

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 286/MP/2019

Subject: Petition under Section 94 of the Electricity Act, 2003 readwith Regulations 79, 111 and 114 of the Central Electricity Regulatory Commission (Conduct of Business) Regulations, 1999 and Regulations 54 and 55 of Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2014 for recovery of impact of wage revision of its employees and deputed employees of Central Industrial Security Force (CISF) in Kishanganga Power Station during the period 18.5.2018 (COD of first Unit) to 31.3.2019.

Date of Hearing : 5.3.2021

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

Petitioner : NHPC Limited (NHPC)

Respondents : Power Development Department, Jammu & Kashmir and 2 Ors.

Parties Present : Shri Rajiv Shankar Dvivedi, Advocate, NHPC
Shri Piyush Kumar, NHPC

Record of Proceedings

Case was called out for virtual hearing.

2. Learned counsel for the Petitioner submitted that the instant Petition has been filed, *inter-alia*, for recovery of impact of wage revision of its employees and deputed employees of Central Industrial Security Force (CISF) in Kishanganga Power Station during the period from 18.5.2018 (i.e. from the date of commercial operation of 1st Unit) to 31.3.2019. Learned counsel further submitted that pay revision of the employees (including CISF) has been implemented in terms of Office Memorandums/ Guidelines of Department of Expenditure and Department of Public Enterprise, Government of India and pursuant to the approval of the Petitioner's Board of Directors, details of which have been furnished along with the Petition. Learned counsel stated that total additional expense incurred on account of the implementation of pay revision is to tune of Rs.18.35 crore.

3. After hearing the learned counsel for the Petitioner, the Commission admitted the Petition and directed to issue notice to the Respondents.

4. The Commission directed the Petitioner to serve copy of the Petition on the Respondents, immediately, if not already served. The Commission also directed the Petitioner to ensure that all the beneficiaries/procurers of the generating station are mapped as Respondents on the e-filing portal and are served copy of the Petition.



The Respondents were directed to file their reply by 16.4.2021 with advance copy to the Petitioner, who may file its rejoinder, if any, by 30.4.2021.

5. The Commission directed the Petitioner to furnish the following details/information on affidavit, by 15.4.2021:

(a) Station-wise breakup of actual O&M expenditure under various sub-heads (as per Annexure-I enclosed) for the period from 18.5.2018 (COD of first Unit) to 31.3.2019 after including the pay revision impact in the employee cost. (To be provided in both MS Excel and PDF format)

(b) Similar break-up of actual O&M expenses including wage revision impact for Corporate Centre/ other offices (as per Annexure-II enclosed) for the period 2014-19 along with the allocation of O&M expenditure to various stations under construction, operational stations and any other offices along with the basis of allocating such expenditure. (To be provided in both MS Excel and PDF format)

(c) A certificate to be provided to the effect that the employee and any other cost booked to IEDC has not been indicated as a part of actual O&M expenditure.

6. The due date of filing of reply, rejoinder and information should be strictly complied with. The Petition shall be listed for hearing in due course for which separate notice will be issued.

By order of the Commission

**Sd/-
(T.D. Pant)
Joint Chief (Legal)**

Details of actual O&M expenses (Common for Hydro /Thermal Generating Station)						
Sl. No.	Items	2014-15	2015-16	2016-17	2017-18	2018-19
1	Consumption of stores & spares					
2	Repair & Maintenance					
3	Insurance					
4	Security					
5	Water Charges					
6	Administrative Expenses					
6.1	Rent					
6.2	Electricity charges					
6.3	Travelling & Conveyance					
6.4	Communication Expenses					
6.5	Advertising					
6.6	Foundation Laying & Inauguration					
6.7	Donation					
6.8	Entertainment					
6.9	Filing fee					
	Subtotal (Administrative Expenses)					
7.0	Employee Cost					
7.1.1	Salaries, Wages & Allowances					
7.1.2	Pension					
7.1.3	Gratuity					
7.1.4	Provident Fund					
7.1.5	Leave Encashment					
7.2	Staff welfare expenses					
7.2.1	-Medical expenses on superannuated employees					
7.2.2	-Medical expenses on regular employees & others					
7.2.3	-Uniform/Livries & safety equipment					
7.2.4	-Canteen expenses					
7.2.5	-Other staff welfare expenses					
	Subtotal (Staff welfare Expenses)					
7.3	Productivity linked Incentive					
7.4	Expenditure on VRS					
7.5	Ex-gratia					
7.6	Performance Related Pay(PRP)					
	Sub Total (Employee Cost)					
8	Loss of Store					
9	Provisions					
10	Prior Period Expenses					
11	Corporate Office expenses allocation					
12	Others					
12.1	Rates & Taxes					
12.2	Water cess					
12.3	Training & recruitment expenses					
12.4	Tender Expenses					
12.5	Guest house expenses					
12.6	Education expenses					
12.7	Community Development Expenses					
12.8	Ash utilisation expenses					
12.9	Books & Periodicals					
12.10	Professional Charges					
12.11	Legal expenses					
12.12	EDP Hire & other charges					
12.13	Printing & Stationery					
12.14	RLDC Fee & Charges					
12.15	Brokerage & Commission					
12.16	Bank charges					

