CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI

Petition No. 205/GT/2013

Subject : Approval of tariff of Rihand Super Thermal Power Station Stage-III (1000 MW) for the period from the anticipated date of Commercial Operation till 31.03.2014.

Date of hearing : 13.10.2014

Coram : Shri Gireesh B. Pradhan, Chairperson
Shri M. Deena Dayalan, Member
Shri A.K. Singhal, Member
Shri A.S. Bakshi, Member

Petitioner : NTPC Limited

Respondents : Uttar Pradesh Power Corporation Limited and 12 others

Parties present : Shri. S.K Sharma, NTPC
Shri. Shankar Sharan, NTPC
Shri. Shyam kumar, NTPC
Shri. Neeraj Kumar, NTPC
Shri. R.B Sharma, Advocate, BRPL
Shri Padamjit Singh, PSPCL
Shri Manish Garg, UPPCL

Record of Proceedings

This petition has been filed by the petitioner, NTPC for determination of tariff of Rihand Super Thermal Power Station Stage-III (1000 MW) for the period from the anticipated date of commercial operation till 31.03.2014, based on the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2009.

2. The learned counsel for the respondent, BRPL submitted that the respondent has not been served with the copies of the documents as sought by the Commission from the petitioner during the proceeding on 22.5.2014. Accordingly, the learned counsel prayed for grant of time to file its reply.

3. During the hearing, the representative of respondent PSPCL, referring to affidavit dated 8.8.2014 of the petitioner submitted as under:

(a) The variation in the cost incurred in some of the parts of the equipment namely, ESP, Steam Generator Island, Turbine Generator, Balance of Plant (mechanical) and Balance of Plant (electrical) and Civil Works may be explained by the petitioner.
(b) The petitioner shall also furnish details regarding the reasonableness of the cost of the generating station in comparison to the similar unit (500MW) of the petitioner which has been delayed under commercial date of operation during the same period.

(c) Time for one week may be granted to file reply in the matter.

4. The representative of the respondent UPPCL, submitted as under:

(a) The impact of Loan FERV from capital cost and the increase in the civil works on account of the same is not clear. This may be explained by the petitioner.

(b) Details of computation of notional IDC may be submitted.

(c) Details of monthly/quarterly cash flow statement to assess surplus funds at the disposal of petitioner and how these surplus funds have been utilized by the petitioner may be submitted.

(d) Reasons for the claim of expenditure on account of 5 Kms scheme vide affidavit dated 30.9.2014 which the petitioner has stated to have not been considered in affidavit dated 8.5.2013 shall be explained.

5. The Commission after hearing the parties permitted PSPCL to file its reply. The petitioner to serve the copy of the additional information filed to respondent BRPL, and to submit additional information, on affidavit, with advance copy to the respondents, on or before 10.11.2014 on the following:

i) Reconciliation of Gross Block of Rihand STPS –III at Annexure-‘A’ (page no. 138 of petition) to be duly certified by the Auditor;

ii) Copy of Annexure- V (documentary evidence with respect to interest reset) referred in affidavit dated 8.8.2014 is not enclosed, hence the same shall be provided;

iii) The detailed break-up of construction/supply/services packages through DCB/ICB is mentioned (at page 12 of the petition) and the value of the award as indicated at serial no. 8 in the forms. The date of award of contract for each package and in addition value of similar package awarded around the same time for similar projects shall be furnished;

iv) Detail calculation of notional IDC as claimed shall be furnished along with the editable soft copy;

v) Cost audit report for the year 2012-13 and 2013-14;

vi) Breakup of time overrun in a tabular form giving details of:

   a. Activities delayed, start date and end date of period of delay of each activity along with reasons for delay and total working days lost due to each reason for delay;
   
   b. Net loss of working days lost wherever two or more activities have been affected simultaneously in execution of the project; and
c. Documentary evidence wherever necessary to support the reason for delay and to support the efforts that the petitioner had undertaken to commission the project within the scheduled

vii) Cost overrun due to time overrun be quantified with detailed computations giving break-up of increase from scheduled COD to actual COD due to escalation in prices in different contract packages, increase in IDC, IEDC, FC, etc., and increase due to change in scope, if any;

viii) The original estimated cost of SG + ESP package was ₹1230.13 crore and that of TG Package was ₹841.21 crore as per Form-5B. However, the petitioner in its submission of additional information filed vide affidavit dated 10.1.2014 indicated the estimated value of SG + ESP package as ₹1473.67 crore on 28.1.2009 and ₹811.15 crore as on 17.2.2009 for TG package. Justification with regard to variation of ₹243.54 crore in SG + ESP package and reduction of ₹30.13 crore in TG package with complete scope and difference in estimates, if any shall be furnished;

ix) Reasons for acceptance of bid at a higher value i.e. ₹1492.38 crore instead of estimated value of ₹1230 crore as per the original estimate;

x) Comparative statement of capital cost with regard to 3-4 contemporary projects of NTPC and its JVs of similar unit size establishing the reasonableness and competitiveness of the capital cost of the generating station; and

xi) Reasons for not considering the proposed expenditure of ₹16.79 crore on account 5 km scheme of GOI in the amended petition/ additional submissions furnished vide affidavit dated 8.3.2013, and subsequently capitalized for ₹14.85 vide affidavit dated 8.8.2014 and 30.9.2014.

6. The above information shall be submitted by the petitioner within the due date mentioned above, failing which the petition shall be disposed of based on available records.

7. The matter shall be listed on 25.11.2014 for hearing the learned counsel for respondent, BRPL and any other respondents who had not been heard.

By order of the Commission

-S/d-
(T. Rout)
Chief (Law)