

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No.43/RP/2022
in
Petition No. 282/GT/2020

Coram:

Shri I.S. Jha, Member
Shri Arun Goyal, Member
Shri Pravas Kumar Singh, Member

Date of Order: 14th February, 2023

In the matter of

Petition for review of the Commission's order dated 14.8.2022 in Petition No.282/GT/2020 (Truing up of tariff for the period 2014-19 and for determination of tariff for the period 2019-24 in respect of Nimoo Bazgo Power Station (45 MW).

And

In the matter of

NHPC Limited
NHPC Office Complex, Sector-33,
Faridabad (Haryana) - 121 003.

.... Petitioner

Vs

Power Development Department,
New Secretariat, Jammu- 180 001 (J&K)

...Respondent

Parties Present:

Shri Ved Jain, Advocate, NHPC
Shri Ajay Shrivastava, NHPC
Shri Mohd. Faruque, NHPC
Shri Piyush Kumar, NHPC

ORDER

Petition No.282/GT/2020 was filed by the Review Petitioner, NHPC Limited for truing-up of tariff of Nimoo Bazgo Power Station (45 MW) (in short 'the generating station') for the period 2014-19 in terms of Regulation 8(1) of the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2014 (in short



'the 2014 Tariff Regulations') and for determination of tariff of the generating station for the period 2019-24, in accordance with the provisions of the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2019 (in short 'the 2019 Tariff Regulations') and the Commission vide its order dated 14.8.2022 ('the impugned order') had disposed of the same. Aggrieved thereby, the Review Petitioner has sought review of the impugned order dated 14.8.2022, on the ground of error apparent on the face of record, raising the following issues:

- a) *To rectify the error in deduction of assumed deletion while allowing the additional capitalization on account of installation of Large Display unit in 2017-18;*
- b) *To rectify the error in grossing up of return on equity during 2014-19;*
- c) *To rectify the error in non-consideration of prayer made regarding auxiliary power consumption for 2019-24 period.*

2. During the pendency of the Review Petition, the Commission vide addendum order dated 1.10.2022 in Petition No. 282/GT/2020, added paragraphs 160 to 163 relating to the decision on Auxiliary Power Consumption (APC) for the period 2019-24, which was inadvertently left out, in the impugned order dated 14.8.2022.

Hearing dated 24.1.2023

3. The Review Petition was heard on 'admission' on 24.1.2023. During the hearing, the learned counsel for the Review Petitioner made detailed oral submissions in the matter and prayed that the review on the aforesaid issues may be allowed. The Commission after hearing the learned counsel for the Petitioner, 'admitted' the Review Petition on the issues (a) and (b) in paragraph 1 above and directed to issue notice to the Respondents.

4. The issue (c) raised in paragraph 1 above is disposed of as under:



Error in non-consideration of prayer regarding auxiliary power consumption for the period 2019-24.

5. The Review Petitioner has submitted that the Commission vide its impugned order dated 14.8.2022 had allowed APC up to 6% for the period 2014-19. It has however submitted that the Commission in the said order, had not mentioned anything about the APC for the period 2019-24, though the same was specifically prayed for in the petition, which is an omission on the part of the Commission. Accordingly, the Review Petitioner has requested to consider the prayer and retain the auxiliary consumption norms allowed for the period 2014-19 (in the impugned order dated 14.8.2022) for the period 2019-24.

6. The matter has been considered. It is noticed from records, that the Commission, during the pendency of this Review Petition, had, in exercise of its powers under Regulation 111 read with Regulation 103A of the Conduct of Business Regulations 1999, issued Addendum order dated 1.10.2022 in Petition No.282/GT/2020, inserted paragraph 160 to 163 (in the impugned order dated 14.8.2022), relating to the decision on the APC considered in respect of this generating station, for the period 2019-24. The relevant portion of the said order is extracted hereunder:

“160.xxx

xxx

162. The Commission vide its order dated 14.8.2022 had allowed the same auxiliary power consumption of 6% while truing up the tariff for the 2014-19 tariff period, in line with the order dated 22.9.2016 in Petition No. 229/GT/2014. However, as regards the auxiliary power consumption for the 2019-24 tariff period, the Petitioner has submitted that the actual auxiliary consumption of the generating station, during the last five years are 7.2%, 5.7%, 5.2%, 5.1% & 5.5%, respectively and has therefore requested that the Commission may retain the auxiliary consumption norms allowed in the order dated 22.9.2016 for the 2019-24 tariff period also, considering the location of the plant & extreme weather conditions, by relaxing the provisions of Regulation 50(C) of the 2019 Tariff Regulations.

163. It is pertinent to mention that the Commission vide order dated 22.9.2016 in Petition No. 229/GT/2014 had allowed the auxiliary power consumption of up to 6%, based on the average actual auxiliary consumption for the period 2012-16, as against the claim of the Petitioner for 9% APC. It is observed that the Commission has already



relaxed the APC up to 6% for the generating station for the 2014-19 tariff period (in truing-up petition) based on the actual performance for the 2012- 16 tariff period. Further, the Petitioner has submitted that the actual average auxiliary consumption for the past 5 years is 5.74%, which is lesser than the relaxed norms of 6%. Accordingly, the actual auxiliary power consumption of up to 6% is allowed for the 2019-24 tariff period. It is, however, observed that there is variation in the Petitioner's claim for actual auxiliary power consumption for the period 2014-17, in this petition, as against the details furnished by the Petitioner, while framing the 2019 Tariff Regulations. The reasons for such variation shall be clarified by the Petitioner, at the time of truing up of tariff for the 2019-24 tariff period."

7. It is evident from the above that the prayer of the Review Petitioner, for consideration of APC in respect of the generating station, for the period 2019-24, had, already been considered and allowed vide Addendum order dated 1.10.2022 in Petition No. 282/GT/2020. In view of this, the prayer (c) of the Review Petitioner, in paragraph 1 above, is rendered infructuous. Accordingly, the said prayer has not been considered in this order. The review on this ground is disposed of accordingly.

8. The Review Petitioner is directed to serve the copy of the Review Petition, along with this order, on the Respondents by **24.2.2023**. The Respondents shall file their replies on issues (a) and (b), as in para 1 above, on or before **13.3.2023**, after serving copy to the Review Petitioner, who may file its rejoinder, if any, by **30.3.2023**. Pleadings shall be completed by the parties within the due date mentioned and no extension of time shall be granted for any reason.

9. Review Petition No. 43/RP/2022 shall be listed for hearing on **25.4.2023**.

Sd/-
(Pravas Kumar Singh)
Member

Sd/-
(Arun Goyal)
Member

Sd/-
(I. S. Jha)
Member

