

Petition

**BEFORE THE HON'BLE CHHATTISGARH STATE ELECTRICITY REGULATORY
COMMISSION, RAIPUR**

PETITION NO. OF 2022

IN THE MATTER OF:

Petition under Sections 62(1)(a) And 86(1)(a) of Electricity Act 2003 read with Chhattisgarh State Electricity Regulatory Commission (Terms and Conditions for Determination of Tariff according to Multi-Year Tariff Principles and Methodology and Procedure for Determination of Expected Revenue from Tariff and Charges) Regulations, 2015 for the approval of Final Capital Cost as on COD and Final Tariff/Truing-Up of Tariff for the period 2021-22 (i.e. from COD till 31.03.2022) in respect of 113 MW (2*56.5 MW) Rongnichu Hydro-Electric Project, Sikkim.

IN THE MATTER OF:

Petition under Sections 62(1) (a) And 86(1)(a) Of Electricity Act 2003 read with Chhattisgarh State Electricity Regulatory Commission (Terms and Conditions for Determination of Tariff according to Multi-Year Tariff Principles and Methodology and Procedure for Determination of Expected Revenue from Tariff and Charges) Regulations, 2021 for the approval of Capital Investment Plan and determination of tariff for the period 2022-25 in respect of 113 MW (2*56.5 MW) Rongnichu Hydro-Electric Project, Sikkim.

M/s. Madhya Bharat Power Corporation Ltd.

Registered Office: E-585, Greater Kailash-II,

Ground floor, New Delhi - 110048

Head Office: 2nd Floor,

Vanijya Bhawan,

Devendra Nagar Square,

Jail Road, Raipur - 492001

...PETITIONER

VERSUS

Chhattisgarh State Power Distribution Company Limited

Vidyut Sewa Bhawan,

Danganiya, Raipur - 492013

...RESPONDENT



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1. The Petitioner respectfully submits as under:

1.1. The Petitioner, i.e., M/s Madhya Bharat Power Corporation Ltd., is a company incorporated under the Companies Act 1956 having its Registered Office at E-585, Greater Kailash-II, Ground floor, New Delhi - 110048. The Petitioner is a Generating Company under Section 2(28) of the Electricity Act 2003 (hereinafter referred to as the 'Act'). The Petitioner is a Special Purpose Vehicle (SPV) of Sarda Energy and Minerals Ltd. and has developed a 113 MW (2X56.5 MW) Rongnichu Hydro Power Project on Rongnichu river in East Sikkim ('Project') with details of unit-wise COD of the Project at Table 1 below:

Table 1: Unit-Wise details of Commercial Operation

Unit	Actual Date of Commercial Operation
Generating Unit #1	25.06.2021
Generating Unit #2	30.06.2021

Copies of proof of COD of the Project and/or units are collectively annexed herewith as **ANNEXURE P-1**.

1.2. The petitioner had filed a petition (Petition No. 22 of 2021) for the approval of Provisional Tariff of the project based on the anticipated date of COD (i.e. 15.05.2021). Meanwhile during the pendency of above mentioned petition, Unit – 1 and Unit – 2 of the petitioner's power station had achieved COD on 25.06.2021 and 30.06.2021 respectively. Considering the Actual COD, the Hon'ble Commission passed the order dated 22.09.2021 and determined the Provisional Tariff for sale of power to Chhattisgarh State Power Distribution Company Limited from actual COD up to 31.03.2022. The Order will be applicable till the issue of Final Tariff Order. (Copy of order dated 22.09.2021 is enclosed at **ANNEXURE P-2**).

1.3. The Respondent, Chhattisgarh State Power Distribution Company Limited (hereinafter referred to as the "Respondent"), is a body corporate registered under the Companies Act, 1956 and functions as distribution licensee in the State of Chhattisgarh for supply of electricity in accordance with the provisions of the Act.

1.4. The Petitioner is filing this instant petition for the approval of the following aspects:

1.4.1. Final Capital Cost of the Project as on COD (i.e. 30.06.2021);

1.4.2. Final Tariff/Truing-Up of tariff for the period from actual COD till 31st March 2022;

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1.4.3. Capital Investment Plan (CIP) for 4th control period i.e. from FY 2022-23 to FY 2024-25;

1.4.4. MYT for 4th control period i.e. from FY 2022-23 to FY 2024-25.

1.5. The petitioner has relied on the following Regulations: -

S. No.	Aspects	Regulations
1	Approval of Capital Cost as on COD	CSERC (Terms and Conditions for Determination of Tariff according to Multi-Year Tariff Principles and Methodology and Procedure for Determination of Expected Revenue from Tariff and Charges) Regulations, 2015
2	Approval of Tariff/Truing-Up of tariff for the period from COD till 31 st March 2022	
3	Approval of Capital Investment Plan for 4 th Control Period (FY23 to FY25)	CSERC (Terms and Conditions for Determination of Tariff according to Multi-Year Tariff Principles and Methodology and Procedure for Determination of Expected Revenue from Tariff and Charges) Regulations, 2021
4	Approval of MYT for 4 th Control Period (FY23 to FY25)	



2. Background

- 2.1. Pursuant to the 50,000 MW Hydroelectric initiative launched by the Government of India (GoI) to harness India's abundant hydropower resources, the Government of Sikkim (GoS) awarded several hydroelectric projects to various Independent Power Producers (IPPs) during the period 2004-06.
- 2.2. The Project, located in East Sikkim was a potential run of river (ROR) generating station located around Rongnichu, a tributary of Teesta River. The project scheme was investigated by the National Hydroelectric Power Corporation Ltd. (NHPC) and the Preliminary Feasibility Report (PFR) was prepared in year 2004.
- 2.3. On 01.03.2005, the Government of Sikkim issued Letter of Intent (LoI) to the Petitioner/ M/s Madhya Bharat Power Corporation Ltd. (erstwhile M/s Chhattisgarh Electricity Company Limited) for implementation of the 95 MW Rongnichu Hydro Electric Project on Build, Own, Operate and Transfer ('BOOT') basis. The Petitioner, vide letter dated 06.05.2005, confirmed its acceptance for implementation of the Project. The project was later conceived to be of 96 MW Capacity.
- 2.4. On 01.03.2006, the Petitioner entered into an Implementation Agreement ('IA') with the Government of Sikkim for the development of 96 MW Rongnichu Hydro Electric Project.
- 2.5. In March 2005, the Petitioner engaged M/s SMEC International Private Limited to carry out broad geo-technical site investigation, topographic survey and engineering studies in order to prepare Detailed Project Report (DPR) of the Project, for obtaining the Government of Sikkim's approval. The DPR was approved and TEC was granted on dated 01.10.2008 by the Energy & Power Department, Government of Sikkim for project capacity of 96 MW.

The relevant extracts of the approved DPR are as under:

"Section 7, Power Potential Study, Point No 7.10 Unit Size 193

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There are 9 (nine) 10-daily blocks in monsoon period in which river flows are higher and power more than 96 MW can be generated during these 10-daily blocks. In order to utilize their high inflows during monsoon period it is proposed to provide 10% and 20% overload capacity in each

