

De-capitalization of MBOAs (not forming part of capital cost)

17. The Petitioner has claimed exclusion of de-capitalization of MBOA's of Rs.6.85 lakh in 2014-15, Rs.25.30 lakh in 2015-16, Rs.28.11 lakh in 2016-17, Rs.2.32 lakh in 2017-18 and Rs.67.85 lakh in 2018-19. In justification of the same, the Petitioner has submitted that these MBOAs do not form part of the capital cost and has been kept under exclusion. On scrutiny of Form-9Bi for respective years vis-à-vis the various orders of the Commission, pertaining to the generating station, it is observed that out of de-capitalization of MBOA's claimed for exclusion during the 2014-19 tariff period, MBOAs amounting to Rs.6.85 lakh de-capitalized in 2014-15, Rs.22.88 lakh de-capitalized in 2015-16, Rs.28.11 lakh de-capitalized in 2016-17, Rs.1.08 lakh de-capitalized in 2017-18, Rs.30.25 lakh de-capitalized in 2018-19 already form part of the capital cost allowed for the generating station and hence disallowed for the purpose of tariff. In view of above, exclusion of de-capitalization of MBOAs for Rs.2.42 lakh in 2015-16, Rs.1.24 lakh in 2017-18 and Rs.37.60 lakh in 2018-19 is only allowed for the purpose of tariff.

Reversal of liabilities

18. The Petitioner has claimed exclusion of reversal of liabilities of (-) Rs.132.05 lakh in 2014-15, (-) Rs.1.06 lakh in 2015-16 and (-) Rs.0.31 lakh in 2018-19. In justification for the same, the Petitioner has submitted that since tariff is allowed on cash basis and liabilities, do not form part of tariff, the reversal of the same has been kept under exclusion. It is noticed that the liability flow statement as submitted by the Petitioner in Form-18, is not in conformity with the liabilities as per Form-9A and Form 9D submitted in the Petition. Accordingly, the liability flow statement submitted by the Petitioner has not been considered for the purpose of tariff. However, the details of liabilities, addition, discharges and reversals as submitted in Form-9A and Form-9D have been considered.



The Petitioner is however directed to furnish proper and duly audited liability flow statement at the time of truing up of tariff for the 2019-24 tariff period. Since, the tariff is allowed on cash basis, we have consistently allowed the exclusion of reversal of un-discharged liabilities, for the purpose of tariff. Accordingly, the Petitioner's claim under this head is allowed.

19. Based on above, the summary of exclusions allowed and disallowed for the 2014-19 tariff period is as under:

<i>(Rs. in lakh)</i>					
	2014-15	2015-16	2016-17	2017-18	2018-19
Capital spares (capitalization)	173.02	156.50	1720.66	354.60	1251.85
De-capitalization of spares (not forming part of capital cost)	0.00	0.00	0.00	(-) 6.24	(-) 0.34
Inter-unit transfer of assets	3.16	0.00	0.00	0.00	0.00
Other capitalized items	33.41	12.54	2012.62	645.97	2633.29
MBOA's	34.60	81.48	73.44	113.76	117.57
De-capitalization of MBOA's	0.00	(-) 2.42	0.00	(-) 1.24	(-) 37.60
Reversal of liabilities	(-) 132.05	(-) 1.06	0.00	0.00	(-) 0.31
Exclusions allowed	112.14	247.04	3806.72	1106.85	3964.46
Exclusions disallowed	(-) 6.85	(-) 22.88	(-) 146.41	(-) 1.08	(-) 39.83

20. The additional capital expenditure (before discharges of liabilities) claimed by the Petitioner for the 2014-19 tariff period is as under:

