

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

Ref: Petition No. 70/GT/2012

Date: 9.8.2012

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

Sir,

Subject: **Petition No. 70/GT/2012**: for revision of tariff of Kahalgaon Super Thermal Power Station, Stage II (1500 MW) from 1.4.2009 to 31.3.2014 after the truing up exercise.

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With reference to the subject mentioned above, I am directed to request you to furnish the following information on affidavit, with advance copy to the respondents/beneficiaries, latest by **24.8.2012**:

**1. Actual/Projected expenditure during 2009-14:**

- (i) The additional capital expenditure claimed in Form-9 is different from the additional capitalization allowed by order dated 13.4.2012. In this connection, clarification may be submitted as to how the claim for expenditure of `1608.81 crore during 1.4.2009 to 19.3.2010, as works deferred for execution under original scope of work, which has already been included in the capital cost as on date of commercial operation (20.3.2010) allowed to the generating station as on 31.3.2010, is again being claimed in Form-9.
- (ii) Certify that all the assets of the gross block as on 31.3.2009, 31.3.2010, 31.3.2011 and 31.3.2012 are in use. In case any asset has been taken out or de-capitalized from the gross block, then the detail of the asset(s) viz. name of the asset, original gross block of the asset, date and year on which the asset was put to use and the depreciation recovered up to the date of taking the asset out from service, to be furnished.
- (iii) It is observed that the actual expenditure of `192.21 crore in the year 2010-11 and `116.68 crore in the year 2011-12 for works in the original scope and deferred for execution are less than the projected expenditure claimed and allowed in the tariff order dated 13.4.2012. In this regard, clarification/confirmation, that all the

actual expenditure during the years 2009-10, 2010-11 & 2011-12 are the final payments made and there is no balance payments outstanding.

- (iv) It is observed that the projected additional capital expenditure claimed in Petition No. 282/2009 for the period 2009-14 is about 28% higher than the actual capital expenditure from 2009-10 to 2011-12 and projected expenditure from 2012-13 to 2013-14. The reason for such inflated projection should be explained.

**2. Reconciliation of actual additional capitalization with balance sheets:**

- (i) The additional capital expenditure claimed in Petition No. 282/2009 and allowed by the Commission in the order dated 13.4.2012 was on projected basis. The petitioner should furnish the reconciliation of actual additional capital expenditure incurred from 20.3.2010 to 31.3.2010, 2010-11 and 2011-12 with the duly audited balance sheet stage-wise and asset wise as on 31.3.2010, 31.3.2011 and 31.3.2012. Copies of audited balance sheets to be furnished.
3. Reasons for completion of balance work of MGR system in 2013-14 i.e. beyond the cut-off date of 31.3.2013 and the details of expected expenditure of `45 crore for balance work of MGR.
4. Clarification as to the claim of (-) `0.0024 crore as projected expenditure for chimney in Form- 9 (i).
5. Details of Liquidated Damage (LD) recovered from BHEL & HSCL on BTG and Civil packages due to delay as per the contract agreement after the closing of contract with detail computation of delay and corresponding LD levied on the contractors.
6. Provide cost of initial spares actually capitalized up to 31.3.2012 and the cost of initial spares proposed to be capitalized in 2012-13.
7. Details of domestic and imported coal used during January 2009 to March 2009 separately, along with the landed cost and GCV and the percentage of blending and the GCV of blended coal as fired.
8. Justify along with the detail reasoning, the increase in Coal Transportation Charges from `3.09 crore in January 2009 to `11.86 core in March 2009 as shown in Form 15/1 from `4.85 crore in January 2009 to `8.09 crore in February 2009 and `16.94 crore in March 2009, as shown in Form 15A/1.
9. 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/-  
(B. Sreekumar)  
Deputy Chief (Law)