



- under applicable Regulations for any change in operational parameters due to low/partial loading of the Unit;
- l) Allow the Petitioner to approach the Commission for seeking approval for any expenditure under "Change in Law" events as per Regulation 3 (10) of Generation Tariff Regulations, 2019 read with Article 13 of the approved PPA, which may be required to be incurred in compliance with Amendment Rules notified by MoEFCC dated 07.12.2015 on revised Environment Norms;
 - m) Condone any inadvertent omissions/errors/rounding-off differences/shortcomings and permit the Petitioner to add/alter this filing and make further submissions as may be required in future; and
 - n) Pass such other Orders, as the Commission may deem fit and proper, keeping in view the facts and circumstances of the case.

Record of Proceedings

- 1.3.3 The Petition was taken up for hearing by the Commission on 24.11.2020, 18.02.2021, 25.03.2021.
- 1.3.4 During hearing on 24.11.2020, the Commission based on the application of Shri. R. S. Awasthi, a consumer of distribution licensee for the area of Greater Noida, received through e-mail and no objection by the counsel of the Petitioner, allowed the impleadment application as an intervener. The Petitioner vide aforesaid Order was directed to send a copy of MYT petition both in soft and hard copy to Shri. R. S. Awasthi within a week time. Shri. R. S. Awasthi and the Respondent were allowed to file reply in the matter within 3 weeks' time.
- 1.3.5 During the hearing on 18.02.2021, the Commission observed that Shri. R. S. Awasthi, Intervener and the Respondent have submitted their replies on 17.02.2021. The counsel for intervener submitted that in addition to issues on merits, the Commission shall hold a public hearing in terms of Section 64(3) of the Electricity Act, 2003. The counsel also referred to various appeals filed by the intervener and pending before the Hon'ble APTEL. He also mentioned that Energy Audit Report as per UPERC (Terms and Conditions of Generation Tariff) Regulations, 2019 are required to be made available on the Petitioner's website. The counsel for NPCL added that the Petitioner should submit the computation of Additional capitalisation claimed for the Control Period (FY 2019-20 to FY 2023-24). In response, learned Sr. counsel of the Petitioner submitted that the PPA and the Regulations stand together. He added that the Commission has approved the Tariff of DIL under section 62 of the Electricity Act, 2003 with certain additional prudence checks



to deal with the fact that DIL and NPCL belong to same group companies. He further requested the Commission to conduct public hearing. The Commission observed that once the Petition is admitted, after all the data gaps/reply to the Commission's queries are submitted by the Petitioner to the satisfaction of the Commission, and issuance of admittance Order, public hearing may be conducted for public comments. The Commission directed the Petitioner to submit their rejoinder to the reply of Shri. R. S. Awasthi and NPCL within a week.

- 1.3.6 The Commission, during the hearing on 25.03.2021 observed that the rejoinders were filed by DIL against the replies of the Respondent and Shri. R. S. Awasthi on 09.03.2021. Sr. counsel on behalf of Petitioner submitted that the Commission's 2nd data gap/ queries dated 17.03.2021 have been received by them and response to these queries would be submitted within a week. The hearing was concluded for issuance of admittance Order with a direction to the Petitioner that after issuance of admittance Order, the Petitioner to host public hearing notice on its website, Shri. R. S. Awasthi comments and DIL response.

1.4 Preliminary Scrutiny of the Petition

- 1.4.1 A preliminary analysis of the Petition was conducted by the Commission and the Commission vide its communication dated 13.11.2020 directed DIL to reply to the following deficiencies/queries in the petition:
- Regulation 24(i) of UPERC Generation Tariff Regulations, 2019 allows the recovery of the Return on Equity @ 15% per annum, while DIL has computed the same @15.50% as per UPERC Generation Tariff Regulations 2014. DIL to provide a detailed justification for computing Return on Equity @ 15.50%.
 - What is the actual water consumption in m³/MWh versus the requirement in the new environmental norms.
 - Submit a comparative table showing that the Annual Fixed Charges claimed in the MYT Petition for FY 2019-24, is not more than that approved by the Commission vide its PPA Approval Orders dated 15.01.2016 and 20.04.2016. Also, to submit the levelized Tariff of Fixed Cost considering the proposed CAPEX in both soft (MS Excel) and hard copy.
 - DIL has proposed an estimated additional capital expenditure of Rs 3.01 Crore and Rs. 4.31 Crore for FY 2019-20 and FY 2020-21 respectively, DIL to submit whether any such expenditure has been actually incurred till date and may re-compute the same before the Commission for



determination of Tariff.

