

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 281/GT/2015

Subject: Approval of tariff of DGEN Mega Power Project (1200 MW) of Torrent Power Limited for the period from COD of Unit 51 (First Block) to 31.3.2019

Petition Nos. 401/GT/2014

Subject: Approval of tariff of UNOSUGEN Gas based Combined Cycle Power Project (382.5 MW) hereinafter called SUGEN 40 Plant for the period from 1.4.2014 upto 31.3.2019

Petitioner : Torrent Power Limited

Respondents : Torrent Power Limited (Ahmedabad Distribution) & 3 Others

Date of hearing : 16.2.2016

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

Parties present : Shri A.K. Ghosh, TPL
Shri Naresh K. Joshi, TPL
Shri R.S. Negi, TPL

Record of Proceedings

These petitions were taken up for hearing today.

During the hearing, the petitioner made detailed submissions in the matter and prayed that tariff of the above said generating stations may be determined as claimed in the petition.

2. None appeared on behalf of the respondents. The Commission directed the petitioner to file additional information on the following, on affidavit, with advance copy to the respondents on or before 23.3.2016:

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- (i) Documentary proof in respect of project capital of ₹515973.00 lakh as assessed by SBI Cap;
- (ii) Time line specified if any for incurring CSR expenditure of ₹36 crore;
- (iii) Copy of Ministry of Environment and Forests letter dated 21.10.2011 where by petitioner was directed to incur ₹136.00 crore as one time cost for CSR activities;
- (iv) Documentary evidence in respect of liability discharge of ₹11766.68 lakh in 2015-16.
- (v) Revised Form-I showing period wise Annual Fixed Charges for the year 2014-15.
- (vi) Auditor certified statement showing gross block of DGEN (on accrual basis) as on COD of each unit and 31.3.2015 along with corresponding IDC, FC, FERV and un-discharged liabilities, respectively;



- (vii) Statement showing reconciliation of gross block of DGEN as on 31.3.2015 with that as per audited financial statements;
- (viii) Statement showing reconciliation of gross block as per Form-9E with the capital cost claimed as on COD of each unit;
- (ix) Form-9A for the period from COD of the project to 31.3.2015;
- (x) Form-9C for the period upto 31.3.2015;
- (xi) The effective tax rate applicable to the petitioner company during the respective financial year for the tariff period 2014-19;
- (xii) Break-up in respect of capital cost claimed as on COD of each units as follows:
 - a) Hard Cost
 - b) IDC (Actual)
 - c) FC
 - d) FERV
 - e) Normative IDC (over & above actual IDC)
- (xiii) Revised Form-11 as on COD and 31.3.2015 (showing the gross block values as on respective dates);
- (xiv) Revised Form-13D showing break-up of IEDC cost as on scheduled COD;
- (xv) As per Form-13D, IEDC cost as on scheduled COD is ₹13900 lakh. However this cost as on COD is ₹12599.91 lakh. Detailed reason for such reduction in cost shall be furnished;
- (xvi) Statement showing details in respect of each loans as under:
 - a) Date of drawl and corresponding exchange rate & drawl amount
 - b) Date of repayment and corresponding exchange rate & repayment amount
 - c) Applicable rate of interest over the period
 - d) Exchange rate considered if any for purpose of payment of interest
 - e) Exchange rate considered at the end of each year
- (xvii) Soft copy of Form-14;
- (xviii) Soft copy of IDC & FERV calculations with links;
- (xix) Break-up of cumulative cash expenditure of ₹576891.76 lakh as on COD in Gross Block, CWIP etc;
- (xx) PPA/ Sale arrangement document with Torrent Ahmadabad and with PTC for sale of 150 MW outside Gujarat;
- (xxi) PERT and Bar Chart indicating the activities effected due to various reasons of delay along with detailed justification for time overrun;
- (xxii) Increase in IDC, IEDC and escalation in different packages from scheduled COD to actual COD due to time overrun including change of scope, if any;
- (xxiii) It has been indicated In Form-1(I) that additional capital expenditure from COD of 3rd Block / generating station (13.11.2014) to 31.3.2015 is ₹12966.71 lakh. However, in Form-9A (i.e. Statement of Additional Capital Expenditure after COD) the details of additional capital expenditure during 2014-15 (i.e. from 13.11.2014 to 31.3.2015) has not been furnished. The details of additional capital expenditure for the period from 13.11.2014 to 31.3.2015 in Form-9A with complete details shall be indicated;
- (xxiv) Approval of competent authority for the projected additional capital expenditure claimed along with delegation of power;



