

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition Nos. 464/GT/2014

Subject: Approval of tariff of Maithon Hydel Power Station Unit – I to III (63.2 MW) for the period 2009-14.

Petition No. 465/GT/2014

Subject: Approval of tariff of Mejia Thermal Power Station Unit – I to III for the period 2009-14

Petition No. 466/GT/2014

Subject: Approval of tariff of Mejia Thermal Power Station Unit - IV (210 MW) for the period 2009-14.

Petition No. 467/GT/2014

Subject: Approval of tariff of Panchet Hydel Power Station Unit – I & II (80 MW) for the period 2009-14.

Petition No. 468/GT/2014

Subject: Petition for determination of tariff of Tilaya Hydel Power Station Unit – I & II (80 MW) for the period 2009-14.

Petition No. 469/GT/2014

Subject: Petition for determination of tariff of Bokaro Thermal Power Station Unit – I & III for the period 2009-14.

Petition No. 470/GT/2014

Subject: Petition for determination of tariff of Chandrapura Thermal Power Station Unit – I to III for the period 2009-14.

Petition No. 471/GT/2014

Subject: Petition for determination of tariff of Durgapur Thermal Power Station Unit – III & IV for the period 2009-14.

Petitioner : Damodar Valley Corporation

Respondents : West Bengal State Electricity Distribution Company & Others

Date of hearing : **3.3.2016**

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

Parties present : Shri M.G. Ramachandran, Advocate, DVC
Ms. Poorva Saigal, Advocate, DVC
Shri Amit Biswas, DVC
Shri D.K Aich, DVC
Shri Rajiv Yadav, Advocate, DVPCA
Ms. Pallavi Pratap, Advocate, DVPCA



Record of Proceedings

These petitions were taken up today for hearing.

2. The representative of the petitioner made detailed submissions in the matter and prayed that tariff for the period 2009-14 may be determined for these said generating stations. He further submitted that additional information as sought for by the Commission has been filed and copies have been served on the respondents.
3. The learned counsel appearing for the Damodar Valley Power Consumer's Association (DVPCA), while submitting that replies to few petitions have been filed, sought further time to file replies in the other matters.
4. On a specific request by the learned counsel for impleadment in the petitions, the Commission clarified that DVPCA is at liberty to file the objections/ comments in these petitions and participate in the hearing of these petitions before the Commission. The learned counsel prayed that the petitioner maybe directed to serve copies of the additional information to enable DVPCA to file its objections/ comments.
5. The Commission directed the petitioner to file the additional information on affidavit, on or before 30.3.2016 with advance copy to the respondents and DVPCA, on the following:
6. Specific information on the following petitions shall be submitted as detailed under:

Petition No. 464/GT/2014 (Maithon Hydel Power Station Unit – 1 to 3)

- i) Asset-wise break up and asset wise justification for additional capital expenditure incurred during 2009-14 (mapped from 1.4.2006) on it common offices, except IT and R&D;
- ii) Asset-wise break up and asset-wise justification for the initial capital expenditure/ additional capital expenditure during 2009-14 for R&D and IT office;

Petition No. 465/GT/2014 (Meija Thermal Power Station Unit – 1 to 3)

- i) Documentary evidence in support of the new claim under "Payment of Process Fees to Block Land & Land Reforms Officer, Raniganj for Mutation & Conversion of 64.23 acres of acquired land held by MTPS";
- ii) Obsolescence certificate from OEM for the items such as upgradation of C&I package for SG & TG system of Unit 3, Coal Mill DP (Differential Pressure) instrument, upgradation of C&I package for SG & TG system of Unit 3, MTPS, upgradation of C&I package for SG & TG system of Unit 3, MTPS. Siemens supplied operation & monitoring system OS 220EA-OSV2 (Sl. no 35,36,41,42 and 50 of the Form-9);
- iii) Asset-wise details of de-capitalization of ₹919.01 lakh during 2013-14 with respect to replacement of old assets by new assets along with date on which these assets. Also, details of items de-capitalised along with date on which these assets were put to use and taken out from service and the depreciation recovered;
- iv) Certificate to the effect that all the assets under Gross Block as on 31.3.2009, 31.3.2010, and 31.3.2011 are in use for generation of power. If any asset is taken out from Gross block then the date of taking out from useful service along with depreciation recovered till the date of taking out from service;
- v) With regard to additional O&M expenses claimed on account of CISF Security, Mega Insurance and share of Subsidiary Activities, the following shall be furnished:



- (a) Generating station-wise CISF personnel deployed/employed in the generating station during the period 2008-09 to 2013-14;
 - (b) Details of subsidiary expenses (limited to soil conservation) along with reconciliation with the audited balance sheet for the years 2012-13 and 2013-14;
 - (c) The actual O&M expenditure of the station during the tariff period 2009-14;
- vi) Documentary evidence in support of claim towards Construction of guard wall at CISF parade ground and construction of 11 Nos. elevated morcha amounting to ₹196.26 lakh during 2013-14;

Petition No. 466/GT/2014 (Mejia Thermal Power Station Unit – 4)

- i) Certificate to the effect that all the assets under Gross Block during 2009-10 to 2013-14 are in use for generation of power. If any asset is taken out from Gross block then the date of taking out from useful service along with depreciation recovered till the date of taking out from service;
- ii) Break-up of total P&G contribution claimed during 2009-14 with respect to generating station, transmission net-work & distribution services;
- iii) With regard to additional O&M expenses claimed on account of CISF Security, Mega Insurance and share of Subsidiary Activities, the following shall be furnished:
 - (a) Reasons for not claiming these additional O&M in original tariff petition;
 - (b) Documentary evidence for requirement of additional CISF security for plant;
 - (c) Justification for undertaking Mega insurance along with a copy of Mega insurance taken for plant;
 - (d) Details of expenditure on subsidiary activity mentioning name of all subsidiary activities with justification for each activity.
 - (e) The actual O&M expenditure of the generating station during the period 2009-14.

