

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 249/GT/2016

Subject : Determination of tariff for the period 2014-19 in respect of 1200 MW Teesta III Hydro Electric Project

Petitioner : Teesta Urja Ltd

Respondent : PTC India Limited and others

Date of hearing : 6.2.2019

Coram : Shri P.K.Pujari, Chairperson
Dr. M.K. Iyer, Member
Shri I.S. Jha, Member

Parties present : Shri Jaideep Lakhtakia, TUL
Ms. Swati Jindal, TUL
Ms. Raveena Dhamija, Advocate, PTC
Shri Manish Garg, UPPCL
Ms. Ranjitha.Ramachandran, Advocate, Rajasthan Discoms
Ms. Tanya Sareen, Advocate, Rajasthan Discoms
Shri Alok Pareek, RUVNL
Shri Anand Ganesan, Advocate, PSPCL & HPPC
Ms. Parichitra Chowdhry, Advocate, PSPCL & HPPC

Record of Proceedings

This petition has been filed by the petitioner, Teesta Urja Limited (TUL) for approval of tariff of Teesta III Hydroelectric Project (1200 MW) ('the generating station') for the period 2014-19 in terms of the provisions of the CERC (Terms and Conditions of Tariff) Regulations, 2014.

2. During the hearing, the representative of the Petitioner submitted that the scheduled COD of the project was 31.10.2011 and the actual COD is 28.2.2017, and hence there is time overrun of 64 months from the scheduled COD. He also submitted that the major reasons for time overrun were (a) Delay in forest clearance by the Ministry of Environment & Forests, (b) Earthquake to the scale of 6.7 Richter magnitudes. (c) Geological Surprises like flash floods, (d) Change in design and construction methodology due to poor geology, and (e) Collapse of bridge critical in transportation of building material. The representative of the Petitioner further submitted that the generating station has commenced operation and tariff of ₹ 4.77 per KWH allowed by the Commission is being charged as an interim measure. He also submitted that pleadings in the matter are complete and tariff forms filed have been revised as per actual COD.

3. The representative of Respondent, UPPCL referred to the DIA report and raised objections as to time and cost overrun of the project. He further submitted that earthquake and flash floods are common occurrence in the region and hence these events cannot be considered as a '*force majeure*' event.



4. Similar submissions were made by the learned counsel for Respondent, Rajasthan Discoms. In addition, the learned counsel submitted that the Government of Sikkim, may be directed to pay tariff for 12% of free power initially agreed considering fact that the cost of the project has escalated by 2.5 %.

5. The learned counsel for Respondent, PSPCL & HPPC submitted that application filed by the discoms for approval of PSA is pending before the State Commissions.

6. The Commission after hearing the parties, observed that the Commission proposes to obtain comments of WAPCOS on the DIA report filed by the Petitioner for carrying out prudence check of the capital cost and asked the learned counsels and representatives of parties to cooperate with WAPCOS in furnishing the necessary information or documents as may be required by WAPCOS. The learned counsels and representatives of the parties welcomed the decision of the Commission and assured all cooperation to WAPCOS.

7. The Commission also directed the Petitioner to submit the following additional information by affidavit, on or before 5.3.2019 with advance copy to the respondents:

- (a) Audited balance sheets as on both the CODs.
- (b) Revised form 14A, duly filled in exactly as per the format prescribed as per the 2014 Regulations.
- (c) Reconciliation of the capital expenditure on cash basis as per form 5b with that as per form 14A.
- (d) Reconciliation of the capital expenditure with the sources of funds.
- (e) Clarification regarding difference in amount of debt as per form-6 and form-14.
- (f) All the loan agreements and correspondences from the banks with respect to reset of rate of interest, if any.
- (g) Statement of asset-wise, party-wise details of the undischarged liabilities as on each COD duly certified by the Auditor.
- (h) Statement of and reconciliation of the undischarged liabilities with the balance sheet, duly certified by the Auditor.

8. The respondents shall file their reply, by 19.3.2019 with advance copy to the Petitioner, who shall file its rejoinder, if any, by 26.3.2019. Subject to this, the order in the Petition was reserved.

By order of the Commission

Sd/-
(T. Rout)
Chief (Law)

