CENTRAL ELECTRICITY REGULATORY COMMISSION NEW DELHI

Petition No. 287/GT/2014

Subject: Determination of tariff for Anta Gas Power Station (419.33 MW)

for the period 2014-19.

Date of hearing : **8.10.2015**

Coram : Shri Gireesh. B. Pradhan, Chairperson

Shri A.K.Singhal, Member Shri A.S. Bakshi, Member Dr. M.K Iyer, Member

Petitioner : NTPC

Respondents : Uttar Pradesh Power Corp. Ltd. & 12 Others

Parties present : Shri Ajay Dua, NTPC

Shri S.P Kesarwani, NTPC Shri A.K Bishoi. NTPC

Shri T. Vinodh Kumar, NTPC Shri Rajeev Choudhary, NTPC Shri R.B. Sharma, Advocate, BRPL

Shri Pradeep Misra, Advocate, Rajasthan Discoms

Shri Manish Garg, UPPCL

Record of Proceedings

This petition has been filed by the petitioner, NTPC for approval of tariff of Anta Gas Power Station (419.33 MW) for the period from 1.4.2014 to 31.3.2019, based on the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2014 ("the 2014 Tariff Regulations").

- 2. During the hearing, the representative of the petitioner made detailed submissions in the matter and accordingly, prayed that tariff of the generating station may be determined in terms of the 2014 Tariff Regulations. He however, prayed grant of time to file rejoinder to the reply filed by respondent, BRPL.
- 3. The representative for respondent, UPPCL mainly submitted as under:
 - (i) Water consumption needs to be determined on normative basis based on designed capacity less reduction on various water conversation measures. The contention of the petitioner that water charges shall be allowed on actuals may be rejected. While rate is determined by State government and hence an uncontrollable factor, quantity of water consumed is based on designed capacity of the plant and hence, a controllable factor.

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- (ii) The petitioner may be directed to submit statement of computation of effective tax rate.
- (iii) The petitioner has failed to make adjustments for capital spares forming part of normative O&M norms and decapitalization.
- (iv) Expenditure towards Inlet Air Cooling System was not considered by the Commission in its order dated 15.5.2014 in Petition No. 139/GT/2013, hence the said expenditure may not be allowed in the present case as no benefit shall accrue to beneficiaries.
- (v)Reply filed in the matter may be considered.
- 4. The learned counsel for respondent, BRPL submitted as under:
 - (i) The assets forming part of the project, but not in use, are required to be excluded from the capital cost and petitioner may be directed to submit details of such assets not in use.
 - (ii) The petitioner has not filed any technical justification duly supported by documentary evidence like test results carried out by an independent agency in case of deterioration of assets, as mentioned under Regulation 14 (3) (vii) of the 2014 Tariff Regulations.
 - (iii) Reply filed in the matter may be considered.
- 5. The Commission after hearing the parties directed the petitioner to file additional information on affidavit, by 30.10.2015, with advance copy to the respondents on the following:
 - (i) Documentary evidence justifying the claim for projected additional capital expenditure under Regulation 14 (3) (ii) and Regulation 14 (3) (iii).
 - (ii) Approval of the Board of Directors of the Petitioner's company or any other Competent authority, along with delegation of powers for the projected additional capital expenditure claimed.
 - (iii) The actual water consumption for last 5 years for the period from 2009 to 2014 along with relevant notification, in support of the claim for water charges.
 - (iv) The details of consumption of capital spares for the last 5 years from 2009 to 2014 along with list of spares consumed. Any abnormal variation (on year to year basis), if any, shall also be indicated with reasons.
 - (v) Certificate to the effect that all assets of the gross block as on 1.4.2014 are in service. In case any asset has been taken out from service, the same should be indicated along with the date of putting the asset in use, the date of taking out the asset from service, along with the depreciation recovered.
 - (vi) Copy of Income Tax Return for the year 2014-15.

- (vii) Reconciliation of effective tax rate claimed for the year 2014-15 with the books of accounts and Income tax return for the corresponding year.
- 6. The above information shall be submitted within the due date mentioned above. In case the information/ rejoinder is not filed within the said date, the matter shall be considered based on available records.
- 7. Subject to the above, order in the petition is reserved.

By Order of the Commission

-Sd/-(T. Rout) Chief (Legal)

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