Petition No. 467/GT/2014 (Panchet Hydel Power Station Unit – 1 & 2)

- i) Reasons for non-inclusion of “Sinking Fund Contribution” and “Common Office Expenditure” in Form-1 of the petition.
- ii) Asset-wise break up and asset wise justification for additional capital expenditure incurred during 2009-14 (mapped from 1.4.2006) on it common offices, except IT and R&D;
- iii) Asset-wise break up and asset-wise justification for the initial capital expenditure/ additional capital expenditure during 2009-14 for R&D and IT office;
- iv) Details regarding actual additional capital expenditure of ₹4.47 lakh claimed during 2012-13.

Petition No. 468/GT/2014 (Sewa-II Power Station)

- i) Asset-wise break up and asset wise justification for additional capital expenditure incurred during 2009-14 (mapped from 1.4.2006) on it common offices, except IT and R&D;
- ii) Asset-wise break up and asset-wise justification for the initial capital expenditure/ additional capital expenditure during 2009-14 for R&D and IT office;



Petition No. 469/GT/2014 (Bokaro Thermal Power Station Unit – 1 to 3)

- i) Certificate to the effect that all the assets under Gross Block as on 31.3.2009, 31.3.2010, 31.3.2011 and 31.3.2012 are in use for generation of power. If any asset is taken out from Gross block then the date of taking out from useful service along with depreciation recovered till the date of taking out from service;
- ii) Asset-wise details of de-capitalization with respect to replacement of old assets, if any;
- iii) With regard to additional O&M expenses claimed on account of CISF Security, Mega Insurance and share of Subsidiary Activities, furnish the actual O&M expenditure of the station during the tariff period 2012-14;
- iv) As regards of ₹587.36 lakh for land in 2013-14 the details/reasons as to whether the land has been newly acquired land or balance payment, if any.
- v) Break-up of total P&G contribution claimed during 2009-14 with respect to generating station, transmission net-work & distribution services;

Petition No. 470/GT/2014 (Chandrapura Thermal Power Station Unit – 1 to 3)

- i) Certificate to the effect that all the assets under Gross Block as on 31.3.2009, 31.3.2010, and 31.3.2011 are in use for generation of power. If any asset is taken out from Gross block then the date of taking out from useful service along with depreciation recovered till the date of taking out from service;
- ii) Details of items de-capitalized along with date on which these assets were put to use and taken out from service and the depreciation recovered;
- iii) With regard to additional O&M expenses claimed on account of CISF Security, Mega Insurance and share of Subsidiary Activities, the following shall be furnished:
 - (a) Generating station-wise CISF personnel deployed/employed in the generating station during the period 2008-09 to 2013-14;
 - (b) The actual O&M expenditure of the station during the tariff period 2009-14.
- iv) Break-up of total P&G contribution claimed during 2009-14 with respect to generating station, transmission net-work & distribution services

Petition No. 471/GT/2014 (Durgapur Thermal Power Station Unit – 3 & 4)

- i) Certificate to the effect that all the assets under Gross Block during 2009-10 to 2013-14 are in use for generation of power. If any asset is taken out from Gross block then the date of taking out from useful service along with depreciation recovered till the date of taking out from service;
- ii) Asset-wise details of de-capitalization for the period 2012-14 towards replacement of old assets by new assets, if any;
- iii) With regard to additional O&M expenses claimed on account of CISF Security, Mega Insurance and share of Subsidiary Activities, the following shall be furnished:
 - (a) Generating station-wise CISF personnel deployed/employed in the generating station during the period 2008-09 to 2013-14;
 - (b) The actual O&M expenditure of the station during the tariff period 2009-14;
- iv) In respect of the claim under 'Other Assets' in common office expenditure, submit the details/ bifurcation of 'Expenditure pending allocation'.



- v) Break-up of total P&G contribution claimed during 2009-14 with respect to generating station, transmission net-work & distribution services;

7. In addition to above, additional information in Petition Nos. 465/GT/2014, 466/GT/ 2014, 469/GT/2014, 470/GT/2014 and 471/GT/2014 shall be submitted as under:

- i) Details of works which were not completed during the period 2009-14 in respect of unit/ station along with clarification as to what were the factors which prevented the completion of these works during 2009-14;
- ii) Reconciliation statement of actual additional capital expenditure incurred during 2012-14 with the books of accounts along with apportionment of capital cost in different stages/ units duly certified by Auditor;
- iii) Audited annual accounts for the years 2012-13 and 2013-14;
- iv) In respect of the claim under 'Other Assets' in common office expenditure submit the following:
 - a. Bifurcation of the 'Other Assets';
 - b. Year-wise and item-wise bifurcation of expenditure of IT office;

8. In addition to above, additional information in all the above petitions shall be submitted as under:

- i) Relevant forms claiming the applicable rate of return on equity (i.e. normal rate on equity without grossing up for these three financial years as on income tax was paid in 2010-11, 2011-12 and 2012-13 as no income tax was paid during the) to be revised;
- ii) The applicable tax rate for the years 2009-10 and 2012-13
- iii) Auditor certificate statement showing capital cost claimed of the project for the tariff period 2009-14;
- iv) Assets-wise and party-wise of details of liabilities as at the end of each financial year and liabilities discharged during the relevant financial years, linked with excel files for the period 2009-14 ;

9. The respondents and DVPCA shall file their replies, if any by 13.4.2016 with advance copy to the petitioner who shall file its rejoinder, if any, by 29.4.2016. These petitions shall be listed for hearing on 10.5.2016.

By Order of the Commission

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

