

MADHYA PRADESH ELECTRICITY REGULATORY COMMISSION
5th Floor, "Metro Plaza", Bittan Market, Bhopal - 462 016



Petition No.55 of 2012

PRESENT:

Rakesh Sahni, Chairman

C.S. Sharma, Member

IN THE MATTER OF:

Provisional approval of Generation tariff of MP's 57% share of power in Sardar Sarovar Project (6x200+5x50 MW) for FY 2012-13 under Section 62 of the Electricity Act, 2003 and Clause 31 of MPERC (Conduct of Business) Regulations, 2004.

M/s Narmada Valley Development Authority, Bhopal

PETITIONER

Vs.

M.P. Power Management Company Limited, Jabalpur

RESPONDENT

Order

(Passed on this day of 18th October, 2012)

1. This petition has been filed by M/s Narmada Valley Development Authority (hereinafter called "the petitioner" or "NVDA") on 13th July, 2012 for provisional approval of generation tariff for FY 2012-13 in respect of MP's 57% share of power in Sardar Sarovar Project (6x200+5x50 MW) based on the Madhya Pradesh Electricity Regulatory Commission (Terms and Conditions for determination of Generation Tariff) Regulations, 2009 (hereinafter referred to as "Regulations, 2009") and its amendments.
2. The Commission notified MPERC (Terms & Conditions for determination of Generation Tariff) Regulations, 2009 on 8th May, 2009 for a period up to March, 2012. Vide second amendment to the Regulation notified on 10th February, 2012, the control period of the aforesaid MYT Regulation has been extended up to March, 2013. Since the MYT tariff order issued by the Commission for provisional tariff of MP's 57% share of power in Sardar Sarovar Project was applicable up to 31st March, 2012, the petitioner has filed the subject petition bearing No.55 of 2012 for determination of provisional generation tariff for the extended control period of the MYT Regulations.
3. M/s Narmada Valley Development Authority (NVDA) was constituted vide GoMP resolution dated 16th July, 1985. The petitioner is an organization of the GoMP associated with planning and development of water resources in the Narmada Basin with the following main objectives :
 - (a) *To prepare a detailed plan for exploitation of the water resources of the Narmada River and its tributaries and to undertake all necessary engineering works for harnessing of the potential available on the Narmada & its tributaries in the Narmada Basin for the purpose of irrigation, power, navigation and other development.*
 - (b) *To undertake power generation and sale of bulk power to erstwhile MPSEB/Successor entities of MPSEB.*
4. The Narmada is an Inter-State river flowing through the states of Madhya Pradesh, Gujarat and Maharashtra. The question of sharing of water of the Narmada was examined by the Narmada Water Disputes Tribunal (NWDT) which was constituted in October 1969. The NWDT gave its award in December 1979.
5. Sardar Sarovar Project is a joint interstate project of four states namely, Madhya Pradesh, Maharashtra, Gujarat and Rajasthan. The generating station comprises of 6 units of 200

MW each River Bed Power House (hereinafter called RBPH) and 5 units of 50 MW each Canal Head Power House (hereinafter called CHPH). The capital cost of the Sardar Sarovar head works chargeable to power portion (component) during construction and thereafter, the operation and maintenance costs thereof etc. is to be contributed by three beneficiary states - Madhya Pradesh, Maharashtra and Gujarat in the ratio of 57:27:16 and are entitled to get the power available from its River Bed Power House and Canal Head Power House in the same ratio.

6. The Govt. of Gujarat on 11.04.1988 set up Sardar Sarovar Narmada Nigam Limited (SSNNL), a corporate body under the Companies Act, 1956 to expedite implementation of the project. Narmada Control Authority (NCA) is the supervisory body constituted by the Govt. of India. A brief description of the Sardar Sarovar Project has already been discussed in Chapter 2 of the MYT order for FY 2009-10 to FY 2011-12 issued by the Commission on 7th February, 2011.
7. The Commission vide its MYT order dated 7th February, 2011 determined the following annual capacity (fixed) charges for FY 2009-10 to FY 2011-12 :