- e) DIL to submit the basis for considering the Y-o-Y increment of 3.50% on statutory expenses.
- f) DIL has computed the Application Fees of Rs. 0.09 Crore for the purpose of recovery from the Respondent under Statutory Charges. The Petitioner is required to explain with support of evidence, for arriving at such figure.
- g) DIL to confirm whether the new norm of reduced Specific Secondary Fuel Consumption as per Regulation 26(iv)(a) of UPERC Generation Tariff Regulations, 2019 has been taken into consideration by the Petitioner for computation of Energy Charges for FY 2019-24.
- h) DIL to confirm whether the new norm of reduced Auxiliary Power Consumption (Electrically Driven Boiler Feed Pump with Induced Draft Cooling Towers for 300 MW Unit) as per Regulations 26(v)(a) of UPERC Generation Tariff Regulations, 2019 has been taken into consideration by the Petitioner for computation of Energy Charges for FY 2019-24.
- i) DIL to confirm whether the new norm of Gross Station Heat Rate as per Regulation 26(iii) of UPERC Generation Tariff Regulations, 2019 has been taken into consideration by the Petitioner for computation of Energy Charges for FY 2019-24.
- j) DIL is directed to provide justification of LDO cost considered in MYT Petition?

1.4.2 DIL submitted its reply on 03.12.2020 to the preliminary data gaps raised by the Commission.

1.4.3 On 17.03.2021, the Commission communicated its 2nd set of queries and data gaps for the petition to DIL. The Commission directed the Petitioner to reply on the following:

- a) DIL should submit all the Forms with all internal linkages and formulae in workable excel file;
- b) All further replies and rejoinders shall be submitted in workable soft and hard copy;
- c) DIL submitted the rate of interest on Domestic Loan as 9.91% for FY 2019-20 to FY 2023-24. In this regard the Petitioner should submit the documentary proof of these rates. DIL should also submit the Loan



documents for FY 2019-20. Further, DIL has claimed the 'Benefit of reduced rate of interest passed on the beneficiary and end consumers as per Regulation 24 (ii) of UPERC Generation Tariff Regulations, 2019' as 1.09%. In this regard the Petitioner should submit the computation of the same;

d) With regards to additional capitalization claimed for FY 2019-20 and FY 2020-21, the Petitioner should submit the details as:

- DIL has claimed Rs. 0.10 Crore and Rs. 0.40 Crore for Emergency ash evacuation system. The Petitioner in this regard should justify why the requirement of the same was not envisaged during the determination of capital cost.
- DIL has claimed Rs. 2.35 Crore for FY 2019-20 and FY 2020-21 as 'Civil works for road transport of coal'. The Petitioner for the same work for FY 2017-18 and FY 2018-19 has claimed Rs. 1.90 Crore and Rs. 0.93 Crore respectively. In this regard the Petitioner should justify need of such high capex.
- DIL for FY 2019-20 has claimed Rs. 0.455 Crore for installation of chlorination system. The Petitioner has submitted that

"Hence, it is proposed to install an additional gas chlorination system as per the recommendation of expert panel with the objective to contain biological growth in water and ensure that the heat transfer capability of condenser is not compromised."

In this regard, DIL to submit the report of expert panel.

e) DIL for FY 2019-20 to FY 2023-24 has claimed Rs. 0.30 Crore as depreciation for Miscellaneous Assets. In this regard, the Petitioner should submit the details of such assets.

1.4.4 DIL submitted its reply on 29.03.2021 to the 2nd set of queries and data gaps raised by the Commission.

1.5 Admittance and Publicity of the Petition

1.5.1 The Petition was admitted by the Commission vide Order dated 03.09.2021 with a direction to the Petitioner to publish the application in abridged form in one English and one Hindi daily newspapers within 3 working days from the date of Admittance Order outlining the details of the Petition with ARR and its components proposed, any Capital expenditure proposed for the control period FY 2019-20 to FY 2023-24 and invite suggestions and objections from the Stakeholders within 15 days from the date of publication