

केन्द्रीय विद्युत विनियामक आयोग

CENTRAL ELECTRICITY REGULATORY COMMISSION

6th, 7th & 8th Floor, Tower-B, World Trade Centre, Nauroji Nagar, New Delhi-110029

Phone: 011-23353503; Fax-23753923

Petition No. 474/GT/2025

Date: 2nd May 2025

To

General Manager (Commercial)
NHPC Office Complex, Sector-33,
Faridabad (Haryana) - 121 003

Subject: Petition for truing up of the generation tariff of URI-I Power Station of NHPC Limited for the period 2019-24 and determination of Tariff for the period 1.4.2024 to 31.3.2029.

Sir,

With reference to above subject, and under Regulation 28(10) of the CERC Conduct of Business Regulations, 2023, following additional information is required to be submitted on an affidavit, with an advance copy to the Respondents, on or before **9.5.2025**:

2019-24 Period

- a) *Submit the Form-9C duly certified by the Auditor.*
- b) *Relevant documentation/ evidence in the form of Work completion certificates including cost and date of completion for the claimed ACE during FY 2019-24 to be provided.*
- c) *Reference quote/ purchase order copy/LOA for claims against ACE items with the amount claimed by the Petitioner.*
- d) *Proper references of annexures against each ACE claimed to be provided along with page numbers. Also, correct the cross-references within the model with respect to ACE claimed and corresponding decapitalisation given in Form-9Bi.*
- e) *In case of Capex proposed under 25(2)(c), Certificate of obsolescence for existing asset by the OEM or in absence of the same, Certificate of competent authority regarding the obsolescence of the equipment.*
- f) *For items claimed under 26(1)(d), Petitioner to provide the relevant advice/direction from appropriate Indian Government Instrumentality or statutory authorities specifying the need for ACE item.*
- g) *Justification for capitalizing Assets in the year different from the year of decapitalization.*
- h) *Reasons with supporting documents for claiming higher expenditure than what was allowed by the Commission in the Order 255/GT/2020.*
- i) *For the ACE 'Retrofitting of relays / protection scheme in generating units', the Commission vide Order dated 13.07.2016 in Petition No. 238/GT/2014 allowed Rs. 25 lakhs. During the Order dated 28.07.2023 in Petition No. 255/GT/2020, The Commission allowed the revised amount of Rs. 78.66 lakh and directed the Petitioner to provide reasons for claiming higher ACE. The Petitioner has now claimed Rs. 81.99 lakh against the same expenditure. The Petitioner is required to comply with the Commission's*

directive and also submit the justification for the delay supported with documentary evidence.

- j) For 2019-24 tariff period, the Petitioner is directed to revise the calculation of ACE claimed under RoE at normal rate and under RoE at Weighted Average rate of interest on actual loan portfolio as claimed against appropriate Regulation of 2019 Tariff Regulations.*
- k) Provide clarification for the basis of calculation of equity decreased due to decapitalization as considered in Form 1 (II) for the period/year, as it is not calculated using the relevant equity ratio applicable to the year the asset was put to use.*
- l) Reconciliation of the cumulative depreciation adjustments on account of decapitalization claimed in Form 9Bi to be linked with corresponding depreciation adjustments of the decapitalized assets in Form-12.*
- m) The net ACE claimed in Form 9C on accrual basis and on cash basis for each year of the 2019-24 control period differs from the ACE claimed in the year-wise Form 9A. Kindly submit the reconciliation for the same along with justification for the difference, including submission of Form 9C certified by the Auditor.*
- n) In Form 16- Liability flow statement, confirm for each Asset/Work, if the same was allowed by the Commission under Capital Cost/ACE.*
- o) Also, there are differences in the original liability, opening liability as on 1st of April and liability discharged during the year with the details of ACE claimed under accrual basis, undischarged liability and ACE on cash basis for various assets/works. Submit the revised year-wise Form 9A linked with Form 16 and all related Tariff forms in excel and pdf formats.*
- p) Details of Capital Spares clearly distinguishing the cost forming part of the Capital Cost & not forming part of Capital Cost, the number of items against each of the Capital Spares claimed. The Petitioner is further directed to confirm if there are any Capital Spares being claimed for the Replacement of previously allowed Capital Spares as per FORM-17 of Annexure 1 (Part 1) of the 2019 Tariff Regulations.*
- q) Breakup of O&M expenditure and impact claimed as per the details below with proper linkage in the provided MS Excel sheet:*
 - (i) Breakup of the actual O&M expenses of the generating station for the 2019-24 tariff period under various subheads (as per enclosed Annexure-A) after including the pay revision impact (in both MS Excel and PDF format).*
 - (ii) Break-up of the actual O&M expenses of Corporate Centre/ other offices including pay revision impact (as per Annexure-B enclosed) of the generating station along with the allocation of total O&M expenses to the various generating stations (if any) which are under construction, operational stations and any other offices/ business activity along with basis of allocating such expenditure (in both MS Excel and PDF format);*
 - (iii) Break-up of the pay revision impact claimed in respect of employees of the Petitioner & CISF stationed at the generating station and Corporate Centre/other offices employee cost allocated to the generating station (as per Annexure-C enclosed);*
 - (i) Provide basis of calculation for the additional O&M Expenses claimed due to Goods & Service Tax (GST) as per Audited accounts along with relevant supporting documents.*
- r) The assessment of the security requirement and estimated expenses as per Regulation 35(1)(6) of the 2019 Tariff Regulations.*
- s) Copy of Assessment Orders (ITR in case Assessment Order is not issued) for FY 2019-20 to FY 2023-24.*

