

**CENTRAL ELECTRICITY REGULATORY COMMISSION  
NEW DELHI**

**Petition No. 287/GT/2020**

**Coram:**

**Shri I. S. Jha, Member  
Shri Arun Goyal, Member  
Shri Pravas Kumar Singh, Member**

**Date of Order: 1<sup>st</sup> October, 2022**

**In the matter of**

Petition for truing up of annual fixed charges for the 2014-19 tariff period in respect of the Feroze Gandhi Unchahar Thermal Power Station Stage-III (210 MW).

**And**

**In the matter of**

NTPC Limited,  
NTPC Bhawan,  
Core-7, Scope Complex,  
7, Institutional Area, Lodhi Road,  
New Delhi-110003.

**.....Petitioner**

**Vs**

1. Uttar Pradesh Power Corporation Limited,  
Shakti Bhawan, 14, Ashok Marg  
Lucknow – 226 001
2. Rajasthan Urja Vikas Nigam Limited,  
(on behalf of Discoms of Rajasthan),  
Vidyut Bhawan, Janpath,  
Jaipur-302 005
3. Tata Power Delhi Distribution Limited,  
Grid Substation, Hudson Road  
Kingsway Camp,  
New Delhi – 110009
4. BSES Rajdhani Power Limited,  
BSES Bhawan, Nehru Place,  
New Delhi – 110019
5. BSES Yamuna Power Limited,  
Shakti Kiran Building, Karkardooma,  
Delhi- 110092



6. Haryana Power Purchase Centre,  
Shakti Bhawan, Sector – VI,  
Panchkula, Haryana – 134109
7. Punjab State Power Corporation Limited,  
The Mall, Patiala – 147001.
8. Himachal Pradesh State Electricity Board Limited,  
Kumar Housing Complex Building-II  
Vidyut Bhawan, Shimla – 171004.
9. Power Development Department,  
Govt. of J&K, Civil Secretariat,  
Srinagar
10. Electricity Department,  
Union Territory of Chandigarh,  
Additional Office Building, Sector-9 D,  
Chandigarh.
11. Uttarakhand Power Corporation Limited,  
Urja Bhavan, Kanwali Road,  
Dehradun – 248001

**...Respondents**

**Parties Present:**

Shri Anand K. Ganesan, Advocate, NTPC  
Ms. Swapna Seshadri, Advocate, NTPC  
Ms. Ritu Apurva, Advocate, NTPC  
Ms. Ashabari Basu Thakur, Advocate, NTPC  
Shri R.B. Sharma, Advocate, BRPL  
Ms. Megha Bajpeyi, BRPL  
Shri Mansoor Ali Shoket, Advocate, TPDDL  
Shri Nitin Kala, Advocate, TPDDL  
Shri Kunal Singh, Advocate, TPDDL  
Shri Aditya Ajay, Advocate, BYPL  
Shri Rahul Kinra, Advocate, BYPL  
Shri Hemant Khera, Advocate, BYPL

**ORDER**

This petition has been filed by the Petitioner, NTPC for true-up of tariff of Feroze Gandhi Unchahar Thermal Power Station Stage-3 (1 x 210 MW) (hereinafter referred to as 'the generating station') for the 2014-19 tariff period, in accordance with Regulation 8(1) of the Central Electricity Regulatory Commission (Terms and



Conditions of Tariff) Regulations, 2014 (hereinafter referred to as 'the 2014 Tariff Regulations').

2. The generating station comprises of one unit of 210 MW capacity with the date of commercial operation as 1.1.2007. The Commission vide its order dated 19.4.2017 in Petition No. 373/GT/2014 had approved the capital cost and the annual fixed charges of the generating station for the 2014-19 tariff period as under:

**Capital Cost allowed**

(Rs. in lakh)

		2014-15	2015-16	2016-17	2017-18	2018-19
A	Opening Capital Cost	87440.42	87538.42	87913.42	87913.42	87913.42
B	Admitted Projected additional capital expenditure	98.00	375.00	0.00	0.00	0.00
C	Closing Capital Cost (A+B)	<b>87538.42</b>	<b>87913.42</b>	<b>87913.42</b>	<b>87913.42</b>	<b>87913.42</b>
D	Average Capital Cost (A+C)/2	87489.42	87725.92	87913.42	87913.42	87913.42

