

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 196/GT/2016

Subject : Approval of tariff of Bokaro 'A' Thermal Power Station Unit-I (500 MW) for the period from the anticipated COD till 31.3.2019

Date of hearing : **6.12.2016**

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

Petitioner : Damodar Valley Corporation

Respondents : Punjab State Power Corporation Limited

Parties present : Ms. Anushree Bardhan, Advocate, DVC
Shri P. Bhattacharya, DVC
Shri D.K. Aich, DVC

Record of Proceedings

This petition has been filed by the petitioner, DVC for approval of tariff of Bokaro 'A' Thermal Power Station Unit 1 (500 MW) ('the generating station') for the period from anticipated COD till 31.3.2019 in terms of the provisions of the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2014.

2. During the hearing, the representative for the petitioner made submissions in the matter and prayed that the tariff of the generating station may be determined in terms of the provisions of the 2014 Tariff Regulations. He also submitted that though the petition has been filed based on the anticipated COD of the unit as 30.9.2016, the same is expected to be declared under commercial operation by end of December, 2016.

3. On a specific query by the Commission as regards the increase in the hard cost of the project, the representative of the petitioner clarified that there has been time overrun involved in the completion of the project. He also submitted that during the actual construction work, underground structures like old CW duct was encountered and the dismantling of old structure was taken up during 2009 for which the schedule got delayed. The representative however clarified that detailed reasons for time overrun have been submitted for consideration of the Commission.

4. None appeared on behalf of the respondents. The Commission directed the petitioner to submit the following additional information on affidavit, with advance copy to the respondents on or before **12.1.2017**;

(i) Copy of the Investment Approval (both original and revised) with schedule of commissioning, break-up of the project cost, reasons for the increase in hard cost in the revised approval *vis-à-vis* original approval along with the variation in scope of work, if any.

(ii) The actual cost incurred under the different packages till date in comparison to the awarded cost.



(iii) In case of time overrun and cost overrun, detailed note giving reasons and justification for time and cost overrun along with supporting documents namely, the detailed project report, CPM analysis, PERT chart and BAR chart. Also, PERT/Bar chart showing the critical activities/ milestones which were affected, along with the period of delay on each and every activity/milestone with proper justification shall be submitted. In addition, the parallel activities which were simultaneously affected thereby resulting in the loss of no of days along with detailed reasons and justification shall be submitted.

(iv) The implication of time overrun on cost, separately indicating the details of the increase in prices of different packages, increase in IDC & IEDC from the scheduled COD to the actual/anticipated COD.

(v) Detailed break-up of the additional capital expenditure (year-wise and item-wise) in Form-9A with proper justification and the relevant provision of Regulation 14 under which the same is claimed for the period 2016-19.

(vi) Relevant Forms i.e. Form-5 Ei (in case of cost overrun), Form-5E ii (in case of time overrun), Form-13 D (IEDC upto scheduled COD and upto actual COD), Form -13E (Expenditure under different packages upto scheduled COD and upto actual COD).

(vii) Complete details of fuel in Form-15 and Form-15A (Oil) for the preceding three months including the details of GCV of coal as "on received" taken from wagon at unloading point and also 'as billed' GCV.

(viii) Details of the actual audited capital cost, actual additional capital expenditure incurred, earnings from infirm power, LD recovered and the initial spares capitalized till actual COD along with all relevant tariff filling forms based on actual COD of units/generating station.

(ix) Turbine cycle heat rate and boiler efficiency corresponding to 100% MCR and 0% make up water along with the heat balance diagram and reason for furnishing the Turbine cycle heat rate and Boiler efficiency corresponding to 100% MCR and 3% make-up water .

(x) Details in respect of water charges such as copy of water supply agreement, contracted quantum, allocated quantity of water and rate of water charges as applicable.

(xi) Details of liabilities and discharge of liabilities.

(xii) Documentary evidence in support of the claim of ROE based on effective tax rate of @ 20.961%.

5. The respondents are directed to file their replies by 20.1.2017 with advance copy to the petitioner, who shall file its rejoinder by 27.1.2017.

6. The additional information sought for as above is in terms of the Commission's order dated 6.5.2016 in Petition No.8/SM/2016 which has not been complied with by the petitioner. The petitioner shall ensure that the additional information is filed within the due date mentioned. In case no additional information is filed within the said date, the matter shall be placed before the Commission for necessary orders.

By Order of the Commission

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

