
Petition No. 1235 of 2017
BEFORE
THE UTTAR PRADESH ELECTRICITY REGULATORY COMMISSION
LUCKNOW

PRESENT:

Hon'ble Sri S. K. Agarwal, Chairman
Hon'ble Sri K. K. Sharma, Member

IN THE MATTER OF: Approval of Annual Revenue Requirement & Multi-year Generation
Tariff for FY 2016-17 to FY 2018-19 for sale of 187 MW Capacity
from 300 MW Unit-2 of Dhariwal Infrastructure Ltd. (DIL) to Noida
Power Company Ltd. (NPCL)

M/s Dhariwal Infrastructure Ltd.
CESC House, Chowringhee Square,
Kolkata – 700 001

..... **Petitioner**

AND

M/s Noida Power Company Ltd.
Commercial Complex, H – Block,
Alpha – II, Sector,
Greater Noida

..... **Respondent**

The following were present:

1. Sri Sanjay Sen, Senior Counsel, DIL
2. Smt Mandakini Ghosh, Advocate, DIL
3. Sri Aveek Chaterjee, Chief Manager, DIL
4. Sri Subir Saha, VP Finance, DIL
5. Sri Bhaskar Ganguly, GM (Operation Services), DIL
6. Smt Divya Chaturvedi, Advocate, NPCL
7. Shri Alok Sharma, Sr. Manager Legal, NPCL

ORDER
(Date of Hearing 27th April, 2018)

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1. At the outset, the Commission inquired from DIL that why they have not submitted all the information / data sought by the Commission through deficiency note dated 16.04.2018. DIL counsel, Sri Sanjay Sen in reply submitted that their computation of levelized tariff is based on the agreed capital cost of Rs. 1941 Crore, whereas the other information provided are considering the Capital Cost of Rs. 1927 Crore proposed to be capitalized by FY 2018-19. Further DIL counsel submitted that the actual capital expenditure as on cut-off date is Rs. 1903 Crore. The Commission pointed out that the cutoff date of this project is 31.03.2017 and the Commission has to determine the tariff starting from FY 2016-17 and onwards. To facilitate the computation of tariff the details of capital cost, additions and undischarged liability duly certified by the auditors is required. The Petitioner has to submit these details as per the deficiency note.
 2. The Commission opined that the Capital Cost shall be determined under Section 62 of Electricity Act, 2003 and Multi Year Tariff (MYT) as per UPERC Generation Tariff Regulations, 2014. However, the ceiling on levelized tariff of 25 years as per the earlier order of the Commission will remain.
 3. With reference to above, the Commission directed the petitioner to file revised computation of levelized tariff based on the Capital Cost of Rs. 1903 Crore as on cut-off date and all the other information sought by the Commission through deficiency notes. The Commission also directed the petitioner to submit detailed justification that the Coal as per the Fuel Supply agreement (FSA) is being utilized for supply of power of 187 MW to NPCL first.
 4. Further, the Commission categorically mentioned that the petitioner has to ensure that the levelized tariff based on the Capital Cost of Rs. 1903 Crore as on cut-off date including variable charges taking into consideration the effects due to factor mentioned in the Petition, if approved by the Commission, shall not exceed the approved levelized tariff of Rs. 4.79 / kWh for a period of 25 years at the State periphery. However the petitioner may separately approach to the Commission for effect of change in law, if any.
 5. The above information and other details of tariff as mentioned in the subsequent paragraph shall be submitted to the Commission for approval. However, at this stage, the Commission decides to admit the Petition subject to satisfactory reply by the petitioner to all the queries raised by the Commission through deficiency notes and approval by the Commission as above. The process

for prudence check of the capital cost and determination of tariff shall start after the required details are submitted and accepted by the Commission.

6. The petitioner shall publish the tariff in the Newspaper within 3 days from the date of issuance of approval of the draft notice by the Commission. The Public Notice detailing the salient information and facts of the Petitions, per unit fixed cost based on the capital cost of Rs. 1903 Crore, per unit variable charge considering that the Coal as per the FSA is being utilized for supply of power of 187 MW to NPCL first, and other relevant informations, shall be published by the petitioner in at least two daily state wide circulated newspapers (one English and one Hindi) for two successive days for inviting views / comments / suggestions /objections /representations from all stakeholders and public at large within the stipulated time of 15 days from the date of publication of the Public Notice. The Commission also directs the petitioner to put all details on its internet website, with intimation to the Commission in PDF format. The draft of the proposed publication will be filed in the Commission and after the approval of the draft the same will go for publication.
7. The date for Public Hearing shall be fixed accordingly.

K. K. Sharma
(Member)

S. K. Agarwal
(Chairman)

Place: Lucknow
Dated: 02.05.2018