- t) *Certify that the additional capital expenditure being claimed for the tariff period does not include any depreciation corresponding to assets earned/ earning tariff at any of the generating stations, by way of IEDC.*

2024-29 Period

- a) *Reference quote/ purchase order copy/LOA for claims against ACE items with the amount claimed by the Petitioner.*
 - b) *In case of Capex proposed under 25(2)(c), Certificate of obsolescence for existing asset by the OEM or in absence of the same, Certificate of competent authority regarding the obsolescence of the equipment.*
 - c) *For items claimed under 26(1)(d), Petitioner to provide the relevant advice/direction from appropriate Indian Government Instrumentality or statutory authorities specifying the need for ACE item.*
 - d) *For ACE claimed under Regulation 26(1)(i), technical justification and cost benefit analysis are to be provided.*
 - e) *Proper references of annexures against each ACE claimed to be provided along with page numbers.*
 - f) *The Petitioner has claimed higher expenditure for ACE allowed for the 2019-24 Tariff period and are being claimed in 2024-29 Tariff period. For all such items, the Petitioner is required to submit the reasons with supporting documents..*
 - g) *Petitioner has claimed multiple ACE items under more than one Regulation. Petitioner is required to submit one relevant Regulation for each ACE item under the provisions of 2024 Tariff Regulations along with the technical justification and documentary evidence.*
 - h) *Assessment of the security requirement and estimated expenses as per second proviso to Regulation 36(1)(6) of the 2024 Tariff Regulations.*
 - i) *Provide basis for assessment of estimated insurance expense for the period along with detailed justification according to first proviso of Regulation 35(2)(c) of the 2024 Tariff Regulations.*
2. The Respondents shall file their replies by **16.5.2025** after serving copy to the Petitioner, who may file its rejoinder, if any, on or before **22.5.2025**. The due date for filing the additional information and reply/rejoinder shall be strictly complied.
3. The Petition shall be listed for hearing on **27.5.2025**.

Yours sincerely,

Sd/
(Deepak Pandey)
Assistant Chief (Law)

Copy to:
All Parties

Annexure A

Details of actual O&M expenses (Common for Hydro /Thermal Generating Station)						
Amount (₹ in lakh)						
Sl. No.	Items	2019-20	2020-21	2021-22	2022-23	2023-24
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					

Details of actual O&M expenses (Common for Hydro /Thermal Generating Station)						
Amount (₹ in lakh)						
Sl. No.	Items	2019-20	2020-21	2021-22	2022-23	2023-24
12.18	Hiring of vehicle					
12.19	Payment to auditors					
12.20	Misc. Expenses					
	(Break-up Of Misc.)					

Annexure B

DETAILS OF CORPORATE CENTRE EXPENSES ALLOCATED TO VARIOUS OPERATING STATIONS						
		Amount (₹ in lakh)				
	PARTICULARS/YEAR	2019-20	2020-21	2021-22	2022-23	2023-24
	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.N	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 SECURITY PERSONNEL****Wage revision impact on employee cost of generating station****Amount (₹ in lakh)**

Comp onent	2019-20			2020-21			2021-22			2022-23			2023-24		
	Pre	Post	Wag e re vi sion Imp act	Pre	Post	Wag e re vi sion Imp act	Pre	Post	Wag e re vi sion Imp act	Pre	Post	Wag e re vi sion Imp act	Pre	Post	Wag e re vi sion Imp act
	Revi sed	Revi sion		Revi sed	Revi sion		Revi sed	Revi sion		Revi sed	Revi sion		Revi sed	Revi sion	
1.1 Basic Pay															
1.2 Dearne ss Allowa nce															
1.3 HRA															
1.4 Allowa nces & Perqui sites															
1.5 PRP/E x Gratia															
2.1 Super Annuat ion Benefit s (PF, Pensio n & PRMS)															
2.2 Gratuit y															
2.3 Leave encash ment (HPL/E L)															
Total															
Less : EDC															
Net employ ee cost															

Wage revision impact on Corporate Centre cost of generating station

Amount (₹ in lakh)

Com ponent	2019-20			2020-21			2021-22			2022-23			2023-24		
	Pre	Post	Wa ge	Pre	Post	Wa ge	Pre	Post	Wa ge	Pre	Post	Wa ge	Pre	Post	Wa ge
	Revi sed	Revi sion	revi sion	Revi sed	Revi sion	revi sion	Revi sed	Revi sion	revi sion	Revi sed	Revi sion	revi sion	Revi sed	Revi sion	revi sion
			Imp act			Imp act			Imp act			Imp act			Imp act
CC Expens es															
1.1 Basic Pay															
1.2 Dearne ss Allowa nce															
1.3 HRA															
1.4 Allowa nces & Perquis ites															
1.5 PRP/E x Gratia															
Total															

Wage revision Impact on Salaries of CISF & Other Security Personnel (if applicable)

Amount (₹ in lakh)

Com pone nt	2019-20			2020-21			2021-22			2022-23			2023-24			2023-24		
	Pre	Pos t	Wa ge revi sio n Im pac t	Pre	Pos t	Wa ge revi sio n Im pac t	Pre	Pos t	Wa ge revi sio n Im pac t	Pre	Pos t	Wa ge revi sio n Im pac t	Pre	Pos t	Wa ge revi sio n Im pac t	Pre	Pos t	Wa ge revi sio n Im pac t
	Re vis ed	Rev isio n		Re vis ed	Rev isio n		Re vis ed	Rev isio n		Re vis ed	Rev isio n		Re vis ed	Rev isio n		Re vis ed	Rev isio n	
1.CIS F																		
2. Other s																		
Total																		

Total Wage revision Impact																		
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