Annual Fixed Cost determined in MYT order dated 7th February, 2011					
Sr. No.	Particular	Unit	FY 2010	FY 2011	FY 2012
1	Capacity of GoMP's Share	MW	826.50	826.50	826.50
2	Gross Gen. (Design Energy)	MU's	2193.36	2193.36	2193.36
3	Capital Cost considered	Rs.Cr.	2065.07	2065.07	2065.07
4	Return on equity	Rs.Cr.	96.03	96.03	96.03
5	Depreciation	Rs.Cr.	93.01	93.01	93.01
6	O&M Charges	Rs.Cr.	49.26	52.15	55.21
7	Interest and finance charges	Rs.Cr.	97.81	90.68	83.54
8	Interest on working capital	Rs.Cr.	8.44	8.44	8.44
	Total fixed cost	Rs.Cr.	344.55	340.30	336.23

8. Vide the above-mentioned order, the Commission allowed recovery of capacity charge and energy charge on the basis of 95% of the Annual Fixed Cost determined in the order on provisional basis subject to retrospective adjustment on determination of final tariff. The petitioner was also allowed to recover the fee paid by the petitioner to MPERC for determination of generation tariff, water charges on usages of water for hydro power station and duty and cess, if any, on auxiliary power consumption levied by the Statutory Authorities from the beneficiaries in accordance with the provisions of Regulations, 2009.
9. Further, the petitioner on 21st May, 2012 filed a petition (No.42/2012) with the Commission requesting that the tariff approved for FY 2011-12 vide MYT order dated 7th February, 2011 be extended for FY 2012-13 also since there had been delay in filing the petition by NVDA for FY 2012-13. The petitioner in the aforesaid petition also requested that they may be

allowed to raise bills to the respondents as per the tariff approved for FY 2011-12 vide MYT order applicable upto 31st March, 2012.

10. The Commission vide order dated 13th June, 2012 issued the following directives to the petitioner :

(i) *“The petitioner is directed to file the petition for provisional approval of tariff for FY 2012-13 by 15th July, 2012 without fail in respect of M.P.'s 57% share of power in Sardar Sarovar Project in accordance with MPERC (Terms & Conditions for determination of Generation Tariff) Regulation, 2009, as amended.*

(ii) *The petitioner is allowed to claim charges as per the provisional generation tariff determined by the Commission for FY 2011-12 vide MYT order dated 7th February, 2011 in petition No.12 of 2010 till disposal of the above-mentioned petition to be filed by NVDA at Para (i) above. The charges billed, as aforesaid, shall be subject to adjustment as per tariff to be determined retrospectively.*

(iii) *All other terms and conditions stipulated in Commission's MYT order dated 7th February, 2011 in petition No.12/2010 shall remain applicable with this extension order also.”*

11. Pursuant to the above directives, the petitioner has filed the subject tariff petition. The petitioner has claimed the following Annual Capacity (Fixed) Charges for FY 2012-13:

Sr. No.	Particular	Unit	FY 2012-13
1	MP's Share Capacity	MW	826.50
2	Gross Generation (Design Energy)	MU's	2193.36
3	Capital Cost considered	Rs. Cr.	2065.07
4	Return on Equity	Rs. Cr.	96.03
5	Depreciation	Rs. Cr.	93.01
6	O &M Expenses	Rs. Cr.	58.60
7	Interest and Finance charges	Rs. Cr.	76.41
8	Interest on Working Capital	Rs. Cr.	8.44
Total Annual Fixed Charges		Rs. Cr.	332.50

12. In the subject petition, the petitioner has prayed the following:

a. *Approve the Provisional Annual Fixed Charges (AFC) / Tariff rates for the FY 2012-13 as per Annexure-A, Payable by MPSEB/MP Management Co. Ltd. to GoMP NVDD/ NVDA, for supply of its 57% share of energy from SSP.*

