

CENTRAL ELECTRICITY REGULATORY COMMISSION

RECORD OF PROCEEDINGS

Petition No.63/2009

- Subject: Petition for approval of tariff of Unit-V (500 MW) for the period 20.6.2008 to 31.12.2008 and Unit-IV & V (2 x 500 MW) (Combined) for the period 1.1.2009 to 31.3.2009 in respect of Sipat Thermal Power Station, Stage-II.
- Coram: Shri R.Krishnamoorthy, Member
Shri S. Jayaraman, Member
Shri V.S.Verma, Member
- Date of hearing: **18.6.2009**
- Petitioner: NTPC Ltd
- Respondents: MPPTCL, MSEDCL, GUVNL, CSPTL, Electricity Deptt Goa, Electricity Deptt, Daman & Diu, Electricity Deptt, Dadra and Nagar Haveli.
- Parties present: 1. Shri. V.K.Padha, NTPC
2. Shri Ratnesh, NTPC
3. Shri Manoj Saxena, NTPC
4. Shri S.K.Sharma, NTPC
5. Shri A.S.Pandey, NTPC
6. Shri S.Dheman, NTPC
7. Shri Ajay Garg, NTPC
8. Shri S.D.Jha, NTPC
9. Ms. Alka Saigal, NTPC
10. Shri Dipak Srivastava, MPPTCL
11. Shri R.K.Mishra, CSPDCL

This petition has been filed by the petitioner, NTPC, for approval of tariff of Unit-V (500 MW) for the period 20.6.2008 to 31.12.2008 and Unit-IV & V (2 x 500 MW) (Combined) for the period 1.1.2009 to 31.3.2009 in respect of Sipat Thermal Power Station, Stage-II (hereinafter referred to as "the generating station"), based on the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2004, (hereinafter referred to as "the 2004 regulations").

2. The representative of the respondent, No. 1 MPPTCL had submitted that on account of the delay in the commissioning of the generating station, the IDC may be restricted to an amount of Rs 253.05 crore approved by the Board of Directors, instead of Rs 433.35 crore claimed as IDC and financing charges by the petitioner. The representative of the respondent had also submitted that FERV may be allowed on actual, interest on loan may be computed on the weighted average method of repayment of loan instead of FIFO method and the interest on working capital, Advance Against Depreciation and O&M expenses may be allowed in terms of the 2004 regulations. The representative of the respondent pointed out that the difference in the depreciation amounts shown in Form-1 and Form -12 of the petition need to be reconciled. The representative of the respondent prayed that the Commission may consider the issues raised by it in its reply sent to the Commission.

3. The representative of the petitioner submitted that it had not received the copy of reply and undertook to file a detailed response to the issues raised by the respondent UPPCL. The representative of the petitioner submitted that the main reason for the delay in the commissioning of the generating station was on account of acute scarcity in the supply of water to the generating station.

4. The petitioner was directed to submit in detail the reasons for the delay in the commissioning of the generating station and also to confirm whether all the works/activities like coal handling, ash slurry, water treatment etc were in place prior to the commercial operation of the generating station.

5. In addition to the above, the petitioner was also directed to submit the following information, along with soft copies, latest by 30.6.2009, with advance copy to the respondents:

- (a) Details of deployment of actual equity amount in respect of each quarter of a year from the commencement of the project work upto their completion for Units 4 and 5 respectively.
- (b) Details of deployment of each loan amount in respect of each quarter of a year from the commencement of the project work upto their completion for IDC calculation quarter-wise, for Units 4 and 5 respectively.
- (c) Un-discharged liabilities as on 20.6.2008 (Unit – IV) for all assets as per Form no.- 12 (Part 1) and as on 1.1.2009 (Combined) for all assets as per Form no-12 (Part 1).

6. Respondents No.1 and 4 were directed to file its reply, on affidavit, with copy to the petitioner, latest by 7.7.2009 and the petitioner was directed to submit its rejoinder, if any, with copy to the respondents.

7. Subject to the above, order in the petition was reserved.

Sd/-
(K.S.Dhingra)
Chief (Legal)