

**CENTRAL ELECTRICITY REGULATORY COMMISSION  
NEW DELHI**

**Petition No.29/GT/2020**

Subject : Petition for revision of generation tariff of Rampur Hydro Power Station (412 MW) for the period from actual COD of first Unit (i.e. 13.5.2014) to 31.3.2019-Truing-up of tariff determined by the Commission's order dated 26.6.2019 in Petition No. 315/GT/2018

Petitioner : SJVN Limited

Respondent : Punjab State Power Corporation Limited (PSPCL)& others

Date of hearing : **2.6.2020**

Coram : Shri P.K. Pujari, Chairperson  
Shri I.S Jha, Member  
Shri Arun Goyal, Member

Parties present : Shri Romesh Kapoor, SJVNL  
Shri Rajeev Agarwal, SJVNL  
Shri Sanjay Kumar, SJVNL  
Shri Manish Garg, UPPCL  
Shri Vikram Singh, UPPCL

**Record of Proceedings**

The matter was taken up for hearing through Video Conferencing

2. During the hearing, the representative of the Petitioner submitted that the present petition has been filed for revision of tariff of Rampur Hydro Power Station (412 MW) (hereinafter referred to as 'the generating station') for the period from actual COD of first Unit (i.e. 13.5.2014) till 31.3.2019, based on truing-up exercise in terms of Regulation 8 of the CERC (Terms and Conditions of Tariff) Regulations, 2014 ('the 2014 Tariff Regulations'). He also submitted that the tariff filing forms have been furnished in accordance with the provisions of the 2014 Tariff Regulations and copies have been served on the Respondents. Accordingly, the representative submitted that the tariff of the generating station may be determined as claimed in the petition.

3. The representative of the Respondent UPPCL referred to the reply and made the following submissions:



(a) The Commission in its order dated 26.6.2019 had noted certain ambiguity in the submissions of the Petitioner in Form 1(i), 5B and 9E as regards capital cost. Hence, the capital cost may be restricted either to the original approved cost of Rs 2047.05 crore or to the DIA cost of Rs 3996 crore only as on COD.

(b) The Petitioner may be directed to furnish the unit-wise allocation of IDC as on the COD of each unit or the entire IDC may be disallowed.

(c) No details have been furnished by the Petitioner with regard to the revision of normative IDC, the negative entry in discharges for 2017-18 and the discharge of liabilities for 2018-19.

(d) Since no details have been furnished by the Petitioner with regard to the recovery of LD of Rs 110.23 lakh and the Insurance claim of Rs 22.22 lakh, these amounts may be deducted.

(e) The prayer of the Petitioner for reduction of NAPAF to 85% may not be considered taking into account the CUFs of the plant. The Commission may consider upward revision to discourage any undue gains by the Petitioner. The Petitioner may therefore be directed to submit the Cost Audit Report for the years 2014-15 and 2015-16.

(f) The Petitioner's submission for allocation of the corporate expenditure (under O&M expenses) between this generating station and NJHPS may not be entertained as the Cost Audit Report for 2018-19 shows that there are five profit centre of the Petitioner company including these hydro generating stations. While allowing the revision of normative O&M expenses due to the impact of pay revision, all the elements of O&M may be taken into consideration.

4. In response to the above, the representative of the Petitioner stated that clarification on the above issues raised by the Respondent UPPCL has been furnished by the Petitioner vide its rejoinder dated 17.2.2020 and the same may be considered at the time of revision of tariff of the generating station.

5. The Commission, after hearing the parties, directed the Petitioner to submit the following additional information, with advance copy to the Respondents, on or before **22.6.2020**:

*(a) As regards the claim for initial spares on actual basis, the completion cost of the project envisaged during 2008-09 to be furnished. Also, affidavit to the effect that the total initial spares claimed as on COD of the generating station and beyond COD, form part of the original scope and also form part of the RCE amount of Rs. 4233.21 crore as recommended by the Standing Committee;*

*(b) Certificate to the effect that additional capital expenditure claimed for 2018-19 is towards assets/works which form part of original scope of work/RCE;*



(c) Details/nature of the asset along with proper justification in respect of the claim at Sl.no.2 for 2018-19, under the head 'Plant & Machinery';

(d) The position as per balance sheet as on COD indicates an amount of Rs 29429.32 lakh booked under the head 'current liabilities'. The expenditure against which these liabilities as per balance sheet have been booked shall be explained;

(e) To indicate the accounting policy of the Company/provision of the Companies Act under which the balance sheet as on COD has been prepared on cash basis;

(f) The statement of reconciliation of the gross block, CWIP and liabilities as per balance sheet as on COD (16.12.2014) with the balance sheet as on 31.3.2015, duly certified by Auditor;

(g) Unit-wise allocation of IDC, as per Commission's order dated 26.6.2019 in Petition No.315/GT/2018;

(h) Details in respect of IBRD loan as per Commission's order dated 26.6.2019 indicating (i) the amount of unused IBRD loan, (ii) the amount invested, (iii) the rate of interest with respect to such investment, (iv) the duration of the investments, all duly certified by Auditor (v) the certified reconciliation statement between the actual cash expenditure incurred and the sources of finance during the period when such unused portion of IBRD loan was invested;

(i) Balance sheets with complete notes/ schedules since 1<sup>st</sup> infusion of fund and reconciliation of the same with the cash expenditure as per Form 14A;

(j) As regards the negative entry in discharge of liability, the clarification furnished is insufficient. Accordingly, the following details shall be furnished:

(i) Arbitration award and interest thereon which has been referred as negative entry in discharges;

(ii) Details of the hydro allowance as referred by the petitioner; and

(iii) Reconciliation of the Form 9b (i) with the de-capitalisation of assets towards hydro allowance amounting to Rs. 74 crore, duly certified by Auditor.

(k) Against the claim of the Petitioner for Rs 5247.56 lakh towards actual additional capitalisation in 2017-18 in Petition No. 315/GT/2018, an amount of Rs 3256.23 lakh was allowed. However, an amount of Rs 3255.91 lakh has been claimed as additional capitalisation for 2017-18 in the present petition. Hence, the reason for difference of Rs. 0.32 lakh in the actual additional capitalisation claim for 2017-18 shall be clarified;

(l) Statement of reconciliation of Form 5(B) as on 16.12.2014 furnished in the present petition with that furnished in Petition No. 315/GT/2018;



*(m) Details and the basis of allocation of the corporate office expenditure as indicated in Form 9(c). Also, clarification to be submitted as to whether the said expenses are included in the additional capitalisation claimed vide Form 9(A). If so, the 'heads' under which included;*

*(n) Statement of reconciliation of the un-discharged liabilities as per Form 16 with the balance sheet of the respective years;*

*(o) The complete date-wise details as regards the LD and Insurance amount claimed & received till date and the amounts expected to be recovered; and*

*(p) Complete Cost Audit Report for the years 2014-15 & 2015-16 to be furnished.*

6. The Respondents shall file their replies on or before 7.7.2020, with advance copy to the Petitioner, who shall file its rejoinder if any, by 14.7.2020. The parties shall ensure the completion of pleadings within the due date mentioned and no extension of time shall be granted.

7. Subject to the above, order in the petition was reserved.

By order of the Commission

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