- b. Permit additional recovery on actual payment basis, on account of fees and charges of WRLDC, Levies, Taxes, duties, SLDC Charges, Water charges, filling fees, publication expenses etc., as and when paid.*
 - c. Permit additional recovery on actual payment basis, in case due to any change in the government policy or otherwise if any tax liability arises during the year.*
 - d. Permit recovery of expenses understated/not considered in this petition at a later stage, if required.*
13. Motion hearing in the subject petition was held on 21st August, 2012 when the petition was admitted and the petitioner was directed to submit some additional information along with supporting data/documents for further scrutiny of the petition. The petitioner was also directed to file a gist of the petition to be published in newspapers for inviting comments/suggestions from stakeholders.
14. Vide Commission's daily order dated 22nd August, 2012, the petitioner was asked to inform the following :
 - (i) Sardar Sarovar Project was commissioned in FY 2005-06 but the capital cost of the project is yet to be finalized. The petitioner is required to inform the reasons with Justification for delay in filing the final tariff petition with audited accounts.*
 - (ii) Month wise statement showing monthly and annual actual plant availability factor and actual gross generation for last three years of SSP be submitted.*
 - (iii) Details of the actual recovery of annual fixed charges including incentive if any, for last three years for the MP's 57% share of power be submitted.*
 - (iv) Since the petitioner had not availed any loan for the project therefore, the Commission in its MYT order dated 7th February, 2011 considered the same rate of interest on normative loan as considered by the CERC for Indira Sagar Project. The petitioner is required to inform the rate of interest considered by CERC for Indira Sagar Project for FY10 to FY14.*
15. The petitioner vide letter No. EE/F.Div.(Power)/NVDA/2012/660 dated 10th September, 2012 filed the response on the issues raised by the Commission. The petitioner also confirmed that the copy of the petition had been served to the respondent i.e, M.P. Power Management Co. Ltd.

16. The petitioner vide aforesaid letter submitted the following :

- (i) *“The final tariff petition shall be filed after completion of Dam height at FRL 138.68 mtr. At present, height of Dam is 121.92 mtr. The construction of the Dam of project is still not completed because Narmada Control Authority is in process of following due procedures as stipulated by the court order.*
- (ii) *The month-wise statement showing actual gross generation for last three year of SSP is enclosed as Annexure-A. The petitioner has also filed the monthly details of actual plant availability factor for CHPH and RBPH separately.*
- (iii) *The details of the actual recovery of AFC including incentive, if any for last three years for MP's 57% share of power is enclosed at Annexure-B.*
- (iv) *The rate of interest considered by CERC for Indira Sagar Project for FY 2010 to FY 2014 are following :*

<i>FY 2010-11</i>	<i>-</i>	<i>9.1550%</i>
<i>FY 2011-12</i>	<i>-</i>	<i>9.1575%</i>
<i>FY 2012-13</i>	<i>-</i>	<i>9.1556%</i>
<i>FY 2013-14</i>	<i>-</i>	<i>9.1532%</i>

17. Vide daily order dated 18th September, 2012, the petitioner was asked to publish the public notice in Hindi and English newspapers for inviting comments/suggestions from various stakeholders.

Public Hearing

18. As informed by the petitioner, the public notice on the subject petition for inviting comments/suggestions from various stakeholders was published by NVDA in the following newspapers:

- a) Rojgar Aur Nirman, Bhopal
- b) Dainik Bhaskar, Bhopal
- c) Dainik Bhaskar, Indore
- d) Dainik Bhaskar, Gwalior
- e) Dainik Bhaskar, Jabalpur
- f) Hindustan Times, Bhopal
- g) Hindustan Times, Delhi
- h) Times of India, Mumbai
- i) Times of India, Hyderabad
- j) Times of India, Kolkata
- k) Gujrat Vaibhav, Ahmedabad
- l) Hindi, Chennai
- m) Pioneer All EDN, Delhi
- n) Sandesh All EDN, Ahmedabad

19. The representative of MP Power Management Co. Ltd. (MPPMCL) submitted comments/suggestions in the hearing held on 18th September 2012. The responses of the petitioner vis-a-vis comments offered by the respondent (MPPMCL) are recorded in this order in Chapter – “Comments/Suggestions on the petition”.

20. The public hearing in the subject petition was held on 16th October, 2012 wherein the representative of the respondent (MPPMCL) appeared and submitted their comments on the petition.

Analysis of the petition

Capital Cost

Provisions in Regulation

21. Clause 17 of MPERC Regulation, 2009 provides as follows :

Capital cost for a Project shall include:

(a) *the Expenditure Incurred or Projected to be incurred on original scope of work, including interest during construction and financing charges, any gain or loss on account of foreign exchange risk variation during construction on the loan - (i) being equal to 70% of the funds deployed, in the event of the actual equity in excess of 30% of the funds deployed, by treating the excess equity as normative loan, or (ii) being equal to the actual amount of loan in the event of the actual equity less than 30% of the funds deployed, - up to the Date of Commercial operation of the Project, as admitted by the Commission, after prudent check shall form the basis for determination of Tariff.*

(b) *capitalized initial spares subject to the ceiling norms as specified below:*

- (i) *Coal-based/lignite-fired thermal generating stations - 2.5% of original Project Cost.*
- (ii) *Hydro generating stations - 1.5% of original Project Cost.*

Provided that where the benchmark norms for initial spares have been published as part of the benchmark norms for capital cost under first proviso to 17.2, such norms shall apply to the exclusion of the norms specified herein.

