

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 208/GT/2013

Subject : Revision of tariff of Korba Super Thermal Power Station, Stage-III (500 MW) from 21.3.2011 to 31.3.2014 after truing-up

Petition No. 305/GT/2014

Subject : Revision of tariff of Korba Super Thermal Power Station, Stage-III (500 MW) from 21.3.2011 to 31.3.2014 after truing-up

Date of hearing : 11.11.2014

Coram : Shri Gireesh B. Pradhan, Chairperson
Shri M. Deena Dayalan, Member
Shri A.K. Singhal, Member
Shri A.S. Bakshi, Member

Petitioner : NTPC Limited

Respondents : Madhya Pradesh Power Management Company Limited & 6 others

Parties present : Shri Ajay Dua, NTPC
Shri A.K. Chaudhary, NTPC
Shri Rajesh Jain, NTPC
Ms. Suchitra Maggon, NTPC
Shri Parimal Piyush, NTPC
Shri Sachin Jain, NTPC
Shri I. Uppal, NTPC
Shri Bhupinder Kumar, NTPC
Shri Anurag Naik, MPPMCL
Shri Arvind Banerjee, CSPDCL

Record of Proceedings

Both the petitions were taken up for hearing today.

2. During the hearing, the representative for the petitioner submitted as under:
- (i) These petitions have been filed for revision of tariff based on truing-up of actual additional capital expenditure incurred for the period 2009-14, in respect of the generating stations in terms of Regulation 6 (1) of the 2009 Tariff Regulations.
 - (ii) The Commission by its order dated 3.5.2012 in Petition No. 247/2010 had approved the tariff of the generating station for the period 2009-14.

(iii) The expenditure of ₹26 crore (approx) viz., Civil Works of Service Building, Permanent Township Work, Hydrogen Generation Plant related work, Railway Siding for Ash SILO work had spilled over beyond the cut-off date of the generating station on account of various reasons which are not attributable to the petitioner.

(iv) Additional information sought for by the Commission has been filed and advance copies have been served on the respondents. Accordingly, final tariff for the period 2009-14 may be revised.

3. The representative of respondent, CSPDCL submitted as under:

(i) The expenditure incurred by the petitioner are not covered under the Regulation 9 (2) of the 2009 Tariff Regulations and hence may not be allowed.

(ii) The weighted average rate of interest worked out by the Commission in order dated 9.4.2013 in RP/16/2012 may be considered. No increase in interest on loan may be allowed.

(iii) The capitalisation of expenditure from the development of coal block may not be permitted since no tangible/ intangible benefits had been accrued to the beneficiaries.

(iv) The IDC of ₹74.87 crore allowed in the capital cost on the ground that the petitioner is not responsible for the same, may be recommended and the amount of IDC may be equally divided among the petitioner and respondents. Since respondents are also not responsible for the delay.

4. The representative of respondent MPPMCL, while pointing out that there is huge delay in commissioning of the project, prayed that the impact of time and cost overrun may be allowed only after prudence check.

5. The Commission after hearing the parties directed the petitioner to submit additional information, on affidavit, with advance copy to the respondents, on or before 9.12.2014 on the following:

(i) The reasons for the variation in the Notional IDC claimed earlier and revised in this petition may be clarified in detail.

(ii) Form 5B containing the break-up (package wise) of capital cost with the computation of IDC (in editable soft copy) alongwith computation of ERV.

6. The above information shall be submitted by the petitioner within the due date mentioned and no further extension of time shall be granted. The parties are directed to complete the pleadings before the due date.

7. Subject to the above, order in the petition was reserved.

By order of the Commission
-S/d-
(T. Rout)
Chief (Law)