

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No.15/GT/2018

Subject : Petition for determination of tariff of Tuirial Hydro Electric Power Plant (TrHEP) (2 X 30 = 60 MW) for the period from COD to 31.3.2019

Petitioner : NEEPCO

Respondent : Power and Electricity Department, Mizoram (P&ED) & 2 Ors.

Date of hearing : **27.2.2018**

Coram : Shri P.K.Pujari, Chairperson
Shri A.K. Singhal, Member
Shri A.S. Bakshi, Member
Dr. M.K. Iyer, Member

Parties present : Shri P.C. Burman, NEEPCO
Shri S. Goswami, NEEPCO
Shri M. Shiva, NEEPCO
Ms. E. Pyrbot, NEEPCO
Shri Bikash Mani Bhardwaj, NEEPCO
Shri C. Lalramlianase, P&ED

Record of Proceedings

This petition has been filed by the petitioner, NEEPCO for approval of generation tariff of Tuirial Hydro Electric Power Plant ('the generating station') for the period from anticipated COD (31.12.2017) of the Units to 31.3.2019.

2. During the hearing, the representative for the petitioner submitted as under;
- (a) The project works commenced in 2001 as per drawn up plan and was progressing, however, the project works came to a halt from June, 2004 due to agitation launched by Tuirial Crop Compensation Claimant Association claiming payment of crop compensation for the standing crops in the Riverine Reserve Forest and the project works were suspended due to the consequent law & order problem. Prior to suspension of work, 30% of the project work and 95% of Designed & Engineering work were completed;
 - (b) Under the active support of the Govt. of Mizoram, the project revival was initiated and PIB approval on revised cost estimate of Rs. 913.63 crore (including IDC of Rs. 36.57 crore) at March 2010 price level was accorded on 4.6.2010;
 - (c) The revised CCEA clearance for the project was accorded on 14.1.2011 with Revised Cost Estimates (RCE) of Rs. 913.63 crore with a completion period of 36 months. Further, the RCE has been updated in December 2015 at price level of Rs 1441.52 core (including IDC & FC of Rs. 110.99 crore) and was revised as on COD of June 2017, wherein the tariff for the first year is projected at Rs 10.44/ unit and levelised tariff at Rs. 10.54/ unit;
 - (d) Due to the high cost of tariff, Secretary of Govt. of Mizoram, vide letter dated 20.1.2017 had informed MoP, Govt. of India regarding intention to surrender the power from the generating station other than 12% free power;



- (e) CEA vide letter dated 8.3.2017 to MoP, Govt. of India had communicated that only the amount of Rs 203.64 crore due to indexation may be added in the approved project cost for the purpose of determination of tariff and the balance increased cost may be borne by the petitioner from their own resources as agreed at the time of revival of the project;
- (f) Based on the request of the State of Mizoram, the petitioner has reduced the O&M charges from 4% to 2.5%, since the petitioner is getting an additional grant of Rs. 133.90 crore. Accordingly, the amount of Rs 5.18/unit with free power was worked out from Rs. 6.60/unit without free power. It is prayed that provisional tariff of Rs. 5.18/unit may be considered.

3. The representative for the respondent prayed for grant of time to file its reply in the matter.

4. On a specific query by the Commission as to whether the parties have agreed for a provisional tariff and on approval of RCE, the representative of the petitioner clarified that only a proposal has been sent to the respondent on this count. With regard to approval of RCE, the petitioner clarified that RCE has been approved but communication from MoP, Govt. of India is awaited.

5. The Commission after hearing the parties directed the petitioner to file the following additional information, on affidavit, with copy to the respondents, on or before 19.3.2018:

- (i) Relevant documents to justify that the petitioner had taken efforts to reduce the capital cost of the project;
- (ii) Copy of Minutes of Meeting dated 10.11.2017 between NEEPCO and P&E Department, Government of Mizoram to discuss the possible means of reducing tariff of the generating station;
- (iii) Details of the back-up calculation and assumption/confirmations made for computation the tariff of Rs. 5.18 / unit including 12% Free Power vis-à-vis the computation of tariff as per 2014 Tariff Regulations;
- (iv) Whether the Respondent has accepted the tariff of Rs. 5.18/unit. If yes, then documents in support of such agreement;
- (v) Status of CCEA clearance of RCE-II of the project.

6. The respondent shall file their reply on or before 26.3.2018 with advance copy to the petitioner, who shall file its rejoinder, if any, by 2.4.2018. Pleadings shall be completed by the parties within the due dates mentioned. No extension of time shall be granted for any reason whatsoever.

7. Matter shall be listed for hearing on 10.4.2018.

By order of the Commission

**-Sd/-
(T.Rout)
Chief (Law)**

