

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 169/GT/2023

Coram:

Shri I.S. Jha, Member

Shri Arun Goyal, Member

Shri Pravas Kumar Singh, Member

Date of Order: 30th June, 2023

In the matter of

Petition for approval of generation tariff of Naitwar Mori Hydroelectric Project (60 MW) for the period from actual COD of first Unit to 31.3.2024.

And

In the matter of

SJVN Limited,
Corporate Office Complex, Shakti Sadan,
Shanan, Shimla - 171006

...Petitioner

Vs

Nil

Parties Present:

Ms. Shrishti Khindaria, Advocate, SJVNL
Ms. Surbhi Kapoor, Advocate, SJVNL
Ms. Tanya Sareen, Advocate, SJVNL
Shri Aneesh Bajaj, Advocate, SJVNL

ORDER

This Petition has been filed by the Petitioner, SJVN Limited for approval of generation tariff of Naitwar Mori Hydroelectric Project (60 MW) (in short 'the Project') for the period from actual COD of first Unit to 31.3.2024 with the following prayers:

“(a) Approve tariff of Naitwar Mori Hydro Electric Project (60 MW) with the submission made in the petition from actual date of COD i.e. 15.5.2023 to 31.3.2024 as per 2019 Tariff Regulations and subsequent amendments thereof.

(b) Allow billing and recovery of RLDC fees & Charges and other charges as directed by the Commission from time to time, subject to finalisation of Beneficiary (ies).

(c) Allow recovery of ERV as per 2014 Tariff Regulations and its amendment issued from time to time in view of submission made in this petition, subject to finalisation of Beneficiary (ies).



- (d) Allow for Design Energy of NMHEP from anticipated COD of first unit i.e. 15.5.2023 to 31.3.2024 of 2192.82 MU in view of the submission made in this petition.
- (e) Allow for Design Energy of NMHEP as 269.87 MY for F.Y. 24.25 onwards in view of the submission made in this petition.
- (f) Allow the Normative Annual Plant Availability Factor of 55.42% for NMHEP from F.Y. 2023-24 onwards as per submission made in the petition.
- (g) Allow to recover the bills raised on account of levies, statutory taxes, duties, service tax, cess, charges, imposition etc. in view of submission made in the petition.
- (h) Allow to recover the tariff filing fees paid to the CERC account, subject to finalisation of Beneficiary (ies).
- (i) Allow the petitioner to approach the Commission for revision of AFC for the period 2023-24, as the liabilities on account of contingent liabilities can only be determined after its settlement.
- (j) Pass any further order as deemed fit & proper in the facts and circumstances of the case.”

Background

2. The Petitioner is executing the said Project in Uttarkashi District of the State of Uttarakhand, utilizing the waters of river Tons (a tributary of river Yamuna), for power generation. The Government of Uttarakhand has allocated the Project to the Petitioner and Memorandum of Understanding (MoU) was entered into between the Petitioner and Govt. of Uttarakhand for implementation of the Project on Build, Own, Operate and Maintain (BOOM) basis, on 21.11.2005, for an indicative capacity of 33 MW, subject to techno commercial viability and clearance of the project by Ministry of Environment & Forest, Government of India (MOEF) and CEA. Subsequently, the capacity of the project was enhanced to 60 MW, after detailed survey and hydrological studies. The Detailed Project Report (DPR) along with the cost estimates of the Project, was prepared and submitted to the Govt. of Uttarakhand on 15.7.2008, which was thereafter, approved vide letter dated 2.3.2010.

3. The Investment Approval for implementation of the Project was accorded by the Ministry of Power (MOP), GOI vide its letter dated 16.10.2017, at an estimated cost



of Rs. 648.33 crores, including IDC of Rs 93.24 crores & FC of Rs 4.54 crores, at October, 2016 Price level, including an expenditure of Rs 82.33 crores, on pre-construction activities, with a completion period of 48 months (i.e by December, 2021) from the date of commencement of construction works.

