

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 74/GT/2017

Subject : Approval of tariff for Muzaffarpur Thermal Power Station (2X195 MW) for the period from anticipated COD of Unit-I to 31.3.2019.

Date of hearing : 23.5.2017

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

Petitioner : Kanti Bijlee Utpadan Nigam Limited

Respondents : BSP(H)CL& 7 Others

Parties present : Ms.Poorva Saigal, Advocate, KBUNL
Shri Chandan Goyal, KBUNL
Shri Sukhjinder Singh, NTPC
Shri Shanker Saran, NTPC
Shri Raj K. Mehta, Advocate, GRIDCO
Ms. Himanshi Andley, Advocate, GRIDCO
Shri R.B. Sharma, Advocate, BSP(H)CL

Record of Proceedings

This petition has been filed by the petitioner, Kanti Bijlee Utpadan Nigam Limited (KBUNL) for approval of tariff of Muzaffarpur Thermal Power Station (2x195 MW) for the period from the anticipated date of commercial operation of Unit-I (25.3.2017) till 31.3.2019 in terms of the CERC (Terms and Conditions of Tariff) Regulations, 2014

2. During the hearing, the learned counsel for the petitioner submitted that Unit-I of the generating station has been declared with commercial operation (COD) on 18.3.2017. Accordingly the learned counsel prayed that the petitioner may be permitted to amend the petition based on the actual expenditure incurred upto the COD of the project. She also submitted that the respondents shall be provisionally billed in terms of the PPA for the energy supplied from the generating station.

3. The learned counsel for the respondent, GRIDCO prayed that it may be granted time to file its reply in the matter after receipt of the amended petition filed by the petitioner. The learned counsel for the respondent BSP(H)CL prayed that they may be also be permitted to file additional reply in the matter.

4. The Commission adjourned the hearing. The petitioner was directed to file additional information, on affidavit on the following, with advance copy to the respondents on or before 16.6.2017.

- i) Copy of Investment approval (original and revised) alongwith the schedule of commissioning, breakup of project cost and reasons for increase in hard cost in the revised approval compared to the original approval alongwith the variation in scope of work, if any. The petitioner shall also specify the authority for approved Revised Cost Estimate and accordingly furnish the revised sanctioned cost approved by the said authority.



- ii) Actual cost incurred in different packages till actual COD till date as compared to the awarded value when COD was declared in the meantime.
- iii) Detailed reasons and justification for time and cost overrun along with supporting documents namely, the detailed project report, CPM analysis, PERT chart and BAR charts showing the critical activities/ milestones which were affected the period of delay on each and every activity/milestone with proper justification shall be submitted. In addition, the parallel activities which were simultaneously affected, thereby resulting in the loss of number of days along with detailed reasons and justification shall be submitted.
- iv) The implication of time overrun on cost, separately indicating the details of the increase in prices of different packages, increase in IDC & IEDC from the scheduled COD to the actual/anticipated COD.
- v) Relevant Forms i.e. Form-5 E i (in case of cost overrun), Form-5E ii (in case of time overrun), Form-13 D (IEDC up to scheduled COD and up to actual COD), Form -13E (Expenditure under different packages up to scheduled COD and up to actual COD).
- vi) Latest audited balance sheet and auditor's certificate in respect of the capital cost , actual additional capital expenditure incurred, earnings from infirm power, LD recovered and the initial spares capitalized till actual COD along with all relevant tariff filing forms based on actual COD of units/generating station.
- vii) Details in respect of water charges such as copy of water supply agreement, contracted quantum, allocated quantity of water and rate of water charges as applicable.
- viii) Revised tariff filing forms based on the actual COD of units/generating station as specified under the 2014 Tariff Regulations along with proper reasons for non availability of any requisite information if any. Also, Form-15 and 15A containing details of fuel consumed in the preceding 3 months before COD, alongwith details of 'as received' and 'as billed' GCV of coal;
- ix) Confirmation as to whether coal samples for measuring 'as received' GCV of coal in the months of December, 2016, January,2017, and February, 2017 were taken from the wagons at the unloading point in the site or from any other point;
- x) Clarification as to whether the infrastructure for taking coal from wagon at the unloading point for measuring 'as received' GCV of coal in terms of the order dated 25.1.2016 in Petition No. 283/GT/2014 was incorporated by the petitioner. If so, the details of infrastructure installed along with videography of taking coal samples from wagons.
- xi) Details in respect of consumption of HFO for computation of fuel components and the energy charges.
- xii) Form No. 7,14 and 14A, i.e. details pertaining to debt and equity position only till 31.03.2017 (anticipated COD of Unit-II/ Station) to be furnished.
- xiii) It is noticed that the cash expenditure as on 31.12.2016 was ₹361056.00, funds rasied through equity and loan is ₹346410.69. Accordingly justification/ explanation for the funding gap and reconciliation of both the units to be furnished.
- xiv) Copy of the Original Investment approval and information regarding the RCE-I along with the Board Resolution.



5. Copy of the amended petition containing the additional information shall be served on the respondents on or before 14.6.2017 and the respondents shall file their replies by 27.6.2017, with advance copy to the petitioner who shall file its rejoinder, if any, by 6.7.2017

6. Pleadings shall be completed by the parties prior to the next date of hearing. Matter shall be listed for hearing on 25.7.2017

By Order of the Commission

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



