

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 3/RP/2015
in
Petition No. 230/GT/2013

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

Date of Hearing: 05.03.2015
Date of Order: 18.03.2015

In the matter of

Review of Commission's Order dated 5.11.2014 in Petition No.230/GT/2013 revising the tariff of Korba Super Thermal Power Station Stage-I & II (2100 MW) for the period from 1.4.2009 to 31.3.2014.

And in the matter of

NTPC Ltd.
NTPC Bhawan,
Core-7, SCOPE Complex,
7, Institutional Area, Lodhi Road,
New Delhi-110003

...Petitioner

Vs

1. Madhya Pradesh Power Management Company Ltd.
Shakti Bhawan, VidyutNagar,
Jabalpur - 482008

2. Maharashtra State Electricity Distribution Co. Ltd.
'Prakashgad' Bandra (East)
Mumbai – 400051

3. Gujarat Urja Vikas Nigam Ltd.
Vidyut Bhavan, Race Course,
Vadodara – 390007

4. Chattisgarh State Power Distribution Co. Ltd.
Dhagania,
Raipur – 492013

5. Electricity Department
Govt. of Goa, Vidyut Bhavan,
3rd Floor Panaji, Goa



6. Electricity Department
Administration of Daman & Diu
Daman – 396210

7. Electricity Department
Administration of Dadra and Nagar Haveli,
Silvassa, via VAPI

....Respondents

Parties present:

Shri Ajay Dua, NTPC
Shri Shyam Kumar, NTPC
Shri Rohit Ladha, NTPC
Shri Sachin Jain, NTPC

Order

This petition has been filed by the petitioner, NTPC for review of Commission's order dated 5.11.2014 in Petition No.230/GT/2013 whereby the tariff of Korba Super Thermal Power Station Stage-I & II (2100 MW) ('the generating station') for the period from 1.4.2009 to 31.3.2014 was revised after truing-up exercise in terms of the proviso to Regulation 6(1) of the 2009 Tariff Regulations.

2. Aggrieved by the said order dated 5.11.2014, the petitioner has sought review on the ground of error apparent on the face of the order, raising the following issues:

- (i) *Reduction of capital cost on account of de-capitalization of spares which are not part of capital cost;*
- (ii) *Reduction of capital cost on account of de-capitalization of MBOAs which are not part of capital cost;*
- (iii) *Adjustment in cumulative depreciation recovered on account of de-capitalization.*

3. Heard the representative of the petitioner on 'admission'. During the hearing, the representative of the petitioner pointed out certain inadvertent errors in the order dated 5.11.2014. As regards issue in para 2 (i) above, the representative of the petitioner submitted that the spares capitalized during 1997-98 onwards are not part of capital cost for tariff and reduction of capital cost by (-) ₹541.19 lakh in 2009-10, (-) ₹533.46 lakh in 2010-11, (-) ₹738.57 lakh in 2011-12 and (-) ₹1503.92 lakh in 2012-13 instead of

(-) ₹334.38 lakh in 2009-10, (-) ₹139.41 lakh in 2010-11, (-) ₹415.98 lakh in 2011-12 and (-) ₹48.36 lakh in 2012-13 is not in order and the typographical error needs to be corrected. As regards, the issue in para 2 (ii) above, the petitioner has stated that the Commission has reduced the cost of de-capitalization of MBOAs from the capital cost without considering the affidavit dated 10.10.2013, wherein, the year-wise reconciliation of gross block along with the details of the respective year of the capitalization for the de-capitalized MBOA claimed under exclusion for the period 2009-13 was submitted. As regards the issue in para 2 (iii) above, the petitioner has submitted that the value of adjustment made for decapitalization is not in order as the Commission has not considered the affidavit dated 10.10.2013, wherein, the year-wise details of accumulated depreciation recovered for the de-capitalized items was submitted. Accordingly, the representative of the petitioner prayed that the inadvertent errors in the order need to be rectified and tariff of the generating station may be revised.

4. We have examined the submissions of the petitioner and the documents available on record. It is noticed that the Commission in its order dated 5.11.2014 had adjusted the cumulative depreciation recovered on account of de-capitalised item after considering the submission of the petitioner in affidavit dated 10.10.2013. The petitioner has also not justified the existence of the computation error in the value of adjustment made for decapitalization. In view of this, there exists no error apparent on the face of the order. Accordingly, review sought by the petitioner on this ground is rejected.

5. With regard to issues in para 2 (i) and (ii) above, it is noticed that certain inadvertent clerical/ arithmetical errors have crept in paras 32, 35 and 37 of the order dated 5.11.2014 since, the de-capitalised spares and de-capitalisation of MBOAs which were not part of the capital cost have been reduced from the capital cost without considering the submissions made in affidavit dated 10.10.2013. This inadvertent clerical

/ arithmetical error in the order, in our view is required to be corrected and the petition should be disposed of at the admission stage.

6. Accordingly, in terms of Regulation 103A of the Central Electricity Regulatory Commission (Conduct of Business) Regulations, 1999, as amended on 12.11.2013, the prayer of the petitioner for review of order on the issues in para 2 (i) and (ii) above is allowed. However, considering the fact that truing-up petition have been filed by the petitioner for the period 2009-14 in respect of this generating station in terms of Regulation 6(1) of the 2009 Tariff Regulations, we direct that the impact due to rectification of the said errors may be considered at the time of revision of tariff of the generating station based on truing-up exercise for the period 2009-14.

7. Review Petition No. 3/RP/2015 is disposed of in terms of the above.

**-S/d-
(A.S. Bakshi)
Member**

**-S/d-
(A.K.Singhal)
Member**

**-S/d-
(Gireesh B. Pradhan)
Chairperson**