

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 281/GT/2014

Subject : Approval of tariff for Talcher Super Thermal Power Station Stage-I (2 x 500 MW) for the period 2014-19.

Date of Hearing : **20.5.2016**

Coram : Shri A.S. Bakshi, Member
Dr. M.K. Iyer, Member

Petitioner : NTPC Limited

Respondents : West Bengal State Electricity Distribution Company Limited (WBSEDCL) and 7 others

Parties present: Shri Bhupinder Kumar, NTPC
Shri Rajeev Chaudhary, NTPC
Shri Shailendra Singh, NTPC
Shri T. Vinodh Kumar, NTPC
Shri Jaya Prakash, Advocate, TANGEDCO
Shri R B Sharma, Advocate, GRIDCO and BSPHCL

Record of Proceedings

This petition has been filed by the petitioner, NTPC for determination of tariff of Talcher Super Thermal Power Station Stage-I (2 x 500 MW) for the period from the 1.4.2014 to 31.3.2019 in accordance with 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 tariff of the generating station may be determined for the period 2014-19 as prayed for in the petition.

3. The learned counsel for the respondent, TANGEDCO prayed for grant of time to file its reply in the matter.

4. The Commission accepted the prayer and adjourned the hearing of the petition. The Commission however directed the petitioner to file the following information on affidavit, on or before by 20.6.2016, with advanced copy to the respondents:-

- a. Detailed justification for considering the weighted average GCV of the coal with relevant documents viz. third party sampling report of the received coal. Also, GCV of coal on "as received" basis for computation of energy charges;
- b. Basis for the claim of Water charges for each year of the tariff period along with copies of the water supply agreement;
- c. Particulars regarding consumption of water during the last five years, the rate of water charges along with relevant documents in justification of the same;



- d. Basis for considering Plant Availability Factor as 83%.
- e. The details of coal linkage and the coal made available by CIL against the said linkage.
- f. Expenditure of ₹299.00 lakh in 2014-15 and ₹774.00 lakh in 2016-17 respectively has been claimed towards phasing out of Halon fire fighting system with inert gas. However, it is noticed that in Petition No. 176/GT/2013 (Rihand Super Thermal Power Station, Stage-I (1000 MW), the said activity had been completed at an estimated cost of around ₹115.00 lakh (inclusive of de-capitalisation) and was allowed in Commission's order dated 15.5.2014. In this background, the huge variation in the replacement cost for similar item /activity in respect of this generating station may be justified. Also, the details of the projected de-capitalisation against such replacement shall be submitted.
- g. Expenditure of ₹21340 lakh has been claimed towards mine void filling during 2017-18 citing reference of a high level meeting held on 8.7.2011 where the same was deliberated. In this regard, all relevant documentary evidence justifying the estimated expenditure under this head shall be submitted.
- h. Proper reasons/grounds for invoking the provision of Regulation 54 & 55 read with Regulation 14(3)(iv) of the 2014 Tariff Regulations for allowing the expenditure towards Ash dyke works during 2014-15 shall be submitted.
- i. Detailed computation of the effective tax rate for arriving at RoE of 23.9394% for the period 2014-19;
- j. Impact of each item of additional capital expenditure on the life extension of the generating station, if any.

5. The Commission directed the respondents to file their replies by 30.6.2016 and the petitioner to file its rejoinder, if any, by 8.7.2016. The Commission also directed the parties to file the information/reply/rejoinder within the timeline specified and observed that no further extension of timer shall be permitted.

6. The Commission directed to list the matter for hearing on 11.7.2016.

By order of the Commission

sd/-
V. Sreenivas
Dy. Chief (Law)

