

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 261/GT/2014

Subject : Petition for approval of generation tariff of Naptha Jhakri Hydro Electric Power Station (6 X 250 MW) for the period 2014-19.

Date of hearing : **12.1.2016**

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

Petitioner : SJVNL

Respondents : PSPCL & 14 others

Parties present : Shri Rajeev Agarwal, SJVNL
Shri Ashok Kumar, SJVNL
Shri R.B Sharma, Advocate, BRPL

Record of Proceedings

This petition has been filed by the petitioner, SJVNL for approval of generation tariff of Naptha Jhakri Hydro Electric Power Station (the generating station) for the period 2014-19 in terms of the provisions of the 2014 Tariff Regulations.

2. During the hearing, the representative of the petitioner made detailed submissions in the matter and prayed that the tariff of the generating station may be determined as claimed in the petition. He further submitted that petition for the period 2004-09 has been filed in terms of the liberty granted by the Commission in order dated 16.1.2013 in Petition No. 27/2011.

3. On a specific query by the Commission as to whether the approved RCE-IV has been submitted, the representative of the petitioner clarified that RCE-IV has been approved by CEA and is pending for approval of the MOP (GOI).

4. The learned counsel for the respondent, BRPL raised preliminary issues as under:

(i) As the petitioner has not submitted the approved RCE-IV, the grant of liberty or unlimited time to the petitioner would be in conflict with the principles laid down in the judgment of the Hon'ble Supreme Court (judgment dated 3.3.2009 in Civil Appeals No. 1110 of 2007 referred to) wherein it had held that the claim is permissible only when the tariff is in force and not afterwards. No approval of CEA on the RCE has been received. The petitioner can approach the Commission in respect of claim only after the MOP (GOI) approves the RCE-IV.

(ii) The petitioner has submitted one set of hydrology data to CEA to seek the Techno-Economic Clearance (TEC) of the project and immediately after construction of the project approached CEA with another set of hydrology data to revise Design Energy (DE). The revised DE claimed by the petitioner cannot be considered as the DE set out in Techno-Economic Clearance of the Authority may be considered for the purpose of tariff.

(iii) Liberty may be granted to make submissions on the other issues raised in the petition.



5. On a specific query by the Commission as to how the revenue is recognised in books of accounts, the representative of the petitioner clarified that the same is prepared considering the actual capital expenditure.

6. The Commission after hearing the parties directed the petitioner to file additional information on affidavit, on or before 29.1.2016, with advance copy to the respondents who shall file their reply by 8.2.2016 on the following:

- a) Board Approval for incurring the projected additional capital expenditure for the period 2014-19.
- b) Gross value of the old assets replaced against the expenditure claimed under replacement.
- c) Documentary proof for the assets claimed for enhanced security or other assets procured on the recommendations of government agencies mentioned with justification.
- d) Full form of the abbreviations used in the claims/ justifications.
- e) Copy of Annexure-Z as mentioned in petition.
- f) Procedure of revenue recognition and recording of incremental cost in the books of accounts.
- g) Whether the petitioner is taking into consideration the actual capital cost while preparing the annual accounts. If so, then how the billing is made?
- h) Detailed note on design energy at the time of investment approval and subsequent reduction thereof.
- i) Year-wise Station balance sheet and cost audit report for the years 2004-05 to 2014-15.
- j) Recommendation of Standing Committee on RCE-III with settled claims/RCE-IV or latest status thereof.
- k) Soft copies of all the forms in formula based excel file.

7. The above information shall be submitted within the due date mentioned above. In case the information/ reply is not filed within the said date, the matter shall be considered based on available records. No further extension of time shall be granted for reason whatsoever.

8. The matter shall be listed for hearing on **25.2.2016**.

By Order of the Commission

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

