

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 89/GT/2013

Subject : Approval of generation tariff of Nimoo Bazgo HE Project (3 x15 MW) for the period from 10.10.2013 to 31.3.2014.

Date of hearing : 3.2.2015

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

Petitioner : NHPC Limited

Respondents : Power Development Department, J&K

Parties present : Shri A.K. Pandey, NHPC
Shri S.K. Meena, NHPC
Shri Piyush Kumar, NHPC
Ms. Shubhalaxmi Gupta, NHPC

Record of Proceedings

This petition has been filed by the petitioner, NHPC for approval of generation tariff of Nimoo Bazgo HE Project (hereinafter called "the generating station") for the period from 1.4.2013 to 31.3.2014, based on the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2009 ("the 2009 Tariff Regulations").

2. During the hearing, the representative for the petitioner made detailed submissions in the matter and prayed that tariff of the generating station may be determined accordingly.

3. None appeared on behalf of the respondents.

4. On a specific query by the Commission as to whether the Board of Directors of NHPC has approved the RCE submitted to the Central Government, the representative of the petitioner clarified that the revised cost approved based on delegation of financial powers in NHPC has been submitted to the Central Government.

5. The Commission directed the petitioner to seek the approval of the Board of Directors to the Revised Cost Estimate submitted to the Central Government and place same on record. The petitioner was also directed to submit the circular/ notification regarding the delegation of financial powers being followed in NHPC. The above information shall be submitted on affidavit within 3 months.

6. The Commission further directed the petitioner to submit, additional information on affidavit, with advance copies to respondents on or before 9.3.2015 on the following:

- a) The capital cost of ₹1021.52 crore claimed as on 31.3.2014 comprising of ₹946.03 crore towards cash expenditure as on COD and ₹55.76 crore on account of un-discharged liabilities and ₹19.74 crore as additional capitalization during 2013-14. Against the RCE (completion cost) amounting to ₹999.72 crore, CEA had approved an amount for ₹985.15 crore. Whereas, the Designated Independent Agency has vetted the capital cost of ₹978.44 crore as on COD. In this connection, clarification with regard to the difference in completion cost along with the reconciliation statement shall be furnished;
- b) Details along with the justification of the activities for which the funds were deployed since 2001-02;
- c) Necessary documents shall be furnished with regard to basis of rate of interest considered on normative loan before actual drawl of the loan for the generating station.

8. The above information shall be filed by the petitioner within the due date mentioned and the parties are directed to complete the pleadings within the said date. In case no additional information/ reply/ rejoinder are filed within the due date mentioned, the matter shall be decided based on available records.

9. Subject to above, the Commission reserved its order in the petition.

By order of the Commission

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