

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Coram:

- 1. Shri D.P. Sinha, Member**
- 2. Shri G.S. Rajamani, Member**
- 3. Shri K.N. Sinha, Member**

Petition No. 23/1999

In the matter of

Approval of Generation tariff for Faridabad Gas Power Project.

And in the matter of

National Thermal Power Corporation Limited	Petitioner
Vs		
Haryana Vidyut Prasaran Nigam Limited	Respondent

ORDER

After hearing of the petition on 14.2.2002, we had reserved order on tariff to be allowed. Meanwhile, the petitioner was directed to place on record certain additional details as mentioned in the order dated 26.3.2002. These details were to be filed within two weeks of the date of that order, that is, by 9.4.2002. However, these details were not filed by the petitioner till 30.10.2002, when the petitioner submitted a letter dated 30.10.2002 whereby certain additional information was conveyed to the Secretary of the Commission. We have perused the letter dated 30.10.2002. On scrutiny of the said letter, we find that there is a contradiction in the numbers of debt equity ratio at different places. In the original petition, this number was mentioned as '50:50'. However, in Form 6 of the letter on 30.10.2002, a debt equity ratio of 50:50 has been mentioned at the top. However, when computed on the basis of the details of financial package submitted in the same form it actually works out to be 27.73 (approx.) (i.e. Rs.253 Crore:Rs.686

Cre). Since the Government Notification dated 31st March 1992 specifies the actual debt and equity deployed in a project for tariff purposes (and not a notional ratio of 50:50 as adopted earlier), the Commission has viewed the discrepancy with concern.

2. The Commission would like to have a full explanation of the petitioner in this regard and clear and accurate details in regard to debt and equity. Owing to this discrepancy, the Commission is not in a position to issue the final tariff order at this stage.

3. While clarifying the above, the Commission would also like to have reply on the following points/issues/queries in seriatim:

(a) Whether revised cost estimate of the project was approved by CEA/Central Government.

(b) Capital Cost of each of the unit, separately on the date of commercial operation.

(c) Foreign Exchange Rate Variation up to date of commercial operation of the respective unit/station as per Form 4.

(d) Details of additional capitalisation for GT-I and GT-II up to the date of commercial operation of the Steam Turbine.

(e) Matching financial package for additional capitalisation.

(f) Asset-wise break up of gross block and calculation of depreciation as per Form 11.

(g) Interest calculations submitted as per letter dated 30.10.2002 need to be reconciled with the financial package given in Form 6, since these are at variance.

(h) Audited accounts as on date of commercial operation and up to 2000-2001 and statement of expenditure on the date of commercial operation, duly certified, by statutory bodies.

4. The Power Purchase Agreement reveals that there are certain deviations from the terms and conditions contained in Ministry of Power notification 30.3.1992 issued under Section 43 A (2) of the Electricity (Supply) Act, 1948. The petitioner is directed to confirm whether these deviations from the notification dated 30.3.1992 had the approval of the Central Government.

5. The above details along with the details furnished by the petitioner under its letter dated 30.10.2002 shall be filed by the petitioner, duly supported by affidavit latest by 30.11.2002, with an advance copy to the respondents.

6. List this petition for hearing on 19.12.2002.

Sd/-
(K.N. SINHA)
MEMBER

Sd/-
(G.S. RAJAMANI)
MEMBER

Sd/-
(D.P. SINHA)
MEMBER

New Delhi dated the 1st November 2002