

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Record of Proceedings

Petition No.132/2009

Subject: Determination of generation tariff for Teesta Hydroelectric Project, Stage-V for the period from 1.3.2008 to 31.3.2009.

Coram: Shri R.Krishnamoorthy, Member
Shri S.Jayaraman, Member
Shri V.S.Verma, Member

Date of Hearing: 8.10.2009

Petitioner: NHPC Ltd.

Respondents: WBSEDCL, DVC, Dept of Power, Govt.of Sikkim, JSEB, BSEB, GRIDCO.

Parties present: Shri Prashant Kaul, NHPC
Shri Ansuman Roy, NHPC
Shri S.K.Meena, NHPC
Shri M.S.Babu, NHPC
Ms. Ritu Agarwal, NHPC
Ms. Niti Singh, NHPC
Shri Naveen Samriya, NHPC
Shri V.N.Tripathy, NHPC
Shri R.B.Sharma, Advocate, BSEB

This petition has been filed by the petitioner, NHPC for determination of generation tariff for Teesta Hydroelectric Project, Stage-V (hereinafter referred to as "the generating station") for the period from 1.3.2008 to 31.3.2009, 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 petitioner submitted that the petition had been filed for determination of tariff of the generating station based on the gross block of Rs.2605.30 crore and the debt-equity ratio of 56.14:43.86, as all the three units of the generating station had been declared under commercial operation and the audit of accounts was completed. He also submitted that the deployment of an higher amount of equity of Rs.950.53 crore and a loan amount of only Rs.66.73 crore up to the year 2003-04, during the construction of the generating station, had resulted in reduction of interest

during the construction (IDC) which had benefitted the respondents. The representative further submitted that the additional information sought for by the Commission had been filed and copies served on the respondents.

3. Learned counsel for the respondent, BSEB pointed to clause (2) of Regulation 36 of the 2004 regulations, and submitted that in terms of the said provision the debt-equity ratio of 70:30 should be considered for determination of tariff. The learned counsel also submitted that the delay in the commissioning of the project was attributable to the petitioner, but it had not furnished the reasons for the said delay and prayed that the increase in IEDC and IDC components, if any, on account of the said delay be borne by the petitioner. The learned counsel submitted that it had filed a detailed reply in the matter and copy served on the petitioner.

4. In response, the representative of the petitioner submitted that it had furnished in detail, the reasons for the delay in the commissioning of the generating station, and prayed that that the same be considered while determining tariff. He also submitted that the rejoinder of the petitioner, to the reply filed by the respondent BSEB, would be filed in due course.

5. The Commission directed the petitioner to submit the approved revised capital cost of the generating station and the detailed calculations of the benefits incurred on IDC *vis-à-vis* the return on equity deployed over and above 30%, latest by 19.10.2009, with copy to the respondents.

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

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