

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Coram:

- 1. Shri Ashok Basu, Chairman**
- 2. Shri K.N. Sinha, Member**
- 3. Shri Bhanu Bhushan, Member**
- 4. Shri A.H. Jung, Member**

Petition No. 8/2005

In the matter of

Approval of revised fixed charges on account of additional capital expenditure incurred during 14.1.2000 to 31.3.2004 in respect of Tanda Thermal Power Station 440 MW.

And in the matter of

National Thermal Power Corporation Ltd.

....Petitioner

Vs

Uttar Pradesh Power Corporation Ltd., Lucknow

....Respondent

The following were present

1. Shri V.B.K. Jain, NTPC
2. Shri I.J. Kapoor, NTPC
3. Shri Shankarsaran, NTPC
4. Shri S.S. Sen, NTPC
5. Shri G.K. Dua, NTPC
6. Shri Pranav Kapoor, ALO, NTPC
7. Shri Balaji Dubey, DGM, NTPC
8. Shri D.G. Salpekar, NTPC
9. Shri S.D. Jha, NTPC
10. Shri T.K. Srivastava, EE, UPPCL

**ORDER
(DATE OF HEARING : 3.3.2005)**

Heard Shri V.B.K. Jain, GM for the petitioner and Shri T.K. Srivastava, EE for the respondent.

2. It has been noted that the petitioner has claimed interest on notional loan basis. The representative of the respondent pointed out that as per the details submitted by the petitioner in the petition for approval of tariff for the period 1.4.2004 to 31.3.2009, the repayment of loan is to begin some time in 2007 and, therefore, he argued that the petitioner should not be allowed interest on loan component claimed in the present petition. Shri Jain submitted that the tariff in respect of Tanda TPS has already been approved by the Commission by considering debt and equity on notional basis and accordingly, in the present petition for approval of the revised fixed charges based on additional capital expenditure on account of R&M, the equity and loan have been taken notional in the ratio of 50:50. He submitted that the petitioner is entitled to interest on loan as claimed in the present petition.

3. We have considered the rival submissions on this issue. We direct the petitioner to place on record the details of loan actually contracted for this generating station, along with other necessary details like rate of interest, moratorium period, if any, and the repayment schedule. Let the details be filed through an affidavit within 10 days of issue of the order. A view on the interest on loan component of tariff will be taken after consideration of the details to be furnished by the petitioner.

4. Subject to above, order on the petition is reserved.

**Sd/-
(A.H. JUNG)
MEMBER**

**Sd/-
(BHANU BHUSHAN)
MEMBER**

**Sd/-
(K.N. SINHA)
MEMBER**

**Sd/-
(ASHOK BASU)
CHAIRMAN**

New Delhi dated the 3rd March, 2005