CENTRAL ELECTRICITY REGULATORY COMMISSION NEW DELHI

Coram:

- 1. Shri Ashok Basu, Chairman
- 2. Shri G.S. Rajamani, Member
- 3. Shri K.N. Sinha, Member

Petition No.2/2002

In the matter of

Approval of tariff for Unit I & Unit II (2x500 MW) of Simhadri Thermal Power Project

And in the matter of

National Thermal Power Corporation Ltd. Petitioner

Vs Transmission Corporation of Andhra Pradesh Ltd.Respondent

The following were present:

- 1. Shri K.K. Garg, GM (Comml.), NTPC
- 2. Shri V.K. Padha, DGM (Comml.), NTPC
- 3. Shri S.D. Jha, Sr. Manager (Comml.), NTPC
- 4. Smt. Rachna Mehta, Mgr (Comml), NTPC
- 5. Shri Dinesh Kumar, Jt Managing Director (HRD, Plg), APTRANSCO
- 6. Shri G. Venkateswara Rao, Divisional Engineer, APTRANSCO
- 7. Shri S.B. Hussain, Consultant, APTRANSCO

ORDER (DATE OF HEARING 27.5.2003)

Shri K.K. Garg, Genl. Manager, appearing on behalf of the petitioner, NTPC submitted that the amended petition as per Commission's order dated 28.1.2003 had been filed on 5.3.2002, based on audited accounts for Unit I, which was commissioned on 1.9.2002. He further submitted that the detailed audited accounts up to the date of commercial operation of Unit II i.e. 1.3.2003 would be submitted during August 2003. We direct that the amended petition be filed by 10.8.2003 with advance copy to the

respondent who may file its reply by 31.8.2003. The rejoinder, if any, may be filed by 10.9.2003.

2. On the issue of sharing of the cost of land to be used as common corridor, (for Railway siding facilities) by NTPC and HNPCL, Shri Garg stated that on the request of erstwhile APSEB, the predecessor of the respondent, NTPC agreed to bear initially the cost of the entire land. As per agreement, HNPCL's share was to be reimbursed by HNPCL, within one year with 18% interest per annum from the date of deposit till the date of reimbursement. It was further agreed that in case APSEB was unable to recover the amount from HNPCL within one year, APSEB would either pay the amount to NTPC or agree to consider the entire cost as part of the project cost for tariff purpose. Shri Garg prayed that the amount of Rs.40.95 lakh, equal to share of HNPCL may also be considered by the Commission as part of the project cost at the time of determination of the tariff of the station as the amount had not been repaid either by HNPCL or APSEB/respondent. Shri Dinesh Kumar, Jt. Managing Director, APTRANSCO, confirmed the above submission of Shri Garg and stated that APTRANSCO has no objection to the inclusion of this cost for tariff purposes. We, therefore, direct that the said amount of Rs.40.95 lakh may be considered as part of the capital cost of the project for the purposes of tariff and may be taken into account while filing the amended petition.

3. The Commission observed that despite the directions given to the petitioner to furnish the additional details/clarifications, as contained in the order dated 28.1.2003, the complete details/clarifications have yet to be submitted. We, therefore, direct the petitioner to furnish the following additional details/clarifications while filing the amended petition, duly supported by an affidavit with advance copy to the respondents.

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- Actual audited capital expenditures with asset-wise break-up (separately for Unit I and Unit II) on the following dates:
 - a) 1.9.2002, that is, date of commercial operation of Unit I
 - b) 1.3.2003, that is, date of commercial operation of Unit II
- The details of capitalised initial spares up to the date of commercial operation of Unit II
- ii) The details of additional capital expenditure from 1.9.2002 to 1.3.2003, that is, the date of commercial operation of the station
- iii) Actual IDC and FERV as on 1.9.2002 and 1.3.2003 for Unit I and Unit II separately along with detailed working
- iv) Actual IDC and FERV on 7.3.2002 and 7.12.2002 for Unit I and Unit II, along with detailed working
- v) Details of loans drawn after 31.3.2002 in the prescribed form No.7 and 8
- vi) The date and amount of drawals along with allocation on the date of drawals, separately for each loan and each Unit and repayment schedule thereof.
- vii) Exchange rate as on 1.9.2002 and 1.3.2003 in the case of foreign loans
- viii) Asset-wise depreciation calculation, based on audited accounts as on1.3.2003, that is, the date of commercial operation of the station.

4. It is submitted on behalf of the petitioner that an IA (No. 22/2003) in Petition No. 2/2002 has been filed for directions for payment of provisional incentive/disincentive for Simhadri TPP. Shri Garg prayed that petitioner may be allowed to raise the bills provisionally for incentive/disincentive on monthly basis, otherwise retrospective adjustments of incentive/disincentive amount in terms of payment/recovery by the respondent/petitioner would cause undue hardship. Shri Dinesh Kumar, Jt. Managing

Director, APTRANSCO opposed this contention of Shri Garg and stated that the IA for provisional incentive/disincentive might be heard only after determination of final tariff by the Commission. We direct that the IA No. 22/2003 for provisional incentive/disincentive for Simhadri TPP may be listed for hearing along with Petition No. 2/2002.

5. List this petition for hearing on 18th September, 2003

Sd/-(K.N. SINHA) MEMBER Sd/-(G.S. RAJAMANI) MEMBER Sd/-(ASHOK BASU) CHAIRMAN

New Delhi dated the 4th June, 2003