

Delhi Electricity Regulatory Commission
Viniyamak Bhawan, 'C' Block, Shivalik, Malviya Nagar, New Delhi – 17.

No. F.11(512)DERC/2009-10/

Petition No.11/2009

In the matter of : Petition for approval of Terms & Conditions entered between NDPL-G & NDPL-D for purchase of entire capacity of Rithala Combined Cycle Power Plant being put by NDPL Generation.

Petition No. 07/2010

In the matter of : Petition for approval for usage of 6 acres of land located in the licensed area of the Petitioner to set up 108 MW Power Generation Plant at Rithala Delhi.

Petition No.06/2013

In the matter of : Petition seeking of Final Generation for 94.8MW Rithala Combined Cycle Power Plant u/S 62 read Part VII of E.A. 2003 and the Delhi Electricity Regulatory Commission (Terms and Conditions for determination of Generation Tariff) Regulation 2007 & 2011 for 2010-11, FY 2011-12 and FY 2012-13 to 2014-15.

Tata Power Delhi Distribution Ltd.
(erstwhile North Delhi Power Limited)
Through its : Managing Director
Sub-Station Building,
Hudson Lane, Kingsway Camp
Delhi 110 009

...Petitioner

Coram: Sh. B.P. Singh, Member.

Appearance:

1. Mr. Vishal Anand, Advocate
2. Mr. Ajay Kapoor, TPDDL
3. Mr. Anurag Bansal, TPDDL
4. Mr. Prabhat Chandra, TPDDL
5. Mr. Mithun Chakraborty, TPDDL
6. Mr. Varun Sharma, TPDDL
7. Mr. Divyanshu Bhatt, TPDDL
8. Ms. Ritu Gupta, TPDDL
9. Mr. J K Sinha, TPDDL

Interim Order

(Date of Hearing: 25.04.2017)
(Date of Order: 05.05. 2017)

1. The Commission vide order dated 05.08.2016 had directed the Engineering Division of the Commission to visit the Rithala plant jointly with the Petitioner and submit a report to the Commission regarding the part of the plant, which can be utilized for distribution business of the petitioner, along with cost bifurcation; and the Judgment was reserved.

2. Subsequently, the tariff division of the Commission considering, inter alia, the report of Engineering Division analysed the Tariff petition for Rithala plant. The analysis of the Petition along with the Executive Summary was uploaded on the website of the Commission and public notice was issued for inviting suggestions/Comments/Objections of the stakeholders on the Petition. Comments from the Stakeholders and from the Petitioner as well were received by the Commission. The petitioner had also requested the Commission for an effective hearing in the matter, which was acceded to.
3. The matter was listed for hearing on 25th April 2017, which was attended by the Counsel and representatives of the Petitioner.
4. The Counsel for the Petitioner submitted that in analysis, the capital cost for the plant has been calculated in comparison with Ramgarh Gas Turbine Power Station (GTPS), however, Ramgarh GTPS was established during the period 1996-2003 and if WPI and CPI indices are applied to the actual cost of Ramgarh plant to arrive at the cost of Rithala Power Plant, it comes to nearly the same as submitted by the Petitioner.
5. The Counsel for the Petitioner further submitted that the plant was established to cater the requirement of Discom itself and not for sale of power to other parties, therefore it requires special consideration, moreover, keeping in view of the age of plant a higher heat rate may be considered while determining the tariff.
6. The Commission observed that CERC (Terms and Conditions for Tariff determination from Renewable Energy Sources) Regulations provides for capital cost indexation mechanism for different types of renewable energy plants. The said mechanism also takes into consideration the WPI for relevant materials. The Petitioner, if desires, may come up with the calculation for the cost of Power Plant by evolving a similar indexation mechanism for gas based Power Plant.
7. The Commission also observed that the Petitioner has failed to adopt competitive bidding process as mandated in the Electricity Act, 2003 and National Tariff Policy 2006 neither for procurement of the plant nor for procurement of power. In response to which Counsel for the Petitioner submitted that though open tender processes were not adopted, the petitioner had invited limited tenders and the lowest bidders were issued procurement orders. Moreover, the Petitioner has also spent certain amount refurbishment of the Plant and also for meeting certain environmental norms etc. Specific to Delhi which has not been considered by the Commission.

8. On the query of the Commission to provide details of such biddings, the Petitioner requested the Commission to grant time to furnish the same as it was not readily available with the Petitioner.
9. The Commission considering the request of the Petitioner granted one week time to the petitioner to explain different calculations on the Capital cost to the officers of the Commission through meetings and thereafter to submit a written submission giving details of the bidding including the quoted prices and the accepted price.
10. The judgment is reserved.

Sd/-
(B.P. Singh)
Member