

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No.160/GT/2012 with I.A.No.49/2012

Subject: Determination of tariff of Udupi Thermal Power Station (2 x 600 MW) for the period from 11.11.2010 to 31.3.2014 (Unit-I) and from 1.4.2012 to 31.3.2014 for Unit-II. Interlocutory Application filed for revision of tariff calculations as on the date of commercial operation of Unit-I (11.11.2010) and Unit-II (19.8.2012)

Petition No.12/MP/2013 With I.A.No. 3/2013

Subject: Application under Section 79(f) of the Electricity Act, 2003 read with CERC (Conduct of Business) Regulations

Date of hearing: **19.3.2013**

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

Petitioner: Udupi Power Corporation Ltd, Bangalore

Respondents: Power Company of Karnataka Ltd, Bangalore Electricity Supply Company Ltd, Mangalore Electricity Supply Company Ltd, Gulbarga Electricity Supply Company Ltd, Hubli Electricity Supply Company Ltd, Chamundeshwari Electricity Supply Company Ltd, Punjab State Power Corporation Ltd.

Objector: M/s Janajagrithi Samithi, Karnataka

Parties present: Shri J.J. Bhatt, Senior Advocate, UPCL
Shri L. Vishwanathan, Advocate, UPCL
Shri R.Parthasarathy, UPCL
Shri Soumyanarayanan, UPCL
Shri R.A.Mulla, UPCL
Shri D.S.Murali, UPCL
Shri M.G.Ramachandran, Advocate, for Discoms of Karnataka
Shri Anand Ganesan, Advocate for Discoms of Karnataka
Shri V.G.Manjunath, PCKL
Shri Padamjit Singh, PSPCL
Shri Rohit Rao, Advocate for Objector

RECORD OF PROCEEDINGS

Petition No.12/MP/2013 with I.A.No.3/2013

During the hearing, the learned counsel for the respondent, PCKL submitted that it may granted a week's time to file its reply in the matter and prayed that the said petition may be taken up along with Petition No.160/2012 on the next date of hearing.

2. Since interim relief has been prayed for by the petitioner, the Commission directed listing of the matter on **26.3.2013 at 2.30 p.m.** The respondent, PCKL was directed to file its reply before the said date, with copy to the petitioner, who may file its rejoinder.

3. Meanwhile, the Commission directed that the interim direction granted by order dated 12.3.2013 shall continue till such time.

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4. During the hearing, the learned Senior counsel for the petitioner made brief submissions on the background of the case. He also circulated copies of the note of submissions in the matter along with list of documents and made elaborate arguments on the following issues:

- (a) Capital cost
- (b) Interest During Construction
- (c) Debt Equity Ratio
- (d) Return On Equity
- (e) Heat Rate
- (f) Auxiliary Consumption
- (g) Operation and Maintenance charges
- (h) Variable charges
- (i) Reasons for the delay in the commissioning of the project and the application of Force Majeure.

5. On a specific query by the Commission as regards invocation of Force Majeure due to earthquake, the learned counsel referred to some of the documents in pages 155, 166 and 173 and submitted that the petitioner is entitled to the benefit under Force Majeure. He further prayed that tariff of the generating station shall be fixed as prayed for in the petition.

6. The Commission directed to take on record the note of submissions and the list of documents filed by the petitioner.

7. Matter part-heard. The respondents shall commence their submissions during the next date of hearing on **26.3.2013 at 2.30 p.m**

By order of the Commission

Sd/-
T.Rout
Joint Chief (law)