

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No.276/GT/2018

Subject : Petition for determination of tariff of 2x600 MW Coal Based Power Project at Village-Derang, District-Angul, Odisha for the period commencing from 12.2.2015 for the control period of 2014-19.

Petitioner : Jindal India Thermal Power Limited

Respondent : GRIDCO Ltd. & ors

Date of hearing : **14.5.2019**

Coram : Shri P.K.Pujari, Chairperson
Dr. M.K. Iyer, Member
Shri I.S.Jha, Member

Parties present : Shri Shourya Malhotra, Advocate, JITPL
Shri Rajkumar Mehta, Advocate, GRIDCO
Ms. Himanshi Andley, Advocate, GRIDCO

Record of Proceedings

At the outset, the learned counsel for the Petitioner, JITPL prayed for adjournment of the hearing to enable it to file its rejoinder to the reply filed by Respondent, GRIDCO. This was not objected to by the learned counsel for GRIDCO.

2. The Commission adjourned the hearing. The Commission however directed the Petitioner to file the following additional information, on affidavit, with copy to the Respondents, on or before **7.6.2019**:

- (i) *Copy of Investment approval (original and revised) with schedule of commissioning, package-wise breakup of project cost and reason of increase in hard cost in the revised approval compared to the original approval along with the variation in scope of work, if any;*
- (ii) *Reconciliation of additional capitalization details in Form-9A of petition with additions considered in form 1(I);*
- (iii) *Details of bifurcation of cost as per the standard Form-5B as provided under the 2014 Tariff Regulations;*
- (iv) *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 upto scheduled COD and upto actual COD), Form -13E (Expenditure under different packages upto scheduled COD and upto actual COD);*
- (v) *PERT/CPM chart indicating the critical activities/milestones which were affected due to each reason of delay with relevant supporting document. Reconciliation of the total delay period corresponding to each activity/milestones with individual delays corresponding to each reason of delay as per the format attached at annexure-1. Any other relevant*



information, proving that time overrun and consequent cost overrun, if any, was not attributable to the Petitioner;

- (vi) Clarification whether the sample taken for 'as received' GCV of coal is from wagon top at the unloading point or from anywhere else in the plant. Details of coal and HFO in Form-15 for the months of November 2014, December 2014 and January 2015 for Unit-II and for the month of January 2015, February 2015 and March 2015 for Unit-I of the generating station. Details of 'other charges' claimed in Form-15;
- (vii) Details of earnings from infirm power from start-up to synchronization and synchronization to COD, LD recovered and the initial spares capitalized till actual COD of the generating station;
- (viii) Details of water charges such as type of cooling water system, water consumption, rate of water charges along with actual water consumption from COD till date (year wise). Water agreement with the State Govt. / agency and copy of agreement of contracted quantum of water and allocated quantity;
- (ix) Copy of all investment approvals by the Board in respect of the project;
- (x) Status of Unit-III of the project;
- (xi) The total estimated cost for project as per revised IA is ₹7061.37 Crs (3476.19 crore for Unit-I and ₹3585.18 crore for Unit-II). However, the petitioner considered this value as ₹7068 crore in the petition. The variance needs to be clarified / reconciled.
- (xii) Details of loan draws for the project - Date of drawl, amount of loan drawn, applicable rate of interest with resets if any, date of repayment, applicable exchange rates on various relevant dates, copy of loan agreements;
- (xiii) Details of de-capitalised assets such as name of asset, date of put to use, original value of assets capitalised, reason of de-capitalisation in such a short span of time, amount recovered / recoverable, if any, corresponding to such asset in lieu of guarantee / insurance thereof.
- (xiv) Clarification as regards ₹1097.47 lakh (addition during the period 1.4.2015 to 19.4.2015 as per Form-1(I)) and ₹2528.55 lakh (corresponding liability addition as reflected).
- (xv) Revised Form-9C, showing period wise break-up as per Form-1(I) of the petition.
- (xvi) As per Form-9C, addition during 2017-18 is ₹1762.69 lakh. However, the same is ₹2114.51 lakh as per Form-1(I). The variance needs to be reconciled / clarified with suitable amendment of relevant Forms.
- (xvii) Revised Form-9E and 9F, showing status as on 6.6.2014 along with IDC, FC and FERV details for all the periods.
- (xviii) As per Form-9E, the gross block and corresponding liabilities as on 12.2.2015 i.e. COD of Unit-II is ₹16167.27 lakh (i.e. capital cost on cash basis is 'nil'). However, the petitioner has claimed capital cost of ₹307071.07 lakh as on COD of Unit-II. The variance needs to be clarified / reconciled. Similar variance, if any, for other periods to be clarified and rectified.
- (xix) Soft copy of IDC calculation.
- (xx) Reason for considering scheduled COD for Unit-I and Unit-II as 26.8.2012 and 24.11.2012 instead of 25.5.2012 and 25.8.2012, respectively (i.e. 35 months and 38 months from zero date).
- (xxi) Revised Form-13D indicating details as on Scheduled CODs. Reasons for reflecting certain items of expenses like communication expenses, other



office and administrative expenses, depreciation, tax expenses, profit on sale of assets etc. only as on 1.4.2014 but not on COD of Unit-I and Unit-II.

