

**CENTRAL ELECTRICITY REGULATORY COMMISSION  
NEW DELHI**

**Petition No. 548/GT/2020**

Subject : Petition for approval of tariff in respect of Pare H.E Project (110 MW) for the useful plant life of 40 years.

Petitioner : NEEPCO Limited

Respondents : Assam Power Distribution Company Limited & 8 Others

Date of Hearing : **25.5.2021**

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

Parties present : Shri M.G. Ramachandran, Sr. Advocate, NEEPCO  
Ms. Poorva Saigal, Advocate, NEEPCO  
Shri Devapriya Choudhury, NEEPCO  
Shri Prabal Mukhopadhaya, NEEPCO  
Ms Elizabeth Pyrbot, NEEPCO  
Shri Indrajit Tahbildar, APDCL

**Record of Proceedings**

Case was called out for virtual hearing.

2. During the hearing, the learned Senior counsel for the Petitioner submitted that the present petition has been filed for approval of re-engineered tariff in respect of PARE Hydroelectric Project for the useful plant life of 40 years, on adoption of tariff rationalization measures, consistent with Regulation 48 of the 2014 Tariff Regulations and Regulation 66 of the 2019 Tariff Regulations. He clarified that though the Commission vide its order dated 28.1.2020 in Petition No. 149/GT/2018 had approved the tariff of Rs 8.14/unit, the beneficiaries are being provisionally billed at Rs 5.00/unit as mutually agreed in the 35<sup>th</sup> Commercial Sub-Committee meeting of NERPC held on 16.4.2018. The learned Senior counsel further submitted that the levellised tariff calculated over 40 years of useful life of the plant will be Rs.6.60/unit, with the first year tariff at Rs.5.00 per unit, with 2.36% annual escalation. The learned Senior Counsel further submitted that the Commission has the power to approve the levellised tariff in deviation of the norms, subject to the same not exceeding the levellised tariff calculated as per norms specified under the 2014 Tariff Regulations and the 2019 Tariff Regulations.



3. The representative of APDCL submitted that the levelled tariff proposed by the Petitioner is very high. He also submitted that the Assam State Electricity Regulatory Commission in its orders had approved the average tariff of all stations for 2019-20 as Rs 4.84/unit and, therefore, any tariff beyond this amount is not affordable and that the Respondent will have no option except to surrender the power. The representative further submitted that the Respondent APDCL vide its letter dated 2.9.2020 had requested the Petitioner to re-engineer and further reduce the tariff and the response of the Petitioner on the said letter is awaited.

4. The Commission after hearing the parties, directed the Petitioner to examine the communication dated 2.9.2020 of the Respondent APDCL and undertake mutual negotiations, if required, pending final hearing of the matter.

5. At the request of the learned Senior counsel for the Petitioner, the Commission permitted the Petitioner to continue to bill the Respondent beneficiaries at the provisional tariff of Rs.5.00 per unit, until further orders.

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

**By order of the Commission**

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

