

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 434/GT/2014

Subject : Approval of tariff of Jaypee Karcham Wangtoo Hydro-Electric Project for the period 2014-19.

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 : Jaiprakash Power Ventures Limited

Respondents : PTC India Limited & 6 Others

Parties present : Shri Vishal Gupta, Advocate, JPVL
Shri Suresh Jain, JPVL
Shri Sanjeev K. Goel, JPVL
Shri Kapil Ahuja, JPVL
Ms. Mandakini Ghosh, Advocate, HPGCL
Shri Ravi Prakash, Advocate, PTC
Shri Aditya Dewan, Advocate, PTC
Shri B.L. Sharma, JVVNL, AVVNL & JdVVNL
Shri Tarun Ahuja, JVVNL, AVVNL & JdVVNL

Record of Proceedings

This petition has been filed by the petitioner, JPVL for determination of tariff of Jaypee Karcham Wangtoo Hydro-Electric Project (the generating station) from the date of commercial operation, based on the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2014 ("2014 Tariff Regulations").

2. During the hearing, the representative for the petitioner made detailed submissions in the matter and prayed for determination of tariff of the generating station for the period 2014-19.
3. The learned counsel for respondent, HPGCL prayed for grant of time to file reply in the matter.
4. The representative of CEA submitted that the issue relating to deemed installed capacity of the generating station is under consideration and the matter has also been referred to Central Water Commission (CWC) for their views, and response of CWC is still awaited.
5. The Commission after hearing the parties, accepted the prayer of the respondent HPGCL and granted time to file reply. The Commission also directed the petitioner to submit additional

information, on affidavit, with advance copy to the respondents, on or before 12.12.2014 on the following:

- (i) The value of advance and other current assets included in opening and closing gross blocks claimed for the purpose of tariff at Form – 9C of the petition.
- (ii) The copy of the Appendix KW-1 referred in the letter to Secretary, CEA placed at Annexure 14 (reference page 691, Volume – II of the petition).
- (iii) The details and reasons for the variation of ₹12.84 crore between the Capital Cost vetted by DIA and the Capital Cost claimed before additional IDC (actual cash flow + liabilities / provisions) as explained in Note 11 of the Form 5B. It is observed in Form 5B that petitioner has not separately listed the entries worth ₹12.84 crore which were not considered by DIA while arriving at the completion cost of ₹6900 crore. The petitioner may be directed to submit the details and reasons for not providing these details to DIA for its consideration.
- (iv) Reconciliation of the Capital Cost as on COD of the generating station as mentioned in the Form 9E, with the balance sheet of the generating station on the date of commercial operation.
- (v) Party wise, asset wise details of un-discharged liabilities and liabilities discharged as on COD of the units, COD of the generating station and as on 31st March of each year after the COD.
- (vi) Reconciliation of the un-discharged liabilities as on COD and as on 31st March of each year of the CoD of the generating station as mentioned in the Form 9E, with the balance sheet of the generating station.
- (vii) IDC claimed in Form 9E with the IDC calculation in Form 14 to be furnished.
- (viii) It has been observed that the MAT rate is being used for the purpose of grossing up of ROE. But, as per the balance sheet for the year 2011-12, 2012-13 and 2013-14 the generating station is making provisions of income tax at MAT rate but is also claiming the MAT credit of similar amount. Hence, copy of complete tax audit report along with detailed computations in respect of 2011-12, 2012-13 and 2013-14 to be furnished
- (ix) Details regarding the procurement of three additional runners at a projected cost of ₹89.85 crore shall be furnished.

6. Information to be submitted by CEA:

- (i) Views on the deemed installed capacity of 1091 MW as against 1000MW approved by CEA in TEC.
- (ii) The Design Energy of the project shall be re-examined in light of revised flow series of 1972-73 to 2008-09, revised mandatory release for aquatic life (7.38 cumecs indicated by

the petitioner) in terms of latest orders of the Government of Himachal Pradesh and the revised net head due to actually executed parameters.

7. The information on above shall be submitted by the petitioner and CEA within the due date mentioned above. The parties are directed to complete the pleadings before the due date.

8. The matter shall be listed for hearing on 13.1.2015.

By Order of the Commission

-S/d-
(T. Rout)
Chief (Legal)