

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No.165/GT/2017

Subject : Petition for approval of generation tariff of Koteswar Hydroelectric project (KHEP) (4 x 100 MW) for the period from 1.4.2011 to 31.3.2014

Petition No.117/GT/2018

Subject : Petition for approval of generation tariff of Koteswar Hydroelectric project (KHEP) (4 x 100 MW) for the period from 1.4.2014 to 31.3.2019

Petitioner : THDC India Limited

Respondent : PSPCL & Ors.

Date of hearing : **22.5.2018**

Coram : Shri P.K.Pujari, Chairperson
Shri A.K. Singhal, Member
Shri A.S. Bakshi, Member
Dr. M.K. Iyer, Member

Parties present : Shri M.G.Ramachandran, Advocate, THDC
Ms. Anushree Bardhan, Advocate, THDC
Ms. Poorva Saigal, Advocate, THDC
Shri Mukesh Kumar Verma, THDC
Shri Sarosh M. Siddiqui, THDC
Shri Ajay K. Malhui, THDC
Shri Abhishek Upadhyay, Advocate, TPDDL
Shri Varun Shankar, Advocate, TPDDL
Shri R.B. Sharma, Advocate, BRPL
Ms. Megha Bajpeyi, BRPL

Record of Proceedings

These petitions were taken up for hearing today.

2. At the outset, learned counsel for the respondent, TPDDL pointed out that there is difference in additional capital expenditure claimed by the petitioner as against the additional capital expenditure approved by the CCEA. He however, submitted that respondent has filed its reply in the matter and same may be considered while determining the tariff of the generating station.

3. The learned counsel for the petitioner clarified that though there is minor variation in the claims made by the petitioner, the overall expenditure claimed is within the cost approved by CCEA.



4. The learned counsel for Respondent, BRPL mainly submitted that the petitioner has not furnished the capital cost of the project duly vetted by the Designated Independent Authority (DIA) in terms of the guidelines specified by the Commission. He further submitted that design energy set out in Techno-Economic Clearance (TEC) of CEA may be considered for determining the tariff. He however, submitted that Commission's order dated 16.4.2013 in Petition No. 250 of 2010, regarding claim towards modification of design energy was challenged before the Appellate Tribunal and the same was rejected by Tribunal vide judgement dated 29.5.2015 in Appeal No. 103 of 2014. Learned counsel clarified that in the event of modification of design energy, the benefits of secondary energy level upto the design energy, approved by TEC of CEA may not be considered. He also submitted that the reply filed in the matter may be considered at the time of determination of tariff of the generating station.

5. In response, the learned counsel for the petitioner clarified that the guidelines for vetting of capital cost by DIA under Regulation 7 of the 2009 Tariff Regulations, is not mandatory since the Commission is competent to take a view on the prudence and reasonableness of the expenditure claimed in the petition. With reference to the judgment of Appellate Tribunal dated 29.5.2015 in Appeal No. 103 of 2014 referred to by the respondent, the learned counsel clarified that it has not raised any issue on design energy and the judgement of Tribunal pertains to the Tehri Hydro-electric project of the petitioner.

6. The Commission after hearing the parties, directed the petitioner to file the following additional information, on affidavit, with copy to the respondents, on or before 20.6.2018

(i) Complete set of CEA and CWC appraisal letters/ approval/ vetting of Revised Cost Estimate-I;

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(ii) Forms 9A, 9B and Balance Sheet to be submitted as on COD of each unit of the station up to 2013-14;

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(iii) Editable soft copy of all the forms with calculation;

(iv) Certificate to the effect that the assets/ works such as purchase of PCL guest house, purchase of PCL Intertech godown, roads and culverts, purchase of JCB, Substation equipment, internal distribution lines, Hospital building for which the additional capital expenditure has been claimed towards deferred works which are part of original scope under Regulation 14 (1) (ii) of the 2014 Tariff Regulations for the period 2014-15;

(v) Details of assets along with asset-wise expenditure claimed under the head 'Main Generating Equipments' during 2015-16;

(vi) Details of assets not owned by the petitioner for which tariff has been claimed, such as Steel Girder Bridge, roads, etc.



7. The respondents shall file their replies on or before 27.6.2018 with advance copy to the petitioner, who shall file its rejoinder, if any, by 4.7.2018. Pleadings shall be completed by the parties within the due dates mentioned. No extension of time shall be granted for any reason whatsoever.

8. Subject to above, the Commission reserved its order in the petition.

By order of the Commission

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

