

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Coram

1. **Shri Ashok Basu, Chairperson**
2. **Shri Bhanu Bhushan, Member**
3. **Shri A.H. Jung, Member**

**Petition No.80/2005
& IA No.31/2006**

In the matter of

Approval of tariff in respect of Jhanor Gandhar GPS(657.39MW) for the period from 1.4.2004 to 31.3.2009.

And in the matter of

National Thermal Power Corporation Ltd., New Delhi **Petitioner**

Vs

1. Madhya Pradesh State Electricity Board, Jabalpur
 2. Maharashtra State Electricity Board, Mumbai
 3. Gujarat Urja Vikas Nigam Ltd., Vadodara
 4. Chhatisgarh State Electricity Board, Raipur
 5. Electricity Department, Govt. of Goa, Panaji, Goa
 6. Electricity Department, Administration of Daman & Diu, Daman
 7. Electricity Department, Administration of Dadra and Nagar Haveli,
Silvassa
-**Respondents**

The following were present:

1. **Shri V.B.K. Jain, NTPC**
2. **Shri Manoj Saxena, NTPC**
3. **Shri S.K. Sharma, NTPC**
4. **Shri S.K. Khanna, NTPC**
5. **Shri A.S. Pandey, NTPC**
6. **Shri S.D. Jha, NTPC**
7. **Ms. Alka Sehgal, NTPC**
8. **Shri Balaji Dubey, NTPC**
9. **Shri A.K. Garg, MPPTC**
10. **Shri U.V. Jiwani, MSEDCL**

ORDER
(DATE OF HEARING: 20.7.2006)

The petitioner has filed this petition seeking approval of tariff for Jhanor Gandhar Gas Power Station for the period from 1.4.2004 to 31.3.2009.

2. The Commission vide order dated 6.6.2006 had directed the petitioner to submit certain information regarding the petitioner's claim of normative O&M expenses. The petitioner has filed the necessary information vide affidavit dated 13.7.2006.

3. Heard the representatives of the petitioner and the respondents.

4. The petitioner is directed to submit the following information to the Commission by 21.8.2006:

- (i) The details of actual capital expenditure incurred i.e. cash out-go on the power station, as on 1.4.2004.
- (ii) Details of the liabilities and provisions included in the Capital Cost.
- (iii) Copies of letters of confirmation received from M/s. Marubeni on agreements reached on various issues during the price negotiations between Marubeni led consortium and NTPC held between November 6 and December 5, 1991 as recorded in the Record Note of Discussions.

- (iv) The details of the petitioner's estimate of the capital cost of the generating station and parameters considered therefor.
- (v) List of Mandatory spares supplied along with the machines and their quantity and prices.
- (vi) Basis for adopting the depreciation rate as mentioned against each item:

| <u>Asset</u> | <u>Dep. Rate claimed (%)</u> |
|--|------------------------------|
| (a) Elec. Aux. Equipment | 18 |
| (b) Fire fighting engines, Workshop Equipments | 11.25 |
| (c) Earth Moving Equipment | 11.25 |
| (d) Other Elec. Installations | 11.25 |
| (e) Hospital Equipments | 11.25 |
| (f) Print Room Machines | 11.25 |
| (g) Loose Tools, Scientific Appliances etc. | 100 |

- (vii) Justification for continuation of the following temporary assets beyond 5 years for the purpose of depreciation.

- (a) Temporary Building
- (b) Temporary Internal Electrical Work
- (c) Equipment & Pipelines – Temporary
- (d) Civil Work – Temporary
- (e) Electrical Auxiliary Equipments
- (f) EDP, WP & Satcom Equipments

- (viii) Bid evaluation report complete with cost loading of different parameters for each bid which shall be shown to the Commission's staff to rule out loading of costs of warrantee spares.
- (ix) Details of the assets not owned by the petitioner.
- (x) Details of the surveillance fee paid by the petitioner to the Rating Agency.

5. Subject to above, the order on tariff is reserved.

Sd/-

(A.H. JUNG)
MEMBER

Sd/-

(BHANU BHUSHAN)
MEMBER

Sd/-

(ASHOK BASU)
CHAIRPERSON

New Delhi dated the 3rd August, 2006

