

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. 54/GT/2025

Date: 2nd May 2025

To

General Manager (Commercial & System Operation Deptt.)
SJVN Limited,
Shakti Sadan, Shanan
Shimla - 171006

Subject: Petition for truing up of tariff for Naptha Jharki Hydro Power Station (6 x 250 MW) for the period 1.4.2019 to 31.3.2024

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**:

- a) *Provide details of proportionate cost of land of the existing project which is being used for generating power from generating station based on renewable energy as per applicable tariff regulations.*
- b) *Auditor certified statement showing reconciliation of additional capital expenditure claimed with the audited books of accounts.*
- c) *In respect of Add Cap claimed, the following is required to be submitted:*
 - i. *Reasons/ justifications for variation of the expense claimed from the approved additional capitalization along with Work completion certificate clearly depicting completion cost incurred along with date of completion.*
 - ii. *Furnish proper rationale/ documentary proof for the claims pertaining to minor expenses under Additional Capitalization.*
 - iii. *Furnish the details of the amount allowed by the Arbitral Tribunal vide order dated 27.10.2020, since the order furnished with the petition is of clarificatory nature only. The Petitioner is also required to submit the details of contract with M/s JHC along with amount paid and LD amount corresponding to the initial payments.*
 - iv. *Clarification / documentary proof substantiating the variation in the additional capitalization approved by the Commission, i.e., INR 85 Lakhs, with respect to procurement of IT hardware and software (cumulative for all 5 years) and the additional capitalization claimed by the Petitioner, i.e., INR 252.34 Lakh. Documentary proof/justification with respect to the scope of the assets/ items claimed with the reason for variation from the approved expense along with supporting document towards procurement of large quantum of IT hardware and software.*
 - v. *It is observed that the Petitioner has claimed items like labyrinth seals, cover wear rings etc. amounting to Rs. 861.33 Lakh under regulation 25(2)(d) of the 2019 Tariff Regulations referring that has been claimed in the petition no.*

30/GT/2020 and are mentioned in the tariff order dated 16.09.2021 stating that these are to be considered at the time of truing up petition. Documentary proof with respect to the claim of INR 861.33 Lakh as additional capitalization for items such as labyrinth seals, cover wear rings etc. and justify as to whether or not such items had been allowed by the Commission with specific reference of para and page nos. of previous tariff orders with respect to the Generating Station.

- vi. Provide/ furnish the Certificate of obsolescence for existing asset by the OEM or (in absence of the same), Certificate from the competent authority regarding the obsolescence of the equipment, where the additional capitalization has been claimed under Regulation 25(2)(c).
- d) The Petitioner shall certify that the additional capital expenditure being claimed for the tariff period does not include any depreciation, corresponding to assets earning tariff at any of the generating station, by way of IEDC.
- e) Revised Form 9A with Asset-wise addition in liabilities linked with corresponding Decapitalization of the assets in **Form 9Bi** and corresponding discharge of liabilities in **Form-16** respectively for all individual items claimed.
- f) Provide the **Form 9Bi** duly filled (all columns) along with linkages and establishing the reasons for the exclusions in Decapitalization.
- g) Justification for non-consideration of decapitalization corresponding to Capital /Insurance spares and clarify if the same were not approved as part of Capital cost. Details of all spares replaced along with their year put to use along with the cumulative depreciation.
- h) Clarification for not factoring in depreciation adjustment on account of decapitalization while calculating the depreciation for the relevant period.
- i) Justification for increase in the opening capital cost of Rs. 886448.26 Lakh for FY 2019 – 20, when the approved opening capital cost for FY 2019-20 (approved vide order dated 04.04.2023 in 27/RP/2021 in Petition No. 30/GT/2020 was Rs. 886426.68 Lakh.
- j) Clarification with regard to difference in the Opening equity for FY 2019-20 considered by the Commission as INR 416705.70 Lakh in Review Petition No. 27/RP/2021 in Petition 30/GT/2020 and opening Equity claimed by the Petitioner for FY 2019-20 as INR 413969.95 Lakh
- k) Copy of Assessment Orders (ITR in case Assessment Order is not issued) for the FY 2019-20 to FY 2023-24.
- l) Break-up of actual O&M expenditure for the tariff period 2019-24 under various sub-heads (as per Annexure-A enclosed) after including the pay revision impact (employees, and CISF and KV staff) (To be provided in both MS Excel and PDF format)
- m) Similar 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 and KV staff and employee of the generating station (as per enclosed Annexure-B and Annexure- C, respectively) for the period 2019-24. (To be provided in both MS Excel and PDF format).
- n) Furnish the basis for allocation of corporate level O&M expense for all projects of the Company including under construction projects and constructed projects along with reasonable justification and working of allocation of these expenses towards the various Stations.
- o) Furnish details of expenditure and supporting documents i.e. justification, cost approval from competent authority, work completion certificate clearly depicting completion cost incurred along with date of completion, etc. for the claims made towards corporate level O&M expenses. Also, Annexures (MB, D-XI and E-XI) to be provided which are currently missing.
- p) The security assessment report, man-power deployed, auditor-certified actual expenditure incurred etc, along with supporting documents, for further consideration in terms of Regulation 35(6) of 2019 Tariff Regulations. Further, submit the documentary evidence for Security expense, break-up of same in CISF and non-CISF, along with

justification and documentary evidence for additional capital expenditure claimed under power to relax/additional works.

- q) Provide security expenses pertaining to corporate office along with the allocation of expenses for under construction projects and commissioned projects along with reasonable justification duly certified by the auditor*
- r) Justification for claiming expenditures corresponding to EV charges, solar plants and green hydrogen plant as part of O&M expenses along with documentary proof.*
- s) Documentary proof along with justification for claiming additional expense of Rs. 164.69 lakhs towards the item acquired by HP Govt. / transferred to project affected landless person under O&M expenses.*
- t) Justification for not adjusting the amount of minor capital spares from the total capital spares, in this regard, excel for item wise individual assets to be shared along with year put to use.*
- u) With regard to insurance spares, difference between insurance and capital spares to be clarified by the petitioner. Also, provide justification of the exclusions claimed in capital and insurance spares with reasons and specific reference of Commission Order date, Petition No., amount disallowed, etc..*
- v) Provide excel for capital and insurance spares*

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 & Inaugration					
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					

Amount (₹ in lakh)						
Sl. No.	Items	2019-20	2020-21	2021-22	2022-23	2023-24
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.)					

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.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 SECURITY PERSONNEL**

Wage revision impact on employee cost of generating station

Amount (₹ in lakh)

Component	2019-20					2023-24		
	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	2019-20					2023-24		
	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									

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

Amount (₹ in lakh)

Component	2019-20					2023-24		
	Pre Revised	Post Revision	Wage revision Impact	Pre Revised	Post Revision	Wage revision Impact	Pre Revised	Post Revision	Wage revision Impact
1.CISF									
2. Others									
Total									
Total Wage revision Impact									