

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 288/GT/2014

Subject : Determination of tariff for Badarpur Thermal Power Station (BTPS)
705 MW (3 x 95 + 2 x 210) for the period 1.4.2014 to
31.03.2019.

Date of Hearing : 20.5.2016

Coram : Shri A. S. Bakshi, Member
Dr. M. K. Iyer, Member

Petitioner : National Thermal Power Station (NTPC)

Respondents : Tata Power Delhi Distribution Ltd. and 4 others

Parties present : Shri Ajay Dua, NTPC
Shri Nishant Gupta, NTPC
Shri E. P. Rao, NTPC
Shri P. Chaturvedi, NTPC
Shri Bhupinder Kumar, NTPC
Shri T. Vinodh Kumar, NTPC
Shri Rajeev Choudhary, NTPC
Shri AloI Shankar, Advocate, TPDDL
Shri R. B. Sharma, Advocate, BRPL
Shri Manish Garg, BYPL
Shri Abhishek Srivastava, BYPL
Shri Kanishk Khetrupal, BRPL
Shri Nishant Grover, BYPL
Smt Megha Bajpai, BRPL
Shri Sanjay Srivastava, BRPL

Record of Proceedings

The representative of the petitioner submitted that the instant petition is filed for determination of tariff of Badarpur Thermal Power Station for the period 2014-19 tariff period.

2. The learned counsel for BYPL submitted that reply to the petition has already been filed. He further made the following submissions:-

(a) Sought the commissioning details of the instant asset and requested that tariff should be made payable as and when the asset gets commissioned and starts giving benefit;

(b) There has been significant increase in the augmentation of ESP from ₹38 crore to ₹64 crore and the petitioner has not given any reasons for the same.



The petitioner should give reasons for the cost over-run. The petitioner has not considered the decapitalised amount and the petitioner should give the amount of decapitalisation;

(c) There is significant cost over-run in case of Integrated closed cycle CW system, from ₹160 crore to ₹259 crore. The amount of de-capitalization considered is only ₹36 lakh, however it should be 10% of the capitalized amount. The petitioner should submit when the element was put to use and tariff should be allowed only from the element was commissioned;

(d) The cost of Augmentation of Coal Loading System is substantially higher than the actual and the petitioner has not given the details for the same. The petitioner has not considered the amount of decapitalisation;

(e) The petitioner has claimed additional capitalization towards dozers, locomotives etc., these were not anticipated during R&M proposal and hence they were not approved;

(f) Water charges should be allowed on actual and the water charges should be determined as per Regulation 29(2) of the 2014 Tariff Regulations:

(g) R&M expenditure has increased from ₹272 crore in 2005 to ₹741 crore in 2009 and further it is likely to go to ₹1000 crore by the time the R&M activity is completed. The learned counsel requested to set upper ceiling norms keeping in view the age of the generating station and recovery period of the expenditure; and

(h) Variable cost of NTPC is on a higher side and hence power is not being scheduled. Still, the fixed charges have to be paid by Delhi Discoms even if they are not consuming the power from BTPS.

3. The representative of the petitioner submitted that the elements are not de-capitalized simultaneously along with the capitalization and the estimated de-capitalization is generally 10% of capitalized asset. He further submitted that when actual de-capitalization amount is available that is adjusted with estimated de-capitalization.

4. The Commission after hearing the parties directed the petitioner to file the following additional information on affidavit, by 15.6.2016, with advance copy to the respondents:-

(i) Details of CEA approved R & M scheme and other than CEA approved schemes head wise along with approved cost for each head, value of work completed in 2009-14 and Value of work incurred/ proposed in 2014-19 in the following format.



Sl. No.	Head of work/ Equipment/ Package	Approved cost (₹ lakh)	Value of work completed in 2009-14 (₹ lakh)	Value of work incurred/ proposed in 2014-19 (₹ lakh)
1				
2				
3				

5. The Commission further directed the petitioner to submit rejoinder to the reply filed by BYPL by 15.6.2016, failing which the matter would be decided on the basis of the information already available on record.

6. Subject to the above, order in the petition was reserved.

By order of the Commission

-Sd/-
V. Sreenivas
Dy. Chief (Law)

