

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 310/GT/2013

Subject : Approval of tariff of Rihand Super Thermal Power Station Stage-II (1000 MW) for the period from 1.4.2009 to 31.3.2014 after the truing up exercise.

Petition No.298/GT/2014

Subject : Approval of revised tariff of Rihand Super Thermal Power Station, Stage-II (1000 MW) for the period from 1.4.2009 to 31.3.2014 after truing up exercise.

Date of hearing : 25.11.2014

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 : Uttar Pradesh Power Corporation Limited & 12 Ors.

Parties present : Shri Ajay Dua, NTPC
Shri A K Bishoi, NTPC
Shri Vivek Kumar, NTPC
Shri Neeraj Kumar, NTPC
Shri Navneet Goel, NTPC
Shri T Vinodh Kumar, NTPC
Shri Manish Garg, UPPCL
Shri R B Sharma, Advocate, BRPL
Shri B. L. Sharma, AVUNL, JVUNL, JdUVNL
Shri Tarun Ahuja, AVUNL, JVUNL, JdVNL

Record of Proceedings

These petitions have been filed by the petitioner, NTPC, for revision of tariff of Rihand Super Thermal Power Station, Stage-II (1000 MW) for the period from 1.4.2009 to 31.3.2014 after truing-up in terms of Regulation 6(1) of the 2009 Tariff Regulations.

2. During the hearing, the representative for the petitioner mainly submitted as under:-

(i) The Auditor's Certificate in respect of the additional capital expenditure have been filed vide affidavits dated 25.11.2013 and 30.9.2014. Additional information as sought for by the Commission has also been filed and copies served on the respondents. Rejoinder to the replies filed by the respondents, UPPCL, Rajasthan discoms and BRPL have been filed.

(ii) The 11 kV overhead line for MGR works was allowed by the Commission and the increase in additional capital expenditure is due to increase in scope of work.

(iii) Once the original damaged locos are de-capitalized from gross block, the expenditure from the total cost of two locos may be allowed to be capitalized.

(iv) Tariff of the generating station may be revised as prayed for in the petitions.

3. The representative of the respondent, UPPCL submitted as under:

(i) Reply has been filed in the matter which may be considered. Also, the petitioner may be directed to serve the copy of the rejoinder filed against the reply of the respondent.

(ii) As the petitioner has already recovered the insurance proceeds for the damaged locos, the capitalization of the cost of replaced new locos cannot be permitted. Moreover, the capitalization of new locos can be permitted only if amount of the unserviceable old locos and the Insurance amounts recovered are deducted from the gross block of new locos.

(iii) The claim for an increase in expenditure towards 11 kV Overhead line as against the amount allowed by the Commission vide order dated 30.12.2009 in Petition No. 97/2008, is not justifiable.

4. The learned counsel for respondent, BRPL submitted as under:-

(i) The final payment to the contractor for the work capitalized as additional capital expenditure during 2007-08 and, 2010-11 under Regulation 9(2)(viii) of Tariff Regulations, 2009 was not approved by the Commission in Petition No. 97/2008. Hence, any un-discharged liability towards final payment which falls outside the cut-off date is not covered under Regulation 9(2)(viii) of Tariff Regulations, 2009.

(ii) The claim for additional capitalization towards replacement of two locos damaged during accident, under Regulation 9(2)(viii) of the 2009 Tariff Regulations, was not approved by the Commission as projected additional capital expenditure. The claim of the petitioner does not fall under the said provision of the regulation and the same cannot be considered. Moreover, this issue has not been raised by the petitioner in its earlier petitions and accordingly the order of the Commission has attained finality.

(iii) Reply filed in the matter may be considered.

5. As regards the claim for additional capitalization towards replacement of two locos, the representative of the petitioner clarified that the claim for this asset has been made under Regulation 9(2)(vii) of the 2009 Tariff Regulations vide affidavit dated 1.7.2014. The representative further submitted that the rejoinder filed in the matter may be considered.

6. The Commission after hearing the parties directed the petitioner to furnish the following information on affidavit, with advance copy to the respondents, on or before 15.12.2014.

(i) Capital cost as on 1.4.2009 and the actual additional capital expenditure incurred during the years 2009-10, 2010-11, 2011-12, 2012-13 and 2013-14 duly certified by Auditor.

(ii) A copy of the detailed report of the accident which took place in MGR track on 11.2.2011 along with a copy of the settlement claim with the insurance company.

(iii) A copy of the order/report of the technical examiner of CVC in support of the claim for Main Plant area Civil Work in 2011-12 for which liberty had been granted vide Commission's order dated 2.8.2012 in Petition No. 254/2009.

7. The above information shall be filed by the petitioner within the due date mentioned and the parties are directed to complete the pleadings in the matter within the said date. In case no information / reply / rejoinder is filed within the due date mentioned, the matter shall be decided based on available records. Subject to the above, order in the petition was reserved.

By Order of the Commission

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