4. The Revised Cost Estimate (RCE) of the Project amounting to Rs. 947.89 crore was submitted to MOP, GOI on 8.3.2021 and after obtaining the recommendations of Govt. of Uttarakhand, the RCE was resubmitted to MOP, GOI and CEA. The RCE was deliberated by the Petitioner, MOP, GOI and CEA and the Petitioner was directed to re-submit the cost of completion of the Project. The Petitioner vide letter dated 22.12.2022 conveyed the cost of completion of the Project amounting to Rs. 1272.29 crore to MOP, GOI and as directed by MOP, GOI, the Petitioner vide letter dated 6.2.2023 requested the CEA to approve the time overrun of 15 months and 27 days. Thereafter, MOP, GOI vide its letter dated 12.4.2023 directed the Petitioner, to submit the proposal for time overrun, immediately after completion of the Project.

Hearing dated 20.6.2023

5. The matter was heard on 20.6.2023. During the hearing, the learned counsel for the Petitioner submitted that the Petition has been filed for determination of tariff of the Project, in terms of Regulation 9(1) of the 2019 Tariff Regulations, based on the anticipated commissioning of the Project in May, 2023. On a specific query of the Commission, as to actual COD of the Project, the learned counsel for the Petitioner submitted that the Project is expected to achieve commercial operation during August, 2023. On a further query as to how the tariff of the Project could be determined, in the absence of any identified beneficiaries of the Project, the learned counsel submitted that the Petitioner vide letter dated 15.2.2022, has requested the MOP, GOI for allocating the power from the Project to the beneficiaries of the



Northern Region. She also submitted that 13% of the power is to be provided free of cost to the host State (Uttarakhand) and the balance 87% power is to be allocated amongst the beneficiaries. The learned counsel further submitted that discussions are on with potential beneficiaries of the Project, but in the absence of any approved tariff, their willingness has become difficult. She, accordingly prayed that the matter may be taken up after two months, to enable the Petitioner to complete the formality of identifying the beneficiaries and to execute agreements.

Decision

6. Commission heard the learned counsel for the Petitioner. Section 62(1)(a) of the Electricity Act, 2003 provides as under:

“Section 62. (Determination of tariff): --- (1) The Appropriate Commission shall determine the tariff in accordance with the provisions of this Act for –

(a) supply of electricity by a generating company to a distribution licensee’

xxxx

7. In terms of the above section, the Commission has been mandated to determine the tariff of a generating company, for supply of power made by it to a distribution licensee. Admittedly, in the present case, the distribution companies, who are the beneficiaries of supply of power from the Project, are yet to be finalized/identified by the Petitioner. Also, the request of the Petitioner for allocating power from the Project amongst the beneficiaries of the Northern Region, is pending consideration of MOP, GOI. As such, in the absence of any identified beneficiaries drawing power from the Project, the prayer of the Petitioner for determination of tariff of the Project from the anticipated COD, is premature and cannot be entertained, at this stage.

8. Further, it is noticed that the Revised Cost Estimate of the Project for Rs.1272.29 crore at December, 2020 PL, submitted by Petitioner on 22.12.2022, is pending consideration of MOP, GOI. It is pertinent to mention that the declaration of COD of



the Project in August, 2023, would entail the revision in the completion cost of the Project and approval of RCE by MOP, GOI. Consequent upon this, the tariff filing forms, filed with the petition, would be required to be modified and submitted by the Petitioner.

9. Considering the above factors in totality, we find no reason to keep this petition pending. Accordingly, we are inclined to dispose of this petition, with liberty to the Petitioner to approach the Commission with fresh tariff petition, in respect of the generating station, after identification/finalization of the beneficiaries of the Project and completion of all formalities, as stated in paras 6 and 7 above. We direct accordingly. We also direct that the filing fees deposited by the Petitioner, for this petition, shall be adjusted against the fresh petition to be filed in terms of the liberty granted above.

10. Petition No.169/GT/2023 is disposed of in terms of above.

Sd/-
(Pravas Kumar Singh)
Member

Sd/-
(Arun Goyal)
Member

Sd/-
(I.S. Jha)
Member

