Coram

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

Petition No. 68/2001
In the matter of
Approval of incentive for Singrauli STPS for the year 2000-01 in Northern Region

Petition No. 69/2001
In the matter of
Approval of incentive for Rihand STPS for the year 2000-01 in Northern Region

Petition No. 71/2001
In the matter of
Approval of incentive for NCTPP, Dadri for the year 2000-01 in Northern Region

Petition No. 72/2001
In the matter of
Approval of incentive for Anta GPS for the year 2000-01 in Northern Region

Petition No. 73/2001
In the matter of
Approval of incentive for Auraiya GPS for the year 2000-01 in Northern Region

Petition No. 74/2001
In the matter of
Approval of incentive for Dadri GPS for the year 2000-01 in Northern Region
And in the matter of

National Thermal Power Corporation Ltd.
Vs Uttar Pradesh Power Corporation Ltd. & others

Petitioner
Respondents

The following were present:

1. Shri K.K. Garg, GM (Comml), NTPC
2. Shri T.R. Sohal, NTPC
3. Shri R. Singhal, NTPC
4. Shri S.C. Mehta, XEN (ISP), RRVPNPL
5. Shri R.K. Arora, XEN, HVPNPL

ORDER (DATE OF HEARING 8-1-2002)

In these petitions, the petitioner, NTPC has prayed for approval of its proposal for incentive as contained in Annexure-III of the respective petition for the year 2000-01 in respect of the stations located in Northern Region. The present respondents are the beneficiaries of these stations. 2. The tariff and terms and conditions for power supply from these stations were notified by Ministry of Power as under:

<table>
<thead>
<tr>
<th>Station</th>
<th>Date of notification</th>
<th>Period of validity</th>
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</thead>
<tbody>
<tr>
<td>Riband STPS</td>
<td>3JTT992</td>
<td>1-1-1992 to 31-10-1997</td>
</tr>
<tr>
<td>DadFi NCTPST</td>
<td>25-2-1999^</td>
<td>V4r995 1 To 3T-3-1998</td>
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<td>AnTa GPS 7</td>
<td>30-4-1994</td>
<td>1-4-1992 to 31-3-1997</td>
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<td>Aunaya GPS</td>
<td>30-4-1994</td>
<td>Tii£94 Ti&quot;3l&quot;-3-1999</td>
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<tr>
<td>DadrfGPS</td>
<td>5-5-1999</td>
<td>MJ996</td>
</tr>
</tbody>
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Clause 4 of the rescued, e notification makes a r.o\ is.or
kWh/KW/year (AGN) as certified by Regional Electricity Boards and the Central Electricity Authority in a financial year exceeds the normative upper limit of operating range in kWh/KW/year (NGU) as per the following formula:

\[ \text{Incentive (I) (Rs.)} \]

\[-(\text{Energy (Kwh) corresponding to AGN} - \text{Energy (Kwh) corresponding to NGU}) \times (\% \text{PLF corresponding to AGN} - \% \text{PLF corresponding to NGU}) \times 0.01. \]

4. The tariff notifications further stipulate that for the purpose of incentive the actual generation level achieved in any financial year will include the quantum of backing down as certified by Northern Regional Electricity Board due to lack of system demand and other conditions not attributable to the petitioner, as certified by CEA, as deemed generation. The above tariff notifications have been continued up to 31-3-2001 on ad-hoc basis by virtue of Clause 6 of the respective notification, read with the Commission's order dated 21-12-2000 in petition No.4/2000, and other related petitions. Incentive payable in respect of this station up to 1999-2000 has already been determined by the Commission, and, therefore, the proposal in these petitions relates to determination for incentive for the year 2000-01. Member Secretary, NREB in his inter departmental note addressed to CEA has certified gross generation as under:

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<tbody>
<tr>
<td></td>
<td>16402 652</td>
<td>&quot;52IT?</td>
<td>&quot;6454.970</td>
<td>&quot;552.710</td>
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<td>35 coO</td>
<td>7753 503</td>
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<td>6970 240</td>
<td>54 692 252</td>
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<td>2888.972</td>
<td>99 640' 2^22</td>
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</tbody>
</table>

\[ '602 409, 1^4.6 luo, '55^2-54 692 252, '99 640' 2^22 \]
5. Replies were filed on behalf of UPPCL, RRVPN, and Haryana Vidyut Parasaran Nigam Ltd. In reply to the petitions UPPCL and RRVPN stated that the tariff determined by Ministry of Power under its tariff notifications expired during 31-3-1997 to 31-3-1999, but was continued on ad hoc basis up to 31-3-2001. Respondents pointed out that determination of incentive without resetting of tariff from the date of expiry of the respective notification would not be reasonable and should be deferred. It was also pointed out that excess power generated during high frequency should also be excluded for the purpose of incentive since a decision to that effect was taken at 121st meeting of NREB held in December, 1999. HVPNL in its reply had made an additional submission that the stations had achieved very high PLF during 2000-01, which is unachievable when forced outages and outages on account of normal maintenance of the machines were taken into account. These outages accounted for 21% to 22% and, therefore, the PLF could not be beyond 78% of the declared capacity of the respective station. HVPNL argued that for the purpose of incentive, PLF up to 79-78% should be considered.

6. The similar issues as raised by the respondents in these petitions were earlier considered by us in our order dated 4-1-2002 in Petition No.70/2001. The findings recorded by us in the order dated 4-1-2002 *ibid* are as under:

(a) For the purpose of determination of incentive for the year 2000-2001 it is necessary to re-determine tariff for the period from

exnm, 'Mr>~ na?" n/ notification tit! 3"1->2"01
(b) The excess generation at high frequency would not reckon for the purpose of claiming incentive and it had *per se* to be excluded from the gross generation.

(c) The incentive was payable based on the certification done by Member-Secretary, NREB.

We reiterate these findings recorded by us in our order of 4-1-2002. 7. In the light of above discussions, the respondents are liable to pay incentive for the year 2000-2001 as under.

<table>
<thead>
<tr>
<th>Name of the station</th>
<th>Amount of incentive (Rs.in Crores)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Singrauli STPS</td>
<td>110.252</td>
</tr>
<tr>
<td>Rihand STPS</td>
<td>34.542</td>
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<tr>
<td>Dadri NCTPS</td>
<td>48.624</td>
</tr>
<tr>
<td>Anta GPS</td>
<td></td>
</tr>
<tr>
<td>Auraiya GPS</td>
<td>8.756</td>
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<tr>
<td>Dadri GPS</td>
<td>5.994</td>
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</tbody>
</table>

8. Incentive has been recovered by the petitioner from the respondents on monthly basis in view of the notification dated 19-6-1995. The final adjustment of incentive determined by us shall be carried out keeping in view the recoveries of incentive already made from month-to-month. The above incentive shall be apportioned among the respondents in the ratio of the energy drawls from the respective station.

9. With the above directions, the petitions stand disposed of.

Sd/- Sd/- Sd/-
(K.N. Sinha)  (G.S. Rajamani)  (D.P. Sinha)
Member Member Member
W.v Doit- dated the 23rd January. 2002.