

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Coram: Dr. Pramod Deo, Chairperson
Shri S.Jayaraman, Member
Shri M.Deena Dayalan, Member

Date of hearing: **16.2.2012**

Petition No. 255/2009

Subject: Petition for approval of tariff of National Capital Thermal Power Station, Dadri, Stage-I (840 MW) for the period from 1.4.2009 to 31.3.2014.

Petitioner: NTPC Ltd.

Respondents: Uttar Pradesh Power Corporation Ltd. (UPPCL) and others.

Parties present: Shri Ajay Dua, NTPC
Shri Sameer Agarwal, NTPC
Shri Shankar Saran, NTPC
Shri Naresh Anand, NTPC
Shri V.Ramesh, NTPC
Shri S.K.Pathak, NTPC
Shri G.K.Dua, NTPC
Shri R.B.Sharma, Advocate, BRPL
Shri Sanjay Srivastav, BRPL
Shri Sunil Barnwal, BRPL
Shri Manish Garg, UPPCL
Shri Haridas Maity, BYPL

Record of Proceedings

The petitioner, NTPC Ltd. has filed this petition for approval of tariff of National Capital Thermal Power Station, Dadri, Stage-I (840 MW) for the period from 1.4.2009 to 31.3.2014 based on the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2009 ('2009 Tariff Regulations').

2. During the hearing, the representative of the petitioner submitted as under:

- (i) The date of commercial operation (COD) of the generating station is 1.12.1995 and the projected capital expenditure has been claimed in accordance with the provisions of the 2009 Tariff Regulations.

- (ii) Most of the works in respect of R&M schemes approved by CEA and allowed by the Commission in terms of the 2004 Tariff Regulations have been completed and the projected expenditure claimed is towards the balance ongoing R&M works.
 - (iii) Additional information as sought for by the Commission and rejoinders to replies submitted by the respondents has been filed and copies served on the respondents.
3. The representative of Respondent No.1, UPPCL submitted as under:
- (i) Additional capitalization beyond the cut-off date can be claimed only under the provisions of Regulation 9(2)(i) to 9(2)(iii) of the 2009 Tariff Regulations and some of the expenditure claimed by the petitioner do not fall under the said provisions of the regulations.
 - (ii) The benefit of the improved operational norms for the generating station may be passed on to the beneficiaries.
 - (iii) The petitioner's submission that a core item of the generating station needs to be replaced on the ground that it has become obsolete, would reveal the problems which existed from the initial setting up/operation of the generating station, for which the beneficiaries may not be burdened.
 - (iv) Reply filed may be considered.
4. The learned counsel appearing for Respondent No.2, BRPL submitted as under:
- (i) Some of the enclosures which were inadvertently not filed along with the reply has been filed.
 - (ii) The petitioner has not furnished the list of assets forming part of the project, but not in use, in terms of proviso to Regulation 7(1)(c) of the 2009 Tariff Regulations. The petitioner may be directed to give details of the same.
 - (iii) The information furnished in Form-9A along with the petition is not in accordance with the format approved by the Commission.
 - (iv) The petitioner has not indicated the relevant provisions of the 2009 Tariff Regulations und which the items of additional capital expenditure has been claimed. The petitioner may be directed to amend the said petition.

5. In response to the above, the representative of the petitioner clarified that it has filed its affidavit, indicating the relevant provisions under which additional capitalization has been made under the relevant provisions of the 2009 Tariff Regulations and copy served on the respondents.
6. The equipments under Control and Instrumentation (C&I) system become obsolete much faster and there are no problems with the generating station. Further, the benefits which arise on account of replacement of obsolete items are provided to the beneficiaries.
7. Rejoinder filed in the matter may be considered.
8. The learned counsel for Respondent No.2, BRPL submitted that the petitioner may be requested to provide a copy of the affidavit as stated in *para 5 above*, so that response to the same could be filed. The Commission directed the petitioner to handover a copy of the said affidavit to the respondent No.2, BRPL, if not served earlier, on or before 15.3.2012 and the said respondent may file its response by 22.3.2012. The petitioner shall file its rejoinder within 29.3.2012.
9. Subject to the above, the Commission reserved its order in the petition.

By Order of the Commission

**Sd/-
(T.Rout)
Joint Chief (Legal)**