

**CENTRAL ELECTRICITY REGULATORY COMMISSION  
NEW DELHI**

**Petition No. 005/MP/2016**

Subject : Petition under Section 79(1) (f) of the Electricity Act, 2003 for adjudication of dispute between NHPC Limited and UP Power Corporation Limited regarding interpretation of Regulation 5 (3) of the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2009.

Date of hearing : 23.2.2016

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

Petitioner : NHPC Limited

Respondent : Uttar Pradesh Power Corporation Limited

Parties present : Shri A.K. Pandey, NHPC Ltd.  
Shri Shubhalakshmi Gupta, NHPC Ltd.  
Shri Rajiv Srivastava, Advocate, UPPCL

**Record of Proceedings**

The representative of the petitioner submitted that the present petition has been filed for adjudication of dispute between NHPC and UPPCL regarding interpretation of Regulation 5 (3) of the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2009 (2009 Tariff Regulations). The representative of the petitioner further submitted as under:

(a) The petitioner is currently operating 14 Hydro generating Stations in the Northern Region with an aggregated capacity of 4180 MW and supplying power to 13 beneficiaries/ Discoms including UPPCL.

(b) As per Regulation 5(3) of 2009 Tariff Regulations, 2009, the generating company is required to continue to provisionally bill the beneficiaries with the tariff approved by the Commission and application as on 31.3.2009 for the period starting from 1.4.2009 till approval of tariff by the Commission in accordance with these regulations. In accordance with the said provision, the petitioner raised

provisional bills on the beneficiaries from 1.4.2009 based on the approved tariff as on 31.3.2009.

(c) The Commission, through the amendment in 2009 Tariff Regulations on 2.5.2011 and 21.6.2011, changed in the interest rate applicable for settlement of excess/shortfall in AFC pertaining to financial years 2009-10 to 2013-14. Accordingly, the petitioner raised supplementary energy bills on the beneficiaries to give effect to change of interest rate.

(d) After issuance of tariff orders by the Commission in respect of Salal, Chamera-I and Chamera-II generating stations, the petitioner also raised supplementary bills on the beneficiaries for recovery of difference in AFC with interest. None of the beneficiaries raised objection against the methodology adopted by NHPC. Even, payment of these bills have been made and verified by the beneficiaries including UPPCL. However, UPPCL vide its letters dated 11.4.2013 and 18.5.2013 has raised objection on applicability of interest rates in successive years.

2. Learned counsel for UPPCL requested for two weeks time to file its reply to the petition.

3. After hearing the parties, the Commission admitted the petition and directed to issue notice to the respondent.

4. The Commission directed the petitioner to serve copy of the petition on the respondent, if already not served, immediately. The respondent was directed to file its reply, on affidavit, by 18.3.2016 with an advance copy to the petitioner, who may file its rejoinder, if any, on or before 31.3.2016. The Commission directed that due date of filing the reply and rejoinder should be strictly complied with. No extension shall be granted on that account.

5. The petition shall be listed for hearing on 21.4.2016.

**By order of the Commission**

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