

**CENTRAL ELECTRICITY REGULATORY COMMISSION  
NEW DELHI**

**Petition No. 237/GT/2014**

**Coram:**

**Shri Gireesh B. Pradhan, Chairperson**

**Shri A. K. Singhal, Member**

**Shri A.S. Bakshi, Member**

**Date of Order : 4.12.2015**

**IN THE MATTER OF**

Corrigendum to order dated 4.9.2015

**In the matter of**

Revision of Annual Fixed Charges for the period 2012-14 after truing-up exercise and Determination of annual fixed charges for the period 2014-19 in respect of Chamera-I Hydroelectric Power Station

**And**

**In the matter of**

NHPC Limited  
NHPC Office Complex,  
Sector-33, Faridabad,  
Haryana-121003

**...Petitioner**

Vs

1. Punjab State Power Corporation Limited  
The Mall, Secretariat Complex,  
Patiala – 147001
2. Haryana Power Purchase Centre,  
Shakti Bhawan, Sector, 6  
Panchkula – 134109
3. BSES Rajdhani Power Ltd  
BSES Bhawan, Nehru Place,  
New Delhi – 110019
4. BSES Yamuna Power Ltd  
BSES Bhawan, Nehru Place,  
New Delhi – 110 019
5. Tata Power Delhi Distribution Ltd  
33 kV Sub-station, Kingsway Camp,  
Delhi –110009
6. Himachal Pradesh State Electricity Board,  
Vidyut Bhawan, Kumar House,  
Shimla-171004



7. Uttar Pradesh Power Corporation Ltd  
Shakti Bhavan, 14, Ashok Marg, Lucknow – 226001

8. Rajasthan Rajya Vidyut Prasaran Nigam Ltd.  
Vidut Bhavan, Janpath,  
Jyoti Nagar, Jaipur-302005

9. Jaipur Vidyut Vitaran Nigam Ltd.,  
Vidut Bhavan, Janpath,  
Jaipur – 302005

10. Jodhpur Vidyut Vitaran Nigam Ltd.  
New Power House, Industrial Area,  
Jodhpur – 342003

11. Ajmer Vidyut Vitaran Nigam Ltd.  
Old Power House, Hatthi Bhatta,  
Jaipur Road, Ajmer – 305001

12. Uttaranchal Power Corporation Ltd,  
UrjaBhawan, Kanwali Road,  
Dehradun-248001

13. Engineering Department, UT Secretariat,  
UT Secretariat, Sector 9D  
Chandigarh-160009

14. Power Development Department,  
New secretariat,  
Jammu-180001 (J&K)

**...Respondents**

### **Corrigendum**

By order dated 4.9.2015, the Commission had revised the annual fixed charges of the generating station for the period 2004-09 and 2009-14 and had determined the tariff for the period 2014-19, considering the directions contained in the judgment of the Appellate Tribunal for Electricity dated 5.2.2008 in Appeal No. 84/2007 and the Tariff Regulations.

2. It is noticed that the tariff of the generating station for the period 2012-14 and 2014-19 was allowed considering the revision of the debt-equity ratio in terms of the judgment of the Tribunal dated 5.2.2008. However, the impact of the revised debt-equity ratio on the annual fixed charges for the period 2009-12 was inadvertently not mentioned in order dated 4.9.2015. In addition, there has been linkage error in opening balance of accumulated depreciation as on



1.4.2009. This in our view is an error apparent on the face of the order dated 4.9.2015 and hence the same is required to be rectified.

3. Accordingly, in terms of the Regulation 111 read with Regulation 103 A of the Conduct of Business Regulations 1999, the order dated 4.9.2015 is modified as stated in the subsequent paragraphs.

4. The following components of tariff stand modified as under:

#### Return on Equity

	(₹ in lakh)				
	2009-10	2010-11	2011-12	2012-13	2013-14
Gross Notional Equity	63021.93	63226.68	63217.65	63271.14	63323.69
Addition due to Additional Capitalisation	204.75	(-)9.03	53.50	52.55	41.35
Closing Equity	63226.68	63217.65	63271.14	63323.69	63365.04
Average Equity	63124.30	63222.16	63244.40	63297.42	63344.37
Return on Equity (Base Rate )	15.500%	15.500%	15.500%	15.750%	16.500%
Tax rate	33.990%	33.218%	32.445%	20.008%	20.961%
Rate of Return on Equity	23.481%	23.210%	22.944%	19.689%	20.876%
Return on Equity	<b>14822.22</b>	<b>14673.86</b>	<b>14510.79</b>	<b>12462.63</b>	<b>13223.77</b>

#### Depreciation

	(₹ in lakh)				
	2009-10	2010-11	2011-12	2012-13	2013-14
Gross Block as on 31.3.2009	203272.04	203954.55	203924.44	204102.76	204277.93
Additional capital expenditure during 2009-14	682.51	(-)30.11	178.32	175.17	137.82
Closing gross block	203954.55	203924.44	204102.76	204277.93	204415.75
Average gross block	203613.30	203939.50	204013.60	204190.35	204346.84
Land Related Cost	2504.85	2504.85	2504.85	2504.85	2504.85
Depreciable Value	180997.60	181291.18	181357.88	181516.95	181657.79
Balance Useful life of the asset	20.08	19.08	18.08	17.08	16.08
Remaining Depreciable Value	83086.71	79507.35	75531.08	71520.42	67562.05
Depreciation	<b>4137.08</b>	<b>4166.31</b>	<b>4176.82</b>	<b>4186.54</b>	<b>4200.73</b>

#### Interest on working capital

	(₹ in lakh)				
	2009-10	2010-11	2011-12	2012-13	2013-14
Maintenance Spares	1334.70	1411.05	1491.76	1577.09	1667.30
O & M expenses	741.50	783.92	828.76	876.16	926.28
Receivables	4782.93	4851.73	4919.94	4672.67	4909.83
Total	6859.13	7046.69	7240.45	7125.92	7503.40
<b>Interest on Working Capital @ 12.25%</b>	<b>840.24</b>	<b>863.22</b>	<b>886.96</b>	<b>872.92</b>	<b>919.17</b>



5. Based on above the annual fixed charges determined by order dated 11.11.2013 in Petition No. 125/2013 and by order dated 4.9.2015 in Petition No. 237/GT/2014 for the period 2009-14 stand modified as under:

	<i>(₹ in lakh)</i>				
	<b>2009-10</b>	<b>2010-11</b>	<b>2011-12</b>	<b>2012-13</b>	<b>2013-14</b>
Return on Equity	14822.22	14673.86	14510.79	12462.63	13223.77
Interest on Loan	0.00	0.00	0.00	0.00	0.00
Depreciation	4137.08	4166.31	4176.82	4186.54	4200.73
Interest on Working Capital	840.24	863.22	886.96	872.92	919.17
O & M Expenses	8898.02	9406.98	9945.06	10513.92	11115.31
<b>Annual Fixed Charges</b>	<b>28697.57</b>	<b>29110.37</b>	<b>29519.63</b>	<b>28036.02</b>	<b>29458.98</b>

6. Consequent upon the above, the annual fixed charges determined for the generating station for the period 2014-19 by order dated 4.9.2015 shall be revised at the time of triung-up of tariff in terms of the provisions of the 2014 Tariff Regulations.

7. All other conditions of the order dated 4.9.2015 remain unchanged.

**-Sd/-**  
**(A.S. Bakshi)**  
**Member**

**-Sd/-**  
**(A.K. Singhal)**  
**Member**

**-Sd/-**  
**(Gireesh B. Pradhan)**  
**Chairperson**