<i>(Rs. in lakh)</i>						
	2014-15	2015-16	2016-17	2017-18	2018-19	Regulation
Items allowed vide Commission's order dated 2.8.2016						
Make up Water	13.77	0.00	0.00	0.00	0.00	14(3)(v)
Ash dyke raising	0.00	0.00	0.00	0.00	372.46	
Civil construction/work	31.70	217.25	56.70	11.90	19.48	
CEMS/EQMS	0.00	109.39	0.00	0.00	19.51	14(3)(iii)
Fire alarm safety cards	0.00	12.54	0.00	0.00	0.00	
Fire detection system	0.00	0.00	0.00	0.00	7.19	
In motion way bridge	20.60	0.79	0.00	0.00	0.00	
Public silo weigh bridge	0.00	19.08	0.00	0.00	0.00	
XRF Analyzer	0.00	12.88	0.00	0.00	0.00	
Alternate supply of raw water pump house	0.00	0.00	84.48	0.00	25.56	
Bomb calorimeter	0.00	0.00	0.00	0.00	(-) 0.24	
Walkway for inspection of wagons	0.00	0.00	0.00	0.00	27.45	



Total for allowed items	66.08	371.93	141.18	11.90	471.39	
New claims						
Fire safety system	1.26	0.00	0.00	0.00	0.00	14(3)(iii)
Parking for fire tender	9.03	0.00	0.00	0.00	0.00	
Lab instruments for NABL certification	0.00	3.01	31.79	0.00	0.00	
Host of Loco shed	0.00	0.00	14.84	0.00	0.00	14(3)(iv)
Ash related work	0.00	0.00	15.12	0.00	0.00	
High mast for emergency stack yard	0.00	0.00	0.00	4.79	0.00	14(3)(iii)
RCC approach road ramp at Ash Dyke	0.00	0.00	0.00	23.97	0.00	14(3)(ii)
Rain water harvesting system (civil works)	0.00	0.00	0.00	0.00	34.12	
Safety Kiosk	0.00	0.00	0.00	0.00	3.54	
LPG Cylinder Shed	0.00	0.00	0.00	0.00	1.41	
De-cap part of capital cost	0.00	(-) 76.29	(-) 147.41	(-) 0.44	0.00	14(4)
New claims (Total)	10.29	(-) 73.28	(-) 85.66	28.32	39.07	
Additional capital expenditure claimed (before discharge of liabilities)	76.37	298.66	55.52	40.22	510.46	
Add: Discharge of Liabilities	194.34	42.60	10.03	21.42	0.00	
Net Additional capital expenditure claimed (including discharge of liabilities)	270.71	341.26	65.55	61.65	510.46	

21. We now examine the actual additional capital expenditure claimed by the Petitioner for the 2014-19 tariff period as under:

Items allowed vide order dated 2.8.2016 in Petition No. 257/GT/2014

Make up Water

22. The Petitioner has claimed additional capital expenditure of Rs.13.77 lakh (on cash basis) towards Make-up water system in 2014-15 under Regulation 14(3)(v) of the 2014 Tariff Regulations. In justification of the same, the Petitioner has submitted that these are the balance works, included within the original scope of work for the package and the projected additional capital expenditure of Rs.81.66 lakh for the said asset/work was allowed in order dated 2.8.2016 in Petition No. 257/GT/2014. In view of the submissions of the Petitioner and considering the fact that the Petitioner's claim for the said asset/work



(on accrual basis) is less than the corresponding additional capital expenditure allowed in order dated 2.8.2016 in Petition No. 257/GT/2014, the claim of the Petitioner for additional capital expenditure of Rs.13.77 lakh (as against Rs.81.66 lakh) is allowed. The corresponding un-discharged liability is 'nil'.

Ash Dyke raising works

23. The Petitioner has claimed additional capital expenditure of Rs.372.46 lakh, on cash basis, towards Ash dyke raising works in 2018-19 under Regulation 14(3)(v) of the 2014 Tariff Regulations. The corresponding un-discharged liability towards additional capital expenditure in 2018-19 is Rs.40.01 lakh. In justification of the same, the Petitioner has submitted that the Commission had allowed the projected additional capital expenditure of Rs.613.91 lakh for the said work in order dated 2.8.2016 in Petition No. 257/ GT/2014. In view of the submissions and considering the fact that the Petitioner's claim for the said asset/work (on accrual basis i.e. Rs.412.47 lakh) is less than the additional capital expenditure allowed vide order dated 2.8.2016 in Petition No. 257/GT/2014, the claim of the Petitioner for additional capital expenditure of Rs.372.46 lakh is allowed, on cash basis. The corresponding un-discharged liability is Rs.40.01 lakh.

