and Conditions of tariff) Regulations, 2014 read with Regulation 42 of the Central Electricity Regulatory Commission (Terms and Conditions of tariff) Regulations, 2014.

Date of hearing : 23.7.2015

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

Petitioner : NTPC Limited

Parties present : Shri Ajay Dua, NTPC  
Shri P. Piyush, NTPC  
Shri Arun Meena, NTPC

**Record of Proceedings**

The representative of the petitioner submitted that the present petition has been filed seeking clarification for sharing of capacity charges among beneficiaries of generating station as per Regulation 30 (4) of Central Electricity Regulatory Commission (Terms and Conditions of tariff) Regulations, 2014 (2014 Tariff Regulations). The representative of the petitioner further submitted as under:

(a) 2014 Tariff Regulations have two types of billing elements, one is monthly in nature i.e. energy charges which are based on the price and GCV of fuel related to the month and other is annual in nature i.e. capacity charges. The capacity charges are yearly charges in Rs/year and are adjusted based on annual availability of the generating station.

(b) The methodology of computation of capacity charges payable beneficiary-wise on cumulative basis had been in vogue since the introduction of the two part tariff by the Government of India in 1992 and up to the tariff period 2004-09. However, during the tariff period 2009-14, the methodology of computation of capacity charges was changed from cumulative to monthly basis

wherein the recovery of monthly capacity charges from the beneficiary was linked to the monthly entitlements.

(c) Month to month plant availability may vary depending upon annual plant maintenance schedule during a year or due to various other factors, therefore the recovery of capacity charges of current month has been linked with the previous month (period) availability of ensuring recovery of AFC and accordingly sharing of capacity charges of current month among the beneficiaries is also linked with entitlement up to the previous month (period) availability for ensuring recovery of AFC. Accordingly, sharing of capacity charges of current month among beneficiaries is also linked with entitlement upto the previous month (period) for correct and justified sharing of capacity charges among beneficiaries.

(d) The representative of petitioner requested the Commission to clarify that the beneficiaries are liable to pay the capacity charges in the ratio of allocations up to the month and not restricted to the availability/entitlement during the said month.

4. The Commission observed that since the relevant regulations are being interpreted differently by different RPCs, there is a requirement to hear the RPCs before taking a view in the matter. Accordingly, the Commission directed the petitioner to implead all RPCs as parties to the petition and serve copy of the petition on them. The Commission also directed to issue notice to all Regional Power Committees who shall file their replies to the petition by 21.8.2015 with an advance copy to the petitioner who may file its rejoinder, if any, by 10.9.2015.

5. The petition shall be listed for hearing on 15.9.2015.

**By order of the Commission**

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