Details of actual O&M expenses (Common for Hydro /Thermal Generating Station)						
Sl. No.	Items	2014-15	2015-16	2016-17	2017-18	2018-19
12.17	Claims/advances written off					
12.18	Hiring of vehicle					
12.19	Payment to auditors					
12.20	Misc. Expenses					
	(Break-up Of Misc.)					
12.20.1	-Horticulture					
12.20.2	-Transport- Vehicle Running exp.					
12.20.3	-Hire charges & Operating Exp -Construction Equipment					
12.20.4	-Tree Plantation exp.					
12.20.5	-R&D expenses					
12.20.6	Other Vehicles					
12.20.7	Consumptn-HSD/LDO-(Ind/Imp)-DG Set					
12.20.8	Exp/ Inc frm Inv Diff					
12.20.9	Loss on sale of Investments					
12.20.10	Operating exp of diesel generating sets					
12.20.11	Furnishing Expenses					
12.20.12	Subscription to Trade and Other Assocn.					
12.20.13	Hire Charges - Helicopter/Aircraft					
12.20.14	Visa & Entry Permit Charges - Overseas					
12.20.15	FX Monitoring Terminal Expenses					
12.20.16	Works/Conf.(Excl train R&D CENPEEP)Earlier Non FBT					
12.20.17	Workshop/Conf. Exp (train R&D CENPEEP) Earlier FBT					
12.20.18	Hire charges - Office equipment					
12.20.19	Payment for health club etc					
12.20.20	Gifts liable for Fringe Benefit Tax					
12.20.21	Festival expenses liable Earlier (FBT)					
12.20.22	Miscellaneous Expenses					
12.20.23	Rounding Off Difference					
12.20.24	Regional Power Committee Expenses					
12.20.25	Misc Exp. trf to CSR and IEDC					
12.20.26	Specify other sub head, if any.					
	Sub Total (Others)					
13	(Total 1 to 12)					
14	Revenue / Recoveries					
15	Net Expenses					
	Total O&M Cost					

DETAILS OF CORPORATE CENTRE EXPENSES ALLOCATED TO VARIOUS OPERATING STATIONS						
		Amount in Rs. Lakhs				
	PARTICULARS/YEAR	2014-15	2015-16	2016-17	2017-18	2018-19
	Total Expenses of CC & RHQs-(A)					
	Transferred to Construction Projects -(B)					
	Transferred to any other business activity - (C)					
	Expenses related to stations under operation (D)=(A)-(B)-(C)					
	Head Wise Details of D					
1	Employee Expenses					
A	Salaries, Wages and Allowance					
B	Staff Welfare Expenses					
C	Productivity Linked Incentive					
D	Expenditure on VRS					
E	Ex-Gratia					
2	Administrative Expenses					
A	Repair and maintenance					
B	Training and Recruitment					
C	Communication					
D	Travelling and Conveyance					
E	Rent					
F	Others -Break Up as per details given below:					
f-1	Advertisement and publicity					
f-2	Books & Periodicals					
f-3	EDP Hire and other charges					
f-4	Education expenses					
f-5	Ent. and hospitality					
f-6	Fin Expenses-IndAS					
f-7	Guest house expenses					
f-8	Hiring of Vehicles					
f-9	Insurance					
f-10	Legal Expenses					
f-11	Miscellaneous Expenses					
f-12	Community develop. Exp.					
f-13	Others.					
f-14	Payment to auditors					
f-15	Power Charges					
f-16	Printing and Stationery					
f-17	Prof chg & cons fees					
f-18	R&D EXPS					
f-19	Rates and taxes					
f-20	Tender expenses					
f-21	Trpt Veh running Exp.					
f-22	Water charges					
f-23	Workshop & Conf. Exp.					
	Sub Total (Administrative Expenses)					
3	Security					
4	Donations					
5	Provisions					
6	Depreciation					
7	Prior period expenses					
8	Total Expenses from 1-7					
	Less Recoveries (if any)					
9	Expenses related to Operation – D					
	ALLOCATION TO OPERATIONAL STATIONS					
S.No	Name of The Unit/Station					
	Operational Station (1)					
	Operational Station (2)					