- (xxii) Clarification as to why Form-13E, Form-14, Form-14A is not applicable on the petitioner.*
- (xxiii) Clarification and reconciliation thereof as regards ₹320.81 crore (undischarged liability for the project as on 12.2.2015) and ₹160.40 crore (considered by the Petitioner while working out tariff in the petition).*
- (xxiv) Original scope of work (detailed in DPR and project proposal approved by the Board) consisting of relevant details like cost, quantity etc pertaining to each item of work.*
- (xxv) Balance scope of work within original scope of work, as on COD, consisting of relevant details like cost, quantity etc. pertaining to each item of work.*

3. The Respondents shall file their replies on or before **21.6.2019** with advance copy to the Petitioner, who may file its rejoinder, if any, by **28.6.2019**. Pleadings shall be completed by the parties within the due dates mentioned.

4. Matter shall be listed for hearing in due course for which notice shall be issued to the parties.

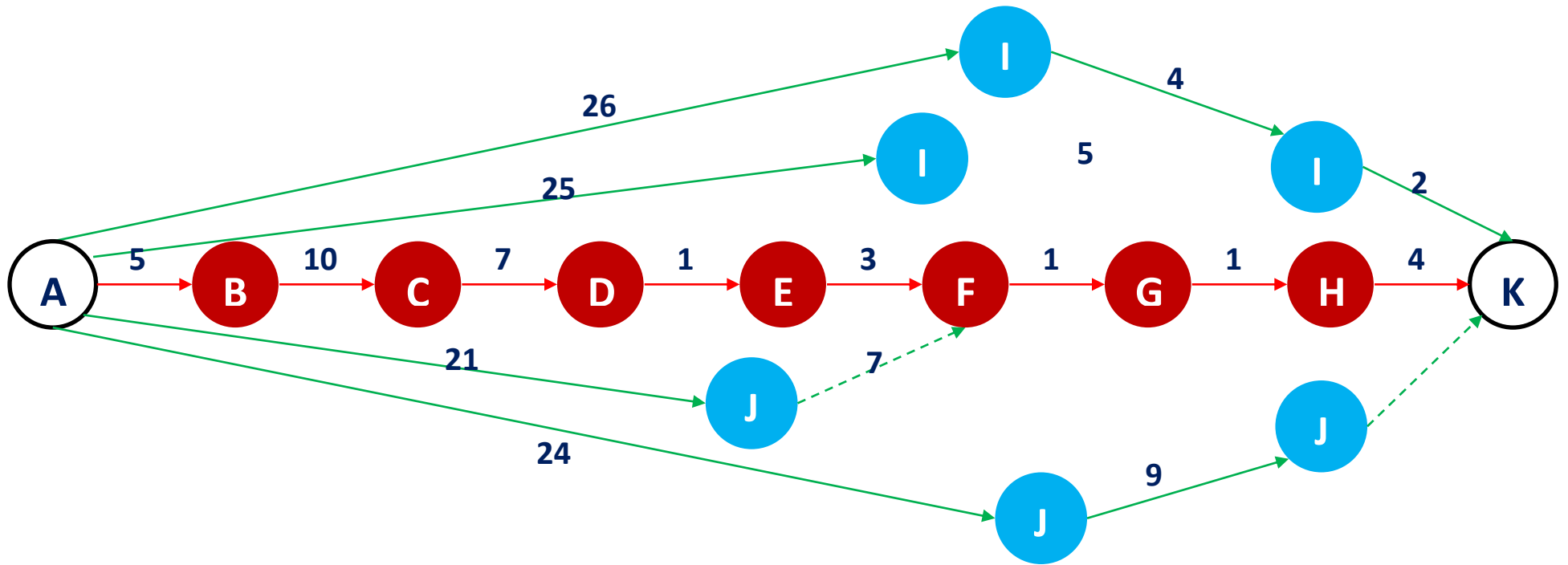
By order of the Commission

Sd/-
(B.Sreekumar)
Dy. Chief (Law)



Sample CPM chart for Time Overrun

Annexure-1



Process	Milestone	Schedule Completion Date	Actual Completion Date	Schedule Duration (Month)	Actual Duration(Mo nth)	Delay (Days/ Month)	Reasons of delay with individual delay (Start and End date)
A	Investment Approval (Zero Date)						
B	Boiler Foundation						
C	Boiler Drum Lifting						

D	Boiler Hydro Test						
E	Turbine Box -Up						
F	Boiler Light- up						
G	Steam Blowing						
H	Synchronisation & Trial						
I1	MGR						
I2	Track hopper/Wagon Tripler						
I3	Coal Handling Plant						
J1	ESP						
J2	Chimney						
J3	Ash Handling System						
K	COD						
K	COD						
.....						

Note: This is a sample format. Milestone may change from case to case basis.