**Annual fixed charges allowed**

(Rs. in lakh)

	2014-15	2015-16	2016-17	2017-18	2018-19
Depreciation	4547.94	4560.23	4569.98	4569.98	4569.98
Interest on Loan	2238.56	1916.73	1625.17	1260.89	871.80
Return on Equity	5147.00	5185.92	5197.00	5197.00	5197.00
Interest on Working Capital	613.27	626.67	641.27	655.55	670.21
O&M Expenses	5130.79	5445.79	5781.79	6138.79	6518.89
Compensation Allowance	0.00	0.00	0.00	42.00	42.00
<b>Total</b>	<b>17677.56</b>	<b>17735.34</b>	<b>17815.21</b>	<b>17864.21</b>	<b>17869.88</b>

3. Regulation 8(1) of the 2014 Tariff Regulations provides as follows:

*“(1) The Commission shall carry out truing up exercise along with the Tariff petition filed for the next Tariff period, with respect to the capital expenditure including additional capital expenditure incurred up to 31.3.2019, as admitted by the Commission after prudence check at the time of truing up. Provided that the generating company or the transmission licensee, as the case may be, shall make an application for interim truing up of capital expenditure including additional capital expenditure in FY 2016-17.”*

4. In terms of the above regulations, the Petitioner has filed the present petition for truing-up of tariff for the 2014-19 tariff period and has claimed the following annual fixed charges:



(Rs in lakh)

	2014-15	2015-16	2016-17	2017-18	2018-19
Depreciation	4562.42	4573.43	4600.17	4632.19	4629.21
Interest on Loan	2244.41	1919.68	1640.10	1331.34	958.98
Return on Equity	5154.30	5190.18	5224.44	5267.28	5277.88
Interest on Working Capital	2449.40	2476.09	2526.88	2592.06	2711.04
O&M Expenses	5165.32	5645.86	6020.16	6271.38	6904.14
Compensation Allowance (if applicable)	0.00	0.00	0.00	42.00	42.00
<b>Sub-total</b>	<b>19575.84</b>	<b>19805.23</b>	<b>20011.75</b>	<b>20136.24</b>	<b>20523.24</b>
<b>Additional O&amp;M Expenses</b>					
Impact of Pay Revision	0.00	10.23	575.77	695.50	810.87
Impact of GST	0.00	0.00	0.00	45.88	78.83
Ash Transportation Expenditure	0.00	0.00	0.00	0.00	1268.61
Total Additional O&M Expenditure	0.00	10.23	575.77	741.38	2158.31
<b>Total Annual fixed Charges claimed</b>	<b>19575.84</b>	<b>19815.46</b>	<b>20587.52</b>	<b>20877.62</b>	<b>22681.55</b>

5. The Respondent UPPCL has filed its reply vide affidavits dated 1.6.2020 and 17.7.2021 and the Petitioner has filed its rejoinders to the said replies, vide affidavits dated 15.12.2020 and 28.7.2021 respectively. The Respondent, TPDDL has filed its reply vide affidavit dated 30.8.2021 and 30.5.2022 and the Petitioner has filed its rejoinder to the same vide affidavits dated 29.10.2021 and 12.7.2022. The Respondents BRPL and BYPL have filed their replies on 13.3.2022. The Petitioner has also filed certain additional information vide affidavits dated 21.12.2020, 30.6.2021 and 15.7.2021. The Petition was thereafter heard on 15.3.2022 and the Commission had directed the Petitioner to submit certain additional information. In response, the Petitioner vide affidavit dated 11.4.2022, has filed the additional information after serving copies to the Respondents. The Petition was thereafter heard on 14.7.2022 and the Commission after permitting the parties to complete the pleadings, if any, reserved its order in the matter. In response, the Petitioner vide affidavit dated 25.7.2022 has filed the additional information, after serving copies to the Respondents. Based on the submissions of the parties and the documents