Civil construction/work

24. The Petitioner has claimed additional capital expenditure of Rs.337.03 lakh, on cash basis, towards Civil construction work during 2014-19 (i.e Rs.31.70 lakh in 2014-15, Rs.217.25 lakh in 2015-16, Rs.56.70 lakh in 2016-17, Rs.11.90 lakh in 2017-18 and Rs.19.48 lakh in 2018-19) under Regulation 14(3)(v) of the 2014 Tariff Regulations. The corresponding un-discharged liabilities towards additional capital expenditure for the 2014-19 tariff period is Rs.66.76 lakh (Rs.10.50 lakh in 2014-15, Rs.47.46 lakh in 2015-16, Rs.3.56 lakh in 2016-17, Rs.3.71 lakh in 2017-18 and Rs.1.52 lakh in 2018-19). In



justification of the same, the Petitioner has submitted that these are the balance works included in the original scope of work for the package and the Commission had allowed the projected additional capital expenditure of Rs.345.62 lakh (Rs.202.60 lakh in 2014-15 and Rs.143.00 lakh in 2015-16) for the said works in its order dated 2.8.2016 in Petition No. 257/GT/2014.

25. It is observed that the additional capital expenditure claimed by the Petitioner, on accrual basis, is Rs.403.79 lakh, is higher than the additional capital expenditure of Rs.345.62 lakh allowed vide order dated 2.8.2016. Moreover, the Petitioner has not furnished any justification for increase in the expenditure claimed. In view of this, we restrict the additional capital expenditure to Rs.345.62 lakh and allow the same, as against the Petitioner's claim for Rs.403.79 lakh, on accrual basis. Accordingly, the additional capital expenditure of Rs.31.70 lakh in 2014-15, Rs.217.25 lakh in 2015-16 and Rs.38.70 lakh in 2016-17, is allowed under this head, on cash basis, after deduction of the un-discharged liabilities of Rs.10.50 lakh in 2014-15 and Rs.47.46 lakh in 2015-16.

Alternate supply of raw water pump house

26. The Petitioner has claimed additional capital expenditure of Rs.100.04 lakh, on cash basis, towards alternate supply of raw water pump house during the period 2016-19 (i.e Rs.84.48 lakh in 2016-17 and Rs.25.56 lakh in 2018-19) under Regulation 14(3)(iii) of the 2014 Tariff Regulations. The corresponding un-discharged liability towards additional capital expenditure for 2016-17 is Rs.0.73 lakh. In justification of the same, the Petitioner has submitted that the Commission has allowed the projected additional capital expenditure of Rs.250 lakh for the said asset/works in its order dated 2.8.2016 in Petition No. 257/ GT/ 2014. In view of the submissions of the Petitioner and considering the fact that the Petitioner's claim for the said asset/work (on accrual basis) is less than the



additional capital expenditure allowed vide order dated 2.8.2016 in Petition No. 257/GT/2014, the claim of the Petitioner is allowed, on cash basis. The corresponding un-discharged liability is Rs.0.73 lakh in 2016-17.

Installation of EQMS and CEMS

27. The Petitioner has claimed additional capital expenditure of Rs.109.39 lakh in 2015-16 and Rs.19.51 lakh in 2018-19, on cash basis, towards installation of Effluent Quality Monitoring System and Continuous Emission Monitoring System under Regulation 14(3)(iii) of the 2014 Tariff Regulations. The corresponding un-discharged liability towards additional capital expenditure is Rs 10.01 lakh in 2015-16 and Rs.4.45 lakh in 2018-19. Accordingly, the capital expenditure claimed on accrual basis, works out to Rs.143.35 lakh. In justification of the same, the Petitioner has submitted that the Commission had allowed the projected additional capital expenditure of Rs.143.35 lakh for the said asset/works in its order dated 2.8.2016 in Petition No. 257/GT/2014. In view of the submissions of the Petitioner and considering the fact that the Petitioner's claim for the said asset/work (on accrual basis) is less than the additional capital expenditure allowed vide order dated 2.8.2016 in Petition No. 257/GT/2014, the claim of the Petitioner for additional capital expenditure is allowed, on cash basis, along with the corresponding un-discharged liability of Rs.10.01 lakh in 2015-16 and Rs.4.45 lakh in 2018-19.

