

CENTRAL ELECTRICITY REGULATORY COMMISSION  
4<sup>th</sup> Floor, Chanderlok Building, 36, Janpath, New Delhi- 110001  
Ph: 23753942 Fax: 23753923

Ref: Petition No. 323/2009

Date: 01.09.2011

To  
Executive Director (Commercial),  
NTPC Ltd, NTPC Bhawan,  
Core-7, Scope Complex 7,  
Institutional area, Loadhi Road,  
New Delhi-110003

Subject: Approval of Tariff of FGUTPS, Stage-II (420 MW) for the period from 01.04.2009 to 31.03.2014.

Sir,

Please refer to your petition on the above mentioned subject. In this connection, I request you to comply with the following , latest by 19.9.2011:

- (i) The amount of gross block as Form-9A is ₹126462.50 lakh. However, as per records available with CERC, it works out to ₹126797.60 lakh. The difference needs to be reconciled.
- (ii) The amount of un-discharged liabilities as per Form-9A is ₹ 85.05 lakh. However as per records available with CERC it is 'nil'. The difference needs to be reconciled.
- (iii) In view of the fact that the petitioner had not filed any additional capitalization petition for the tariff period 2004-09, so, in order to ensure that there were no de-capitalization during the tariff period 2004-09, the petitioner vide our TV dated 18.03.2010 was asked to certify that "the assets which are forming part of capital cost allowed to the station as on 01.04.2004 were in service as on 01.04.2009.

The petitioner vide its affidavit dated 11.05.2010 has submitted that "the petitioner hereby confirms that all the assets included in the capital cost as on 01.04.2009 are in service as on 01.04.2009".

So, instead of certifying that assets forming part of capital cost as on 01.04.2004 were in service as on 01.04.2009, the petitioner certified that assets forming part of capital cost as on 01.04.2009 is in service as on 01.04.2009. As such, our very basic objective of ensuring that there was no de-capitalisation during the tariff period 2004-09 was lost.

Accordingly, detailed scrutiny of the Balance sheet & petitions filed for FGUTPS Stage-I & III were carried out to arrive at the additional capitalisation position for

the period 2004-09 in respect of FGUTPS Stage-II. Based on such scrutiny following additional capitalisation position were derived for the period 2004-09

(` in lakh)

2004-05	2005-06	2006-07	2007-08	2008-09	Total
(-)1625.51	971.95	318.86	981.89	(-)3724.66	(-)3077.47

Thus, net de-capitalisation of Rs.3077.47 lakh can be observed for the period 2004-09 and this might be the basic reason for which the petitioner has not filed any ACE petition for the tariff period 2004-09.

Accordingly, the following additional information needs to be furnished on affidavit, with an advance copy to the respondents/ beneficiaries, latest by 19.09.2011:

- 1) Reason for non-filing of ACE petition for 2004-09;
- 2) Following details in respect of de-capitalized assets:
  - a) Name of asset
  - b) Value of asset
  - c) Year of put to use
- 3) Form-15 (which was not found enclosed with the petition) in respect of liquid fuel.

2. Further action in this matter will be taken as per Regulation 87 of the Central Electricity Regulatory Commission (Conduct of Business) Regulations 1999 on receipt of the above information/ clarification.

Yours faithfully,

Sd/-  
(P.K.Sinha)  
Assistant Chief (Legal)