

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 145/GT/2019

Subject: Petition for approval of tariff of Lara Super Thermal Station (1600 MW) for the period from anticipated date of commercial operation of Unit-I (i.e. 15.5.2019) to 31.3.2024.

Petitioner: NTPC Ltd.

Respondents: MPPMCL & 6 others

Date of Hearing: **6.4.2023**

Coram: Shri Jishnu Barua, Chairperson
Shri I.S Jha, Member
Shri Arun Goyal, Member
Shri Pravas Kumar Singh, Member

Parties present: Shri Venkatesh, Advocate, NTPC
Shri. Nihal Bhardwaj, Advocate, NTPC
Shri. Kartikeya Trivedi, Advocate, NTPC
Shri. Harsh V. Kabra, NTPC
Shri. Parimal Piyush, NTPC
Shri. Ravin Dubey, Advocate, MPPCL
Shri Ashish Singh, Advocate, CSPDCL
Shri Ravi Sharma, Advocate, CSPDCL

Record of Proceedings

During the hearing, the learned counsel for the Petitioner circulated note of arguments and made detailed oral submissions, including the issue of time and cost overrun involved in the project.

2. The learned counsel for the Respondent, CSPDCL made detailed oral submissions, pointing out that the factors involved in time and cost overrun of the project, were not beyond the control of the Petitioner. He also submitted that the Respondent may be permitted to file copies of the judgments relied upon in the matter.

3. The learned counsel for the Respondent, MPPMCL adopted the submissions of the Respondent CSPDCL.

4. The Commission after hearing the parties, directed the Petitioner to furnish the following additional information, after serving copy to the Respondents, on or before **15.5.2023**:

(a) As regards RCE estimates claimed, the details regarding the Board approval and the latest RCE approved by the Board;



(b) As regards the factor which led to the delay in the COD of units, several inconsistencies and overlaps is noticed. Accordingly, the following shall be submitted/clarified:

- i. The updated CPM / PERT charts as on 1st April of each year from inception of project to till the COD of unit II i.e. 7.11.2020.
- ii. Even though the coal is being availed through alternative mode i.e. road, the reasons for claiming delay in MGR / railway siding led to delay in COD of unit(s);
- iii. As regards the submission that the delay in ash handling system led to delay in commissioning of unit(s), the complete scope of such works, works completed (along with percentage) in time, works delayed and their actual impact on trial run of unit(s);
- iv. Details of the communication made with Central/State agencies and the beneficiaries highlighting these issues and envisaged delay thereof along with remedial actions.
- v. The actual date of successful trial run operation of each unit;
- vi. The delay claimed on account of each factors, from zero date to COD of Unit-2 (7.11.2020) in the following format:

Period	Total No. of days in period	Delay claimed					Overlapping Days	Total no. of days claimed for delay
		Factor 1	Factor 2	...	Factor n			
Zero date – end of the month								
Month 2								
Start of Month m to COD of Unit 1								
COD of Unit 1 to end of the month								
Month m+1								
...								
Start Month n to COD of Unit 2								

(c) As regards the claim in Form 9, submit the following:

- i. The information for each of negative entries claimed along with links of corresponding positive entries / capitalization.
- ii. The detailed scope of works under 'MGR system' claimed for around Rs.232474.57 lakh and the board approval thereof for such works.
- iii. The details regarding 'Others', which is beyond original scope, claimed for Rs. 2049.82 lakh and reasons for capitalization of the same.
- iv. An undertaking to the effect that the additional capital expenditure claimed between COD of Unit I to COD of Unit II, pertain to Unit I only.



- (d) *As regards information submitted in Form 15, the following to be submitted:*
- i. The details regarding the Domestic Coal procured from 'NTPC mines' and 'Other mines' from July, 2019 to September, 2019.*
 - ii. GCV (TM) as well as GCV (EM) at both loading end and unloading end along with the sampling reports of CIMFR / third party.*
 - iii. The reasons for claiming GCV loss of around 750 kCal / kg, particularly, from NTPC mines.*
 - iv. Month wise amount recovered on account of moisture and grade slippages and the adjustment made thereof in Form 15.*
- (e) *With regard to the various claims in Form P, the detailed break-up for Rs. 48480.76 lakh, Rs. 26297.26 lakh, Rs. 7337.87 lakh and Rs. 13668.02 lakh claimed towards subheads of 'Employees' Benefit expenses', 'Power Charges', 'Others' and 'CC – IEDC', respectively.*
- (f) *As regards O & M charges, water charges and security charges claimed in 2019-20 and 2020-21, it is noticed that these charges are higher (almost double) than any other years. Accordingly, the reasons for the same along with details of auditor certified total actual expenses incurred towards additional capital expenditure, O & M, water charges and security charges and apportionment thereof to Unit 1 and 2 and / or IEDC to be submitted.*
- (g) *As regards the delay in construction of Saradih Barrange and the delay claimed thereof in COD of unit(s), details regarding the actual expenses incurred towards such works and capitalization claimed thereof, whether part of the original scope of works or not, etc., to be submitted. In case, it forms part of the original scope of works or the Petitioner has executed it, then the reasons for claiming delay in COD of units on such count.*

5. The Respondents are permitted to file their replies, on the above, on or before **31.5.2023**, after serving copy on the Petitioner, who may, file its rejoinder, if any, by **7.6.2023**. Parties shall file their respective submissions, within the due dates mentioned and no extension of time shall be granted.

6. Subject to the above, order in the petition was reserved.

By order of the Commission

Sd/-

(B. Sreekumar)
Joint Chief (Law)