Fire alarm detection system & card

28. The Petitioner has claimed total additional capital expenditure of Rs.19.73 lakh (i.e Rs.12.54 lakh in 2015-16 and Rs.7.19 lakh in 2018-19), on cash basis, towards fire alarm detection system & card under Regulation 14(3)(iii) of the 2014 Tariff Regulations. The corresponding un-discharged liability towards additional capital expenditure in 2018-19 is Rs.1.25 lakh. As such, the total expenditure claimed for the asset works out to Rs.20.98



lakh on accrual basis. In justification of the same, the Petitioner has submitted that the Commission had allowed the projected additional capital expenditure of Rs.24.00 lakh for the said asset/works in order dated 2.8.2016 in Petition No. 257/GT/2014. In view of the submissions of the Petitioner and considering the fact that the Petitioner's claim for the said asset/work (on accrual basis) is less than the additional capital expenditure allowed vide order dated 2.8.2016 in Petition No. 257/GT/2014, the claim of the Petitioner for additional capital expenditure is allowed, on cash basis, along with the corresponding un-discharged liability of Rs.1.25 lakh in 2018-19.

In motion way bridge

29. The Petitioner has claimed additional capital expenditure of Rs.21.39 lakh (Rs.20.60 lakh in 2014-15 and Rs.0.79 lakh in 2015-16), (on cash/accrual basis) towards 'In motion way bridge' in 2014-19 tariff period under Regulation 14(3)(iii) of the 2014 Tariff Regulations. The corresponding un-discharged liability is 'nil'. In justification of the same, the Petitioner has submitted that the Commission had allowed the projected additional capital expenditure of Rs.25.00 lakh for the said asset/works in order dated 2.8.2016 in Petition No. 257/GT/2014. In view of the submissions of the Petitioner and considering the fact that the Petitioner's claim for the said asset/work (on accrual basis) is less than the corresponding additional capital expenditure already allowed in order dated 2.8.2016 in Petition No. 257/GT/2014, the claim of the Petitioner for additional capital expenditure is allowed, on cash basis.

Public silo weigh bridge

30. The Petitioner has claimed additional capital expenditure of Rs.19.08 lakh (on cash/accrual basis) in 2015-16 towards public silo weigh bridge under Regulation 14(3)(iii) of the 2014 Tariff Regulations. The corresponding un-discharged liability is nil.



In justification of the same, the Petitioner has submitted that the Commission had allowed projected additional capital expenditure of Rs.22.00 lakh for the said asset/works in order dated 2.8.2016 in Petition No. 257/GT/2014. In view of the submissions of the Petitioner and considering the fact that the Petitioner's claim for the said asset/work (on accrual basis) is less than the corresponding additional capital expenditure already allowed in order dated 2.8.2016 in Petition No. 257/GT/2014, the claim of the Petitioner for additional capital expenditure is allowed, on cash basis.

XRF (X-ray Fluorescence) Analyzer

31. The Petitioner has claimed additional capital expenditure of Rs.12.88 lakh (on cash/accrual basis) in 2015-16 towards XRF analyzer under Regulation 14(3)(iii) of the 2014 Tariff Regulations. The corresponding un-discharged liability is nil. In justification of the same, the Petitioner has submitted that the Commission had allowed the projected additional capital expenditure of Rs.20.00 lakh for the said asset/works in order dated 2.8.2016 in Petition No. 257/GT/2014. In view of the submission of the Petitioner and considering the fact that the Petitioner's claim for the said asset/work (on accrual basis) is less than the corresponding additional capital expenditure already allowed in order dated 2.8.2016 in Petition No. 257/GT/2014, the claim of the Petitioner for additional capital expenditure is allowed, on cash basis.

