

**CENTRAL ELECTRICITY REGULATORY COMMISSION  
NEW DELHI**

**Petition No.31/GT/2020**

Subject : Petition for revision of tariff of Nathpa Jhakri Hydro Power Station (1500 MW) for the period 2014-19-Truing-up of tariff determined by the Commission's order dated 19.7.2019 in Petition No. 314/GT/2018.

Petitioner : SJVN Limited

Respondent : Punjab State Power Corporation Limited & 14 others

Date of hearing : **13.8.2020**

Coram : Shri P.K. Pujari, Chairperson  
Shri I.S Jha, Member  
Shri Arun Goyal, Member

Parties present : Shri Aman Katoch, SJVNL  
Shri Sanjay Kumar, SJVNL  
Shri R.B. Sharma, Advocate, BRPL  
Ms. Megha Bajpeyi, BRPL  
Ms. Ranjana Roy Gawai, Advocate, TPDDL  
Ms. Prachi Golechha, Advocate, TPDDL  
Ms. Vasudha Sen, Advocate, TPDDL  
Ms. Shefali Sobti, TPDDL  
Shri Anurag Bansal, TPDDL

**Record of Proceedings**

The matter was taken up for hearing through video conferencing.

2. During the hearing, the representative of the Petitioner submitted that the present petition has been filed for revision of tariff of Nathpa Jhakri Hydro Power Station (1500 MW) (hereinafter referred to as 'the generating station') for the 2014-19 tariff period, based on truing-up exercise in terms of Regulation 8 of the 2014 Tariff Regulations. He also submitted that the tariff filing forms have been furnished in accordance with the provisions of the 2014 Tariff Regulations and copies have been served on the Respondents. The representative further submitted that it has filed rejoinder to the replies filed by the Respondents UPPCL and MPPMCL. He, however, prayed for grant of two weeks' time to file rejoinder to the reply filed by the Respondent BRPL.

3. The learned counsel for the Respondent TPDDL prayed for two weeks' time to file its reply in the matter.



4. The Commission accepted the request of the parties and adjourned the hearing. The Commission directed the Petitioner to submit the following additional information, with advance copy to the Respondents, on or before 11.9.2020:

a) *Soft copy (excel) of all the annexures referred in Form 9A;*

b) *An amount of Rs.21.57 lakh has been claimed in 2014-15 stating that the same is in lieu of a adjustment entry (negative) of same amount which was considered by the Commission during the year 2013-14 for the purpose of tariff, thus reducing the capital base in spite of the fact that the corresponding positive amount which was claimed for procurement of spares during 2012-13 was rejected as the procurement of capital spares is not allowable after the cut-off date. In this regard, the Petitioner may certify that the proper linkage was provided in Petition No. 309/GT/2018 between the deletion amount (negative entry) in the year 2013-14 and capitalization (positive entry) of spares during the year 2012-13. Petitioner shall also provide the page number of the Petition No. 309/GT/2018 at which the desired linkage was indicated;*

c) *The reasons for the variation in the additional capitalization claimed in the present petition as against the additional capitalization claimed based on actuals in Petition No.314/GT/2018;*

d) *An affidavit to the effect that there is no asset appearing in the books and claimed in tariff, but not in use, on account of being misplaced/stolen or transferred to other project, as per Annual Physical Verification Report of the plant for the period 2014-19;*

e) *Confirmation as to whether any component of IDC has been included in the additional capitalization claimed;*

f) *The gross block position considered in the reconciliation statement (Annexure-M of the petition) varies with the actual gross block position as per the station balance sheets. Accordingly, furnish a statement of reconciliation, duly certified by auditor, as regards the variation, by providing detailed explanation for each component considered by the Petitioner, in addition to the gross block as per balance sheet;*

g) *There is difference between the un-discharged liabilities considered for the purpose of tariff and those reflecting in the station balance sheet. Hence, the Petitioner to furnish a statement, duly certified by Auditor, depicting the asset-wise/ party-wise liabilities, as per balance sheet, with a clear demarcation as to whether un-discharged liabilities has been considered for the purpose of tariff, with proper reasons;*

h) *From the liability flow statement as per Annexure-6 to Form 16, there is year-on-year decrease in the liabilities. However, as per Form 1(i) and Form 16 of the petition, no discharge of liabilities for the 2014-19 tariff period has been depicted/ claimed. Accordingly, a clarification may be submitted regarding the decrease and reversal of un-discharged liabilities reflecting in Annexure-6 to Form 16 of the petition:*

(i) *As regards an amount of ₹387.57 crore incurred on account of part settlement of the contingent liabilities over the last approved cost (RCE-III), the following information, duly certified by Auditor:*



- a. *Asset-wise/ party-wise break-up of ₹387.57 crore along with year in which the same was incurred;*
- b. *Year on year details as regards the asset-wise and party-wise discharge/ settlement;*
- c. *Clarification as to whether the entire amount of ₹387.57 crore stands settled/ adjusted in the capital cost on cash basis as on 31.3.2014 allowed by the Commission.*
- d. *If the entire amount has not been claimed/ allowed in the capital cost on cash basis, as on 31.3.2014, whether the balance amount is included in the un-discharged liabilities considered for tariff as on 31.3.2014 and claimed as discharge of liabilities in the subsequent years;*

*(j) As regards an amount of Rs.352.32 crore in respect of the settlement of the pending claims/ contingent liabilities, the Petitioner shall inform whether it has approached the Ministry of Power, GOI as stipulated in the letter no. 23/14/2013-H-II dated 21.8.2018 of MOP. Also, explain whether the un-discharged liabilities claimed during the 2014-19 tariff period includes the amount of ₹352.32 crore. If yes, the details thereof:*

*(k) By submission dated 25.6.2020, an amount of Rs 366.11 lakh has been mentioned as contingent liabilities as on 31.3.2019, in addition to an amount of ₹387.57 crore already incurred on account of part settlement of contingent liabilities over the last approved cost) and ₹352.32 crore in respect of settlement of pending claims/ contingent liabilities. Accordingly, the Petitioner to explain whether this amount form part of the RCE-IV and whether the same has been included in the gross block claimed in the present petition. If yes, the year-wise details thereof;*

*(l) Form 9(A) indicates additional capitalization amounts on cash basis only. The same may be re-submitted in terms of the format prescribed, indicating the additional capitalization amount on accrual basis, the un-discharged liabilities included therein and additional capitalization on cash basis;*

*(i) There is significant amount of Capital Work in Progress reflected in the balance sheets. Accordingly, Form 9(F) (Statement of Capital work in progress) and Form 9(E) (Statement of Capital Cost) duly filled in as per the prescribed format and certified by the Auditor to be submitted;*

*(j) Explanation with regard to an amount of ₹10386.19 lakh towards 'Interest/ OFC as per RSVPN' and an amount of ₹183.44 lakh towards 'Amount not included in the Gross Block at sl.no. 1 but charged to P& L Account' included in the capital cost for purpose of tariff as per Reconciliation statement (Annexure-M of the petition).*

5. The Commission directed the Respondents to file their replies on or before 25.9.2020, with advance copy to the Petitioner, who shall file its rejoinder, if any, by 9.10.2020. The Commission further directed that the due date of filing the additional information and reply/rejoinder should be strictly complied with and that no extension of time shall be granted.



6. Matter shall be listed in due course for which separate notice will be issued to the parties.

By order of the Commission

**Sd/-**  
(B.Sreekumar)  
Deputy Chief (Law)

