

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Coram:

- 1. Shri Bhanu Bhushan, Member**
- 2. Shri R. Krishnamoorthy, Member**

**Review Petition No. 66/2007
in I.A. No. 43/2006 in
Petition No. 184/2004**

In the matter of

Review of order dated 5.2.2007 in I.A. No. 43/2006 in Petition No. 184/2004 seeking relaxation of capacity index of Naptha Jhakri Hydro Electric Project (6x 250 MW) of SJVNL for the years 2004-05 and 2005-06.

Satluj Jal Vidyut Nigam Limited

...Petitioner

Vs

1. Punjab State Electricity Board, Patiala
2. Haryana Vidyut Prasaran Nigam Ltd, Panchkula
3. Delhi Transco Limited, New Delhi
4. Jaipur Vidyut Vitaran Nigam Limited, Jaipur
5. Ajmer Vidyut Vitaran Nigam Limited, Ajmer
6. Jodhpur Vidyut Vitaran Nigam Limited, Jodhpur
7. Himachal Pradesh State Electricity Board, Shimla
8. Power Development Department, J&K Govt., Srinagar
9. Engineering Deptt., UT Secretariat, Chandigarh
10. Uttar Pradesh Power Corporation Ltd., Lucknow

.....Respondents

The following were present:

1. Shri R.K. Agarwal, SJVNL
2. Shri Suresh Kumar, SJVNL
3. Shri Padamjit Singh, PSEB
4. Shri T.P.S.Bawa, PSEB
5. Shri. Mithun Balaji, BSES
6. Shri. Vivek Soni, BSES

ORDER
(DATE OF HEARING: 11.12.2007)

The present application has been filed by the petitioner, Satluj Jal Vidyut Nigam Limited, a generating company, for review of order dated 5.2.2007 in I.A. No. 43/2006 in Petition No. 184/2004, seeking relaxation of capacity index of Naptha Jhakri Hydro Electric Project (6x 250 MW) for the years 2004-05 and 2005-06.

2. The petitioner had filed Petition No. 184/2004 for approval of provisional tariff for the generating station for the period 1.4.2004 to 31.3.2009 and the Commission by its order dated 17.6.2005 allowed the provisional tariff for the years 2004-05 and 2005-06 derived on the basis of provisional single- part tariff of 235 paise per kWh agreed to in the NRPC meeting held in June 2004. The Commission by its order dated 20.6.2006 in I.A.No.38/2006, allowed continuation of the provisional tariff for the year 2006-07 and by order dated 5.9.2007, in I.A. No. 13/2007, allowed the provisional tariff of the generating station, for the year 2007-08.

3. Meanwhile, the petitioner had filed I.A. No. 43/2006, for relaxation of capacity index of Naptha Jhakri Hydro Electric Project (6x 250 MW) for the period 2004-05 and 2005-06 and the Commission by its order dated 5.2.2007 disposed of the said application rejecting the prayer of the petitioner.

4. The petitioner in the review application has sought review of order dated 5.2.2007, and has submitted the following during the hearing:

(a) The petitioner had been operating the generating station as “Run of the River with pondage” from the date of commercial operation. Pursuant to the order dated 17.6.2005 of the Commission, the petitioner had started operating the generating station as “Run of the River”. However, NRLDC directed the petitioner to operate the plant as “ROR with Pondage” on the ground that the order of the Commission was for the purpose of tariff only and not for the purpose of operations. Moreover, the petitioner was directed by the Chairman of NREB during its meeting on 17.12.2005, to utilize the available pondage and provide peaking to the extent permitted by the pond level in the interest of grid. In accordance with the above directions of NRLDC and NREB, the petitioner once again started operating the plant as “ROR with pondage” and hence, the Commission should declare the generating station as “Run of the River with pondage” for the years 2004-05 and 2005-06 also. The Commission has already accepted it as a “ROR with pondage” plant for the purpose of tariff, with effect from 1.4.2006.

(b) Due to floods in the river Satluj and its tributaries in the year 2005-06 resulting in abnormally high silt, the generating station had to be shut down for long durations and machines even though available could not be operated. As the occurrence of floods and abnormally high silt was beyond the control of the petitioner, the Commission may consider

allowing capacity index based on availability of machines or to exclude the days, on which the generating station was on shut down, due to above reasons, for calculating yearly cumulative capacity index for the year 2005-06.

5. The respondent PSEB has objected to the above submissions of the petitioner and has sought clarifications on the following:

- (a) Reasons for not completing the height of the dam corresponding to Full Reservoir level on the date of commercial operation of the station;
- (b) Report of the Comptroller & Auditor General referred to the Ministry of Power in April 2001, pointing out that due to the negligence of the petitioner, the mistake in the computation of capacity of reservoir could not be detected before starting the execution of the works. Thus the height of the dam had to be increased by 7 metres to achieve the desired peak power, resulting in the increased cost of the generating station;
- (c) Irregularities in the calculation of maximum available capacity and capacity index in the information submitted to NRLDC.

6. The Commission in order dated 5.9.2007, while allowing the provisional tariff for the generating station for the year 2007-08, has directed the petitioner to file the petition for final tariff of the generating station for the period 2004-2009, based on the approval of final completion cost by the Govt. of India, along with

the report of the Standing Committee on time and cost overrun of the generating station. The petitioner has submitted that the approval of final completion cost amounting to Rs.818771 lakh has been obtained from the Govt. of India in August 2007 and they would be filing the final tariff petition in due course. Being so, we feel that the various issues raised in the review application can be adjudicated at the time of determination of final tariff of the generating station for the period 2004-09.

7. The petitioner is directed to file petition for approval of final tariff from the date of commercial operation of the station to 31.3.2009, at the earliest. The petitioner shall also place on record the following operating data for the years 2003-04, 2004-05 and 2005-06:

- (a) Monthly average of daily peak hour MW declared and actually generated (ex-bus)
- (b) Monthly average of daily energy (MU) scheduled and actually generated (ex-bus)

8. The review application shall be taken up along with the petition for final tariff.

Sd/-
(R.KRISHNAMOORTHY)
MEMBER

New Delhi dated the 19th December, 2007

Sd/-
(BHANU BHUSHAN)
MEMBER