

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 300/GT/2020

Subject : Petition for revision of tariff of Feroze Gandhi Unchahar Thermal Power Station, Stage -II (420 MW) for the period from 1.4.2014 to 31.3.2019 after the truing up exercise.

Petitioner : NTPC Ltd.

Respondent : Uttar Pradesh Power Corporation Ltd & 10 ors

Date of hearing : **13.4.2021**

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

Parties present : Ms. Swapna Seshadri, Advocate, NTPC
Shri Anand K Ganesan, Advocate, NTPC
Ms. Ritu Apruva, Advocate, NTPC
Shri R.B.Sharma, Advocate, BRPL
Ms. Megha Bajpeyi, BRPL
Shri Manish Garg, UPPCL

Record of Proceedings

Case was called out for virtual hearing.

2. At the outset, the Commission observed that the petition has been re-listed to seek certain clarifications with regard to the claim of the Petitioner for additional O&M expenses considering the impact of wage revision and the details of Gross Calorific Value (GCV) for purpose of interest on working capital.

3. The learned counsel for the Petitioner submitted that the Commission had reserved its order in the matter, after hearing the parties at length. She, however, submitted that in case any additional information is required by the Commission, the same shall be furnished by the Petitioner.

4. The learned counsel for the Respondent, BRPL and the representative of the Respondent, UPPCL referred to their replies and made detailed submissions in the matter.

5. The Commission, after hearing the parties, directed the Petitioner to file additional information on the following, with advance copy to the Respondents, on or before 31.5.2021:



- a) *Breakup of actual O&M expenditure for the tariff period 2014-19 under various sub-heads (as per **Annexure-A** enclosed) after including the pay revision impact (employees, CISF and KV), wage revision impact (minimum wages). (To be provided in both MS Excel and PDF format);*
- b) *Break-up of actual O&M expenses including pay revision impact for Corporate Centre/other offices & breakup of claimed wage revision impact on employee cost, expenses on corporate centre and on salaries of CISF & KV employee of the generating station (as per **Annexure-B** & **Annexure-C** enclosed) for the 2014-19 tariff period along with the allocation of the total O&M expenses to the various generating stations under construction, operational stations and any other offices along with basis of allocating such expenditure.(to be provided in both MS Excel and PDF format);*
- c) *Gross Calorific Value (GCV) details on 'as received' basis for the months of January 2014 to March, 2014, which was already uploaded in the website of the Petitioner and shared with the beneficiaries.*

6. The Respondents are directed to file their replies on or before 14.6.2021, with advance copy to the Petitioner, who may file its rejoinder, if any, by 21.6.2021. Pleadings shall be completed by the parties within the due dates mentioned above 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
Joint Chief (law)



| 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 | | | | | |
| 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 | | | | | |



Annexure A

| 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 |
| 12.20.4 | -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 from 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 Association | | | | | |
| 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 lakh) | | | | |
| | 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 development 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) | | | | | |



FORMAT FOR CLAIMING WAGE REVISION IMPACT

YEARWISE IMPACT OF REVISION IN SALARIES & WAGES PAID TO THE EMPLOYEES AND STAFF OF CISF & KV

1. Wage revision impact on employee cost of generating station

Amount (₹ in lakh)

| Component | 2016-17 | | | 2017-18 | | | 2018-19 | | |
|---|-------------|---------------|----------------------|-------------|---------------|----------------------|-------------|---------------|----------------------|
| | Pre Revised | Post Revision | Wage revision Impact | Pre Revised | Post Revision | Wage revision Impact | Pre Revised | Post Revision | Wage revision Impact |
| 1.1 Basic Pay | | | | | | | | | |
| 1.2 Dearness Allowance | | | | | | | | | |
| 1.3 HRA | | | | | | | | | |
| 1.4 Allowances & Perquisites | | | | | | | | | |
| 1.5 PRP/Ex Gratia | | | | | | | | | |
| | | | | | | | | | |
| 2.1 Super Annuation Benefits (PF, Pension & PRMS) | | | | | | | | | |
| 2.2 Gratuity | | | | | | | | | |
| 2.3 Leave encashment (HPL/EL) | | | | | | | | | |
| | | | | | | | | | |
| Total | | | | | | | | | |
| Less: EDC | | | | | | | | | |
| Net employee cost | | | | | | | | | |

Wage revision impact on Corporate Centre cost of generating station

Amount (₹ in lakh)

| Component | 2016-17 | | | 2017-18 | | | 2018-19 | | |
|------------------------------|-------------|---------------|----------------------|-------------|---------------|----------------------|-------------|---------------|----------------------|
| | Pre Revised | Post Revision | Wage revision Impact | Pre Revised | Post Revision | Wage revision Impact | Pre Revised | Post Revision | Wage revision Impact |
| CC Expenses | | | | | | | | | |
| 1.1 Basic Pay | | | | | | | | | |
| 1.2 Dearness Allowance | | | | | | | | | |
| 1.3 HRA | | | | | | | | | |
| 1.4 Allowances & Perquisites | | | | | | | | | |
| 1.5 PRP/Ex Gratia | | | | | | | | | |
| Total | | | | | | | | | |



2. Wage revision Impact on Salaries of CISF & KV employee (if applicable)

Amount (₹ in lakh)

| Component | 2015-16 | | | 2016-17 | | | 2017-18 | | | 2018-19 | | |
|-----------|-------------|---------------|----------------------|-------------|---------------|----------------------|-------------|---------------|----------------------|-------------|---------------|----------------------|
| | Pre Revised | Post Revision | Wage revision Impact | Pre Revised | Post Revision | Wage revision Impact | Pre Revised | Post Revision | Wage revision Impact | Pre Revised | Post Revision | Wage revision Impact |
| 1.CISF | | | | | | | | | | | | |
| 2. KV | | | | | | | | | | | | |
| Total | | | | | | | | | | | | |

| | | | | | | | | | | | | |
|----------------------------|--|--|--|--|--|--|--|--|--|--|--|--|
| Total Wage revision Impact | | | | | | | | | | | | |
|----------------------------|--|--|--|--|--|--|--|--|--|--|--|--|