Walkway for inspection of wagons

32. The Petitioner has claimed additional capital expenditure of Rs.27.45 lakh (on cash basis) in 2018-19 towards walkway for inspection of wagons under Regulation 14(3)(iii) of the 2014 Tariff Regulations. The corresponding un-discharged liability is Rs.2.09 lakh. In justification of the same, the Petitioner has submitted that the Commission had allowed the projected additional capital expenditure of Rs.44.00 lakh for the said asset/work in its



order dated 2.8.2016 in Petition No. 257/GT/2014. It is observed from order dated 2.8.2016 in Petition No. 257/GT/2014, that the projected additional capital expenditure allowed for the said asset/work is only Rs.20.00 lakh. Thus, the additional capital expenditure of Rs.29.54 lakh claimed on accrual basis, for 2018-19 for the above asset/work, exceeds the amount allowed vide order dated 2.8.2016. Moreover, the Petitioner has not furnished any justification for the increase in the additional capital expenditure. In this background, we restrict the additional capital expenditure to Rs.20.00 lakh (instead of the claim for Rs.29.54 lakh on accrual basis) and allow the same.

Bomb calorimeter

33. The Petitioner has claimed additional capital expenditure of (-) Rs.0.24 lakh (i.e Rs.34.23 lakh on accrual basis less un-discharged liability of Rs.34.47 lakh, including earnest money deposit of Rs.0.24 lakh) in 2018-19, towards Bomb calorimeter under Regulation 14(3)(iii) of the 2014 Tariff Regulations. In justification of the same, the Petitioner has submitted that the Commission had allowed the projected additional capital expenditure of Rs.25.00 lakh for the said asset/work in its order dated 2.8.2016 in Petition No. 257/GT/2014. Thus, the additional capital expenditure of Rs.34.23 lakh claimed in 2018-19 for the said asset/work, exceeds the amount allowed in order dated 2.8.2016. As regards the increase in the additional capital expenditure, the Petitioner has clarified that that while the claim made in Petition No. 257/GT/2014, was on estimated basis, the expenditure claimed in the present Petition is based on the actual expenditure incurred for the said asset/work. The Petitioner has also submitted that the additional capital expenditure claimed on cash basis is only (-) Rs.0.24 lakh and has accordingly prayed to approve the same. In our view, the justification for the increase in additional capital expenditure, on accrual basis, as furnished by the Petitioner is not acceptable. As such,



the additional capital expenditure allowed for above asset/work is (-) Rs.0.24 lakh (along with corresponding admissible un-discharged liability of Rs.25.24 lakh) and accordingly, the additional capital expenditure is restricted to Rs.25.00 lakh.

New Claims

Fire safety system

34. The Petitioner has claimed additional capital expenditure of Rs.1.26 lakh (on cash/accrual basis) towards fire safety system in 2014-15 under Regulation 14(3)(iii) of the 2014 Tariff Regulations. In justification of the same, the Petitioner has submitted that the expenditure relates to procurement of Foam Trolley, which is necessary for better and faster response, in handling of fire incidents at plant. In support of its claim, the Petitioner has furnished the record notes (MOM) of the 32nd Fire and Safety meeting held on 6.1.2013, in presence of safety personnel of CISF-Fire wing, which indicate action to be initiated for the procurement of the Foam Trolley (S.N. 14 of the table). It is observed that additional capital expenditure claimed has not been supported by any documentary evidence viz., the advice or direction by Appropriate Government agencies of statutory authorities responsible for national security/internal security as envisaged under Regulation 14(3)(iii) of the 2014 Tariff Regulations. In view of this, the additional capital expenditure claimed is not allowed.

Parking for fire tender

35. The Petitioner has claimed total additional capital expenditure of Rs.9.03 lakh (on cash basis after deduction of un-discharged liability of Rs.1.47 lakh) in 2014-15 towards parking for fire tender under Regulation 14(3)(iii) of the 2014 Tariff Regulations. In justification of the same, the Petitioner has submitted that the construction of parking for fire tender, has been necessitated in view of letter of the Assistant Commandant, CISF

