

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 568/GT/2020

Subject: Petition for truing up of annual fixed charges for the period 2014-19 and for determination of tariff for the period 2019- 24 in respect of the Mejia Thermal Power Station, Units-7 and 8 (1000 MW).

Petitioner: Damodar Valley Corporation

Respondents: BRPL, BYPL, KSEB & others

Date of Hearing: **25.2.2022**

Coram: Shri I.S Jha, Member
Shri Arun Goyal, Member
Shri Pravas kumar Singh, Member

Parties present: Shri M.G. Ramachandran, Senior Advocate, DVC
Ms. Anushree Bardhan, Advocate, DVC
Ms. Srishti Khindaria, Advocate, DVC
Shri Manik Rakshi, DVC
Shri Sandip Pal, DVC
Shri Samit Mandal, DVC
Shri Arnab Kr. Sinha, DVC
Shri Buddy A. Ranganadhan, Advocate, BYPL
Shri Arunav Patnaik, Advocate, GESCOM, BESCO, CESC,
MESCOM & HESCO
Ms. Bhabna Das, Advocate, GESCOM, BESCO, CESC,
MESCOM & HESCO
Shri Rajiv Yadav, Advocate, DVPCA

Record of Proceedings

The case was called out for virtual hearing.

2. During the hearing, the learned Senior counsel for the Petitioner circulated note of arguments and made detailed oral submissions in the matter. At the request of the learned Senior counsel, the Commission permitted the Petitioner to upload the note of arguments. He further prayed that the Petitioner may be permitted to file its written submissions on the issues raised by the learned counsel for Objector, Damodar Valley Power Consumer Association (DVPCA). The Commission accepted the request of the learned Senior counsel for the Petitioner and also directed the Petitioner to submit the comprehensive report as regards the additional capital expenditure claimed on account of Rotor Blade damage, outlaying the terms and conditions of OEM.



3. The learned counsel for the Respondent, BYPL referred to the reply and made detailed oral submissions in the matter. He also prayed that the Commission may permit the Respondent to file its written submissions in the matter.
4. The learned counsel for DVPCA adopted the submissions made by the learned counsel for the Respondent BYPL. He also prayed that the Commission may permit DVPCA to file its written submissions in the matter.
5. The learned counsel appearing for the Respondents Karnataka discoms also prayed for permission to place on record their written submissions in the matter.
6. The Petitioner is directed to submit the following additional information, after serving copy to the Respondents and the Objector, on or before 23.3.2022:

A. For the 2014-19 Tariff Period:

- i. *Additional capital expenditure of Rs. 8185.02 has been claimed as residual expenditure, transferred from CWIP to GFA as and when F&F settlement is achieved with the contractor. In this regard, it may be clarified as why the same has not been projected.*
- ii. *Re-submission of the Auditor certificates as the same filed vide affidavit dated 21.1.2020 are illegible.*
- iii. *Documentary evidence pertaining to interest rates, prior to and after refinancing;*
- iv. *Copy of all loans, raised and utilized in capital expenditure (Plant-wise/ Unit-wise and DVC as a whole) for the period 2014-19, duly reconciled with audited accounts and certified by Auditor along with documentary proof of interest rates;*
- v. *Confirmation that the effective tax rate claimed for the 2014-19 tariff period is based on actuals along with computation and supporting documents:*
- vi. *Details such as, the name of financial institution, account number, account statement showing contribution balances for sinking fund maintained under escrow mechanism as per audited accounts.*
- vii. *Allocation/Reconciliation statement of sinking fund (Plant-wise/ Unit-wise) for the period 2014-19 duly reconciled with the audited accounts and certified by the Auditor.*
- viii. *P&G trust audited accounts (with bank Passbook extracts showing the actual contributions) for the period 2014-19 alongwith allocation/Reconciliation of P&G trust statement for the period 2014-19 (Plant-wise/ Unit-wise) duly reconciled with both audited accounts and auditor certified O&M Annexures A,B,C.*
- ix. *Allocation/Reconciliation statement (Plant/unit wise,) for the period 2014-19 duly reconciled with audited accounts and certified by the Auditor, for expenditure of Common offices under the heads such as Director, Central, R&D, IT, Subsidiary, Other Office etc.*
- x. *Audited financial statements with station-wise reconciliation.*



B. For the 2019-24 Tariff Period:

- i. Basis of Projection of water charges, Share of Common Office Expenditure, Expenses due to Mega insurance and Expenditure for Subsidiary activity, along with the actual claim for 2019-20, 2020-21;*
- ii. Basis of the escalation rate of 4.81% for projection of security expenses, along with supporting documents.*

7. The Respondents/ Objector are directed to file their response by 6.4.2022, with advance copy to the Petitioner, who may file its response to the same, if any, by 13.4.2022. Pleadings shall be completed by the parties within the due dates mentioned and no extension of time shall be granted.

8. Subject to the above, the order in the Petition is reserved.

By order of the Commission

Sd/-

(B. Sreekumar)
Joint Chief (Law)