- (xxv) Initial spares capitalized as on COD of generating station and percentage of Plant & Machinery cost;
- (xxvi) Form-15 providing the fuel details for preceding 3 months from the COD of the generating station. The landed cost of the fuel shall be furnished in Indian rupees giving detailed break up of landed fuel price;
- (xxvii) Copies of all the Fuel Supply Arrangement;
- (xxviii) Detailed break up of ₹407.35 crore (net of revenue earned from infirm power) on commissioning / start-up fuel along with the quantity of fuel consumed from synchronization of each Block to COD of each Block;
- (xxix) Details of infirm power injected into the Grid by each Block along with Revenue earned excluding fuel cost;
- (xxx) Details in respect of water charges such as contracted quantum of water and allocated quantity, actual water consumption from COD to 31.3.2015, and 1.4.2015 to 31.12.2015, along with rate of water charges, copy of notification(s) of water charges. Further actual water charges paid to the Water Reasons Department/State Government duly certified by Auditor, type of cooling water system and justification for any variation in allocated quantity of water vis-a-vis actual consumption.

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- (i) Revised Form-9A showing the asset/work wise details of Additional Capital Expenditure (ACE) claimed and liabilities & IDC included in the ACE;
- (ii) Form-9C provides reconciliation of ACE claimed with the capital additions as per books. As per auditor certificate the gross block as on 31.3.2014 for the generating station is ₹1826.82 crore, and the opening gross block as on 1.4.2014 is ₹179347.22 lakh. This variation shall be explained along with revised Form-9C showing reconciliation of ACE claimed with the gross block as per books;
- (iii) Revised Form -9E and Form -9F;
- (iv) Revised Form-11, reflecting gross block position as on 1.4.20014 / 31.3.2014 and 31.3.2015;
- (v) Auditor's certificate in respect of Gross Block & un-discharged liabilities as on as on COD;
- (vi) In respect of existing loans (i.e. loans existing as on 1.4.2014), furnish the statement showing applicable rate of interest as on 1.4.2014 along with reset details during the period 2014-19;
- (vii) Statement showing details in respect of new draws of loan during the period 2014-19:
 - a) Date of drawl.
 - b) Amount of drawl (foreign currency as well as INR, in case of foreign draws)
 - c) Applicable rate of interest on date of drawl along with resets during the period 2014-19.
 - d) Repayment terms as per loan agreement.
 - e) Copy of loan agreement, if not furnished earlier.
- (viii) Auditor statement showing break-up of Gross Block as on 1.4.2015 as per audited statement of Torrent Power Limited into Generation (Plant wise), Transmission & Distribution;
- (ix) Statement showing flow of liabilities during the period 2014-19.
- (x) Detailed break-up of un-discharged liability of ₹4450.48 lakh claimed in 2014-15 and ₹574.46 lakh in 2015-16 and the liability if any actually discharged in 2014-15 and 2015-16. Details of the projected additional capital expenditure of ₹50.00 lakh each claimed during



the years 2016-17, 2017-18 and 2018-19 along with the relevant provision of the regulations under which such claims have been made. Also, Form-9A complete in all respects;

- (xi) Fuel details in Form-15 alongwith the justification as to (i) why the said unit was not in operation after COD and (ii) whether the Unit is presently under operation. If under operation, fuel details for the preceding 3 months shall be furnished in Form-15 in Indian rupees;
 - (xii) Details in respect of water charges such as contracted quantum of water and allocated quantity, actual water consumption from COD to 31.3.2014, 2014-15 and 1.4.2015 to 31.12.2015, along with rate of water charges, copy of notification(s) of water charges. In addition, the actual water charges paid to the Water Resourse Department/ State Government duly certified by Auditor, type of cooling water system and justification for any variation in allocated quantity of water vis-a-vis actual consumption;
 - (xiii) Certificate to the effect that all assets of the gross block as on 1.4.2014 are in service. In case any asset has been taken out from the service, the same should be indicated along with the date of putting the asset in use, the date of taking out the asset from service.
3. The respondents shall file their replies with advance copy to the petitioner by 7.4.2016 and the petitioner shall file its rejoinder, if any, by 13.4.2016. No extension of time shall be granted for any reason whatsoever. In case the additional information/ reply/ rejoinder is not filed within the said due date, the matter shall be decided based on available records.
4. Subject to the above, order in the petition is reserved.

By Order of the Commission

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

