

CENTRAL ELECTRICITY REGULATORY COMMISSION  
NEW DELHI

Coram

1. Shri D.P. Sinha, Member
2. Shri G.S. Rajamani, Member
3. Shri K.N.Sinha, Member

**Petition No. 68/2001**

In the matter of

Approval of incentive for Singrauli STPS for the year 2000-01 in Northern Region

**Petition No. 69/2001**

In the matter of

Approval of incentive for Rihand STPS for the year 2000-01 in Northern Region

**Petition No. 71/2001**

In the matter of

Approval of incentive for NCTPP, Dadri for the year 2000-01 in Northern Region

**Petition No. 72/2001**

In the matter of

Approval of incentive for Anta GPS for the year 2000-01 in Northern Region

**Petition No. 73/2001**

In the matter of

Approval of incentive for Auraiya GPS for the year 2000-01 in Northern Region

Petition No. 74/2001

in the matter of

Approval of incentive for Dadri GPS for the year 2000-01 in Northern Region

And in the matter of

National Thermal Power Corporation Ltd.  
Vs Uttar Pradesh Power  
Corporation Ltd. & others

**Petitioner**

**Respondents**

The following were present:

1. Shri K.K. Garg, GM (Comml), NTPC
2. Shri T.R. Sohal, NTPC
3. Shri R. Singhal. NTPC
4. Shri S.C. Mehta.XEN (ISP), RRVPNL
5. Shri R.K. Arora. XEN, HVPNL

**ORDER (DATE OF HEARING  
8-1-2002)**

In these petitions, the petitioner, NTPC has prayed for approval of its proposal for incentive as contained in Annexure-III of the respective petition for the year 2000-01 in respect of the stations located in Northern Region. The present respondents are the beneficiaries of these stations. 2. The tariff and terms and conditions for power supply from these stations were notified by Ministry of Power as under:

<b>Station</b>	<b>Date of notification</b>	<b>_Peri qd of vaj i dj ty</b>
Singraul^STPJS	2J 1-1992	i 1-11-1992 to 31-10-1997
Riband^STPS ~	3jTT992~	1_-1_1-19_92 to 31-10-1997
DadFi NCTPST"	25-2-1999^	V4r1995 1 To 3T-3-1998" 1-12-1995 ) T-4-1992 to 31-3-1997
AnTa GPS 7 _	30-4-1'9-94	1-4-1992 to 31-3-1997
Aunaya GPS _	30-4-1994	Tii£94 )to"31"-3-1999
DadrfGPS	5-5-1999	MJ996 )

Clause 4 of the rescued-, e notification makes a r:o\ is.or

kWh/KW/year (AGN) as certified by Regional Electricity Boards and the Central Electricity Authority in a financial year exceeds the normative upper limit of operating range in kWh/KW/year (NGU) as per the following formula:

*Incentive (I) (Rs.)*

*-(Energy (Kwh) corresponding to AGN - Energy (Kwh) corresponding to NGU) x (%PLF corresponding to AGN - % PLF corresponding to NGU) x 0.01.*

4. The tariff notifications further stipulate that for the purpose of incentive the actual generation level achieved in any financial year will include the quantum of backing down as certified by Northern Regional Electricity Board due to lack of system demand and other conditions not attributable to the petitioner, as certified by CEA, as deemed generation. The above tariff notifications have been continued upto 31-3-2001 on ad-hoc basis by virtue of Clause 6 of the respective notification, read with the Commission's order dated 21-12-2000 in petition No.4/2000, and other related petitions. Incentive payable in respect of this station up to 1999-2000 has already been determined by the Commission, and, therefore, the proposal in these petitions relates to determination for incentive for the year 2000-01. Member Secretary, NREB in his inter departmental note addressed to CEA has certified gross generation as under:-

Name of the Station	Gross Generation for 2000-01 (in MU)	Loss generation due to low demand (in MU)	of ' Gross generation deemed high for 2000-01 (in MU]	Ex-Bus Generation (in under frequency	excess Gross under generation high LU) frequency(i
Sinorauji STPS	16402.652	5217.00	6454.970	552.710	602.409
R. ruoO STP5	7.00	35.00	7753.503		1.00
D, illi NCTPS	6NS- s..v	52.90	6970.240		35'J 22'.' 55"2-
Art.i GPS	2r~t_, r50	:2 3>42	2888.972		54 592 5o2,>'
Aur.Twt 6P5	4637.648	* r O '	4703.659		99 640 ' 2^22

5. Replies were filed on behalf of UPPCL, RRVPNL and Haryana Vidyut Parasaran Nigam Ltd. In reply to the petitions UPPCL and RRVPNL stated that the tariff determined by Ministry of Power under its tariff notifications expired during 31-3-1997 to 31-3-1999, but was continued on ad hoc basis up to 31-3-2001. Respondents pointed out that determination of incentive without resetting of tariff from the date of expiry of the respective notification would not be reasonable and should be deferred. It was also pointed out that excess power generated during high frequency should also be excluded for the purpose of incentive since a decision to that effect was taken at 121<sup>st</sup> meeting of NREB held in December, 1999. HVPNL in its reply had made an additional submission that the stations had achieved very high PLF during 2000-01, which is unachievable when forced outages and outages on account of normal maintenance of the machines were taken into account. These outages accounted for 21% to 22% and, therefore, the PLF could not be beyond 78% of the declared capacity of the respective station. HVPNL argued that for the purpose of incentive, PLF up to 79-78% should be considered.

6. The similar issues as raised by the respondents in these petitions were earlier considered by us in our order dated 4-1-2002 in Petition No.70/2001. The findings recorded by us in the order dated 4-1-2002 *ibid are* as under:

- (a) For the purpose of determination of incentive for the year 2000-2001 it is necessary to re-determine tariff for the period from expiry of notification till 31-3-2001

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(b) The excess generation at high frequency would not reckon for the purpose of claiming incentive and it had *per se* to be excluded from the gross generation.

(c) The incentive was payable based on the certification done by Member-Secretary, NREB.

We reiterate these findings recorded by us in our order of 4-1-2002. 7. In the light of above discussions, the respondents are liable to pay incentive for the year 2000-2001 as under.

Name of the station	Amount of incentive (Rs.in Crores)
Singrauli STPS	110.252
Rihand STPS	34.542
Dadri NCTPS	48.624
Anta GPS	
Auraiya GPS	8.756
Dadri GPS	5.994

8. Incentive has been recovered by the petitioner from the respondents on monthly basis in view of the notification dated 19-6-1995. The final adjustment of incentive determineu by us shall be carried out keeping in view the recoveries of incentive already made from month-to-month. The above incentive shall be apportioned among the respondents in the ratio of the energy draws from the respective station.

9. With the above directions, the petitions stand disposed of.

Sd/-  
(K.N.Sinha)  
Member

W.v Doit- dated the 23" January. 2002.

Sd/-  
(G.S. Rajamani)  
Member

Sd/-  
(D.P. Sinha)  
Member