CENTRAL ELECTRICITY REGULATORY COMMISSION NEW DELHI

Petition No. 146/GT/2020

Subject	:	Petition for revision of tariff for the 2014-19 tariff period and determination of tariff for the 2019-24 tariff period in respect of Dulhasti Hydroelectric Power Station. (390 MW)
Petitioner	:	NHPC Limited
Respondent	:	Punjab State Power Corporation Limited & 11 others
Date of Hearing	:	17.3.2021
Coram	:	Shri I.S. Jha, Member Shri Arun Goyal, Member Shri Pravas Kumar Singh, Member Shri Prakash S. Mhaske, Member (ex-officio)
Parties Present	:	Shri Sachin Datta, Senior Advocate, NHPC Shri Rajiv Shankar Dvivedi, Advocate, NHPC Shri M.G. Gokhale, NHPC Shri Piyush Kumar, NHPC Shri Manish Garg, UPPCL Shri R.B. Sharma, Advocate, BRPL Ms. Megha Bajpeyi, BRPL

Record of Proceedings

Case was called out for virtual hearing.

2. At the outset, the learned Senior counsel for the Petitioner prayed that the Petitioner may be permitted to file certain additional documents in the matter, including its rejoinder to the replies of the Respondents. The learned counsel for the Respondent, BRPL also prayed for grant of time to file its reply in the matter. The representative of the Respondent, UPPCL submitted that reply has been filed and the matter may be heard.

3. The Commission accepted the request of the learned Senior counsel for the Petitioner and the learned counsel for the Respondent, BRPL and accordingly adjourned the hearing.

4. The Petitioner is directed to submit the following additional information, with advance copy to the Respondents, on or before **7.5.2021**:

- (i) Documentary evidence of loans and interest rates claimed for each year of the 2014-19 tariff period;
- (ii) The sections under which interest on tax has been paid in 2014-15, as detailed in the Charted Accountant's certificate, for calculation of effective tax rate;

- (iii) Auditor's certificate with respect to the liability flow statement shown in Form 16 for 2014-19 tariff period;
- *(iv)* Provide the original value and year of put to use of the following items claimed under 'Assumed deletions':
 - (a) Form 9B(i) in 2014-15 Drainage and Dewatering Pumps ₹23.51 lakh;
 - (b) Form 9B(i) in 2015-16 Surge arrestor for 400 KV GIS- ₹200 lakh, Dewatering Pump- ₹23.51 lakh and HP Compressor- ₹17.13 lakh;
- (v) Certificate to the effect that the expenditure related to the treatment of 'sinking zone' has not been covered in the O&M expenses from COD to 31.3.2014 and that the Petitioner is not able to meet these expenses through the normative O&M expenses allowed;
- (vi) Auditor's certificate with respect to the consumption of capital spares for the 2014-19 tariff period;
- (vii) Projected technical parameters for the 2019-24 tariff period;
- (viii) Justification and reason for variation in the amount allowed for assets/works, by Commission vide order dated 30.8.2016 in 231/GT/2014 and actual claimed in the instant petition (wherever applicable).
- *(ix)* Justification and reason for shifting/ delay in capitalization of the Asset/ Work as per planned/ allowed year of capitalization;
- (x) The petitioner has claimed few of the assets/ works in phased manner in different financial year such as construction of permanent boundary wall for Semna and Shalimar Colony, Installation of CCTV system, Purchase of pumps & Motors for water supply, renovation/ upgradation of SCADA and Controller System and excitation system, Construction of sewage treatment plant as Semna and Shalimar Colony etc. The petitioner should submit a detailed note consisting implementation strategy in phased manner;
- (xi) With regards to expenditure claimed during FY 2014-15 for assets/work such as development of muck disposal site by providing fencing and water supply for plantation at Hasti and reclamation of muck in u/s of old HRT Adit at Hasti, landscaping at silt flushing outlet area of Dul Dam site etc. the petitioner should clarify whether the expenditure is one time claim or recurring in nature;
- (xii) With regards to the expenditure claimed for construction of first floor of additional block of KV DPS, it may be clarified why these expenses are not included in CSR;
- (xiii) With regards to the expenditure of ₹52.03 Lakhs claimed at SI No.7 for various items such as sheds, transformer, quarters, etc., the petitioner has submitted that these assets were handed over to CVPPL in FY 2012-13 now the same assets are being again shown as additional capitalization in FY 2017-18. This should be explained. The petitioner should also submit the reason for the value considered for decapitalization in FY 2012-13 being same as the value claimed as addition in FY 2017-18;
- (xiv) For the items being claimed as addition under not approved/ not projected head i.e. under Regulation 14(3)(viii) of the 2014 Tariff Regulations, proper justification to be submitted as how the capitalization will enhance the efficiency of the system and how it is beneficial to the beneficiaries;
- (xv) Wherever the work/asset has been claimed due to recommendation, guidelines, notification, etc., from any agencies/ authorities the relevant documents should be submitted to justify the claims;
- (xvi) Methodology of calculating assumed deletion value of old replaced assets;

- (xvii) Linking of assets/ work claimed under exclusion from earlier petitions;
- (xviii) Complete details of IUT claimed should be submitted as per Form 9B(i);
- (xix) Documents supporting the claims under Regulations 26 (1)(b) and 26(1)(d) for FY 2019-24;
- (xx) Methodology for estimating security expenses along with the details of actual security expenses for the period FY 2014-19;
- (xxi) Any other relevant information/ document to justify the claims in petition.

5. The Respondents shall file their replies on or before **21.5.2021**, with advance copy to the Petitioner, who shall file its rejoinder if any, by **28.5.2021**. The parties shall ensure the completion of pleadings within the due dates mentioned and no extension of time shall be granted.

6. Matter shall be listed in due course for which separate notice will be issued to the parties.

By order of the Commission

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