

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 135/GT/2015

Subject: Approval of tariff of NTPL Thermal Power Station (2 x 500 MW) for the period from the COD of Unit-I and Unit-II to 31.3.2019.

Petition No. 146/GT/2015

Subject: Approval of tariff of Circulating Fluidized Bed Combustion (CFBC) Technology based NLC Thermal Power Station Expansion Unit – II (250 MW) for the period from actual COD and for the generating station (Unit – I &II) (250 MW) from anticipated COD of Unit-I to 31.3.2019.

Petitioner : Neyveli Lignite Corporation limited

Respondents : TANGEDCO & Others

Date of hearing : **2.8.2016**

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

Parties present : Shri K. Nambirajan, NLC
Shri S. Vallinayagam, Advocate, TANGEDCO

Record of Proceedings

Both these petitions were heard today.

2. During the hearing, the representative of the petitioner made detailed submissions in the matter and prayed that tariff may be determined accordingly. In response, the learned counsel for the respondent TANGEDCO submitted that the reply filed in the petitions and may be considered at the time determination of tariff of the generating station.

3. The Commission after hearing the parties directed the petitioner to file additional information on affidavit, on or before 22.8.2016, with advance copy to respondents on the following:

- (i) Balance Sheet from 1st infusion of funds up to 31.3.2016.
- (ii) Liabilities as on COD of each unit and 31.3.2016 and their reconciliation with balance sheet.
- (iii) Computation of additional revenue adjusted in the capital cost due to infirm generation along with period, rate of UI charges, estimated infirm generation.
- (iv) Explain the basis of all the rate of interests considered in calculation of weighted average rate of interest, with respect to each loan captured in Form-13. Also furnish the documentary evidence for confirming the change in rate of interests.
- (v) Basis of apportionment of IDC to each unit.
- (vi) Editable soft copy of the petition and all the calculation including IDC, Normative IDC, FERV.
- (vii) Form-6, 9A, 9E (as on each COD), 9F (as on each COD) (in Petition No. 146/GT/2015).



- (viii) Form-6, 9A, 9E (as on each COD), 9F (as on each COD), 14, 17 and 18 (in Petition No. 135/GT/2015).

4. In addition to above, specific information in the following petitions shall be submitted on the following:

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- (i) Detailed justification of time overrun of 39.23 months for Unit-I and 36.60 months for Unit-II from the scheduled COD. The reasons for delay shall be explained with PERT chart giving details of working days/ months lost with relevant documentary evidence, wherever necessary. Measures taken for reduction of the delays/ problems faced during execution of the project alongwith the supporting documents/ correspondence exchanged between the parties/ agencies;
- (ii) Details of increase in capital cost due to time overrun giving details of increase in cost due to changes in scope of work, increase due to normal escalations as per contracts upto scheduled COD and escalation paid after scheduled COD and increase in IEDC and implication of time overrun on IDC and financing charges separately from the scheduled COD to actual COD. The cost of special features such as external coal handling system, desalination plants;
- (iii) Details of infirm power injected in the grid by Unit-I and Unit-II separately from synchronization to CODs of units, revenue earned from sale of infirm power excluding fuel cost and the details of fuel used from synchronization to COD, for pre-commissioning activities;
- (iv) Details of additional capital expenditure from COD of the generating station to 31.3.2019 and the details of balance work as on COD and exhausted value till date;
- (v) The turbine cycle heat rate at 100% MCR and 0% makeup water based on guaranteed turbine cycle heat rate and heat rate characteristic curve at different loadings;
- (vi) Computation of actual O&M expenses of the generating station from COD till date.

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- (i) Reasons of time overrun of 76.16 months for Unit-I and 71 month for Unit-II from the scheduled COD. The reasons for delay shall be explained with PERT/ Bar chart and CPM giving details of working days / months lost with relevant documentary evidence, wherever necessary. Measures taken by petitioner as regards reduction of the delays/ problems faced during execution of the project alongwith documents/ correspondence exchanged between the parties/ agencies;
- (ii) The details of increase in capital cost due to time overrun giving details of increase in cost due to changes in scope of work, increase due to normal escalations as per contracts up to SCOD and escalation paid after SCOD and increase in IEDC and implication of time overrun on IDC & financing charges separately from the scheduled COD to actual CODs of units/ generating station;
- (iii) Details of infirm power injected in the grid by Unit-I and Unit-II separately from synchronization to CODs, revenue earned from sale of infirm power excluding fuel cost and the details of fuel used from synchronization till COD, for pre-commissioning activities;
- (iv) Details of LD recovered from the contractors in different packages due to delay in completion of work and for defects in supplied items;



- (v) Details of additional capital expenditure from COD to 31.3.2019, balance payments and work of original scope and time frame of completion of such payment / work;
- (vi) Details as per the Form-9A of the 2014 Tariff Regulations in chronological order year-wise along with detailed justification clearly bringing out the necessity and the benefits of such capitalization to the beneficiaries;
- (vii) The details of initial spares capitalized as on COD of the generating station and proposed to be capitalized up to cut off date year-wise;
- (viii) The computation of actual O&M expenses of the station from COD till date;
- (ix) Heat rate characteristic curve at different loadings along with heat balance diagrams

6. The Commission directed the respondents to file their replies, if any, on or before 30.8.2016, with advance copy to petitioner who shall file its rejoinder, if any, by 9.9.2016.

7. Matter shall be listed for hearing on 29.9.2016. Pleadings in the matter shall be completed on or before the said date of hearing. No extension of time shall be granted for any reason whatsoever.

By Order of the Commission

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

