

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

Petition No. 109/GT/2012

Date: 09.10.2013

To,

Director (Commercial),
Damodar Valley Corporation,
DVC Towers, First Floor,
VIP Road,
Kolkatta-700054

Sir,

Subject: Petition No. 109/GT/2012: Determination of Tariff for Koderma Thermal Power Station units 1 & 2 (2x500=1000 MW) from the respective dates of their commercial operation.

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, latest by **24.10.2013**:

1. Whereas, the DVC Board, vide sanction order no.1242 dated 5.4.2011, has approved the revised capital cost of ₹5583.08 Crore including IDC & capital Margin Money, etc., for the station. The total estimated expenditure for both unit-I & II has been shown as ₹6368.42 Crore. in the statement of expenditure at page 201 of the petition. Hence, the reasons for increase in the total estimated expenditure as on COD of the station along with justification shall be submitted.
2. The COD of Unit-I has been declared on 18.7.2013 as against the Scheduled COD on 30.11.2012. As such, there is time overrun of about 8 months in commissioning of unit-I. Therefore, the implications of time overrun on cost by giving details of increase in IDC & FC, price escalation in different packages, increase in IEDC etc. shall be submitted. Further, if delay is attributable to EPC contractor, the amount of liquidated damages (LD) recovered / to be recovered shall be submitted.
3. It has been observed that hard cost of the project is about ₹5.05 Crore/MW as against the benchmark hard cost of the project of ₹4.85 Crore/MW. The capital cost appears to be on higher side. Hence, the reasons for higher capital cost shall be explained.
4. Amount of initial spares included in the capital cost up to COD of the unit-I and the station.
5. Form-5D complete in all respects indicating the component of taxes & duties, IDC & FC, IEDC and FERV, etc may be furnished. It is also noticed from Form-5D that the Main Plant Package was awarded to the only bidder who has submitted the bid against the ICB. The reason for not going for re-tendering or whether the last date for submission of bids was extended considering the fact that only one bid was received shall be explained.
6. Explanation as to how the price as quoted by the single bidder was taken as competitive and reasonable.
7. Form 5-E as enclosed herewith duly filled in all respects shall be submitted.

8. Form-9 complete in all respects indicating the asset-wise break-up of claim of additional capital expenditure of ₹337.16 Crore in the year 2013-14 along with justification against each item shall be submitted.
9. The revenue earned from infirm power excluding the cost of fuel from the synchronization of first unit shall be submitted.
10. Fresh petition revising the entire tariff filing forms as per the 2009 Tariff Regulations shall be filed.
11. Heat Balance Diagram giving Turbine Cycle Heat Rate, Boiler efficiency at 100% MCR and 0% make up shall be submitted.
12. List of deferred works along with actual / estimated cost after COD with justification shall be submitted.

Further action in this matter will be taken on receipt of the above information / clarification.

Yours faithfully,

Sd/-
(B. Sreekumar)
Deputy Chief (Law)