(c) *additional capital expenditure determined under Regulation 20.*

17.2 *Subject to prudent check, the capital cost admitted by the Commission shall form the basis for determination of Tariff:*

Provided that, prudent check of capital cost may be carried out based on the benchmark norms to be specified by the Central Commission from time to time :

Provided further that in cases where benchmark norms have not been specified by the Central Commission, prudent check may include scrutiny of the reasonableness of the capital expenditure, financing plan, interest during construction, use of efficient technology, cost over-run and time over-run, and such other matters as may be considered appropriate by the Commission for determination of Tariff :

Provided also that the Commission may issue guidelines for vetting of capital cost of hydro-electric Projects by independent agency or expert and in that event the capital cost as vetted by such agency or expert may be considered by the Commission while determining the Tariff for the hydro generating station :

Provided also that the Commission may issue guidelines for scrutiny and approval of Commissioning schedule of the hydro-electric Projects of a developer, not being a State controlled or owned company as envisaged in the Tariff policy as amended vide Government of India Resolution No 23/2/2005-R&R (Vol. IV) dated 31st March 2008:

Provided also that in case the site of a Hydro generating station is awarded to a developer (not being a State controlled or owned Company), by a State Government by following a two stage transparent process of bidding, any Expenditure Incurred or committed to be incurred by the Project developer for getting the Project site allotted shall not be included in the capital cost :

Provided also that the capital cost in case of such hydro generating station shall include:

- (a) cost of approved rehabilitation and resettlement (R&R) plan of the Project in conformity with National R&R Policy and R&R package as approved; and*
- (b) cost of the developer's 10% contribution towards Rajiv Gandhi Grameen Vidyutikaran Yojana (RGGVY) Project in the affected area :*

Provided also that where the power purchase agreement entered into between the Generating Company and the Beneficiaries or the implementation agreement provide for ceiling of actual expenditure, the capital expenditure admitted by the Commission shall take into consideration such ceiling for determination of Tariff :

Provided also that in case of the existing Projects, the capital cost admitted by the Commission prior to 1.4.2009 and the additional capital expenditure Projected to be incurred for the respective Year of the Tariff period during 2009-12, as may be admitted by the Commission, shall form the basis for determination of Tariff."

Commission's Analysis

22. The Commission in its order dated 18th January, 2008 for Sardar Sarovar Project (in petition No.3 of 2007), had considered Rs.2065.07 crores as undisputed capital cost of the project upto CoD for determination of provisional tariff. The Commission in MYT order dated 7th February, 2011 also considered the same capital cost of the project upto CoD.

23. The petitioner in the subject petition has claimed the same capital cost of Rs.2065.07 crores as on CoD as admitted by the Commission in earlier tariff orders. Accordingly, the capital cost of Rs.2065.07 crores as on CoD is considered in this order.
24. The break-up of the undisputed capital cost as on CoD for GoMP share considered by the Commission in the MYT order dated 7th February, 2011 is as follows:

Capital Cost as on CoD considered in this order			
Sr. No.	Particular	Unit	Amount as on 31st March, 2007
1	Cost of Civil work chargeable to power	Rs.Cr.	826.05
2	Cost of E&M works chargeable to power	Rs.Cr.	1239.02
3	Total	Rs.Cr.	2065.07
4	Total Project cost up to CoD	Rs.Cr.	2065.07
5	Loan component up to CoD	Rs.Cr.	1445.55
6	Equity component up to CoD	Rs.Cr.	619.52

Debt-equity ratio:

Provisions in Regulation

25. Clause 21 of MPERC Regulation, 2009 provides as follows:

“In case of the generating station declared under commercial operation prior to 1.4.2009, debt-equity ratio allowed by the Commission for determination of Tariff for the period ending 31.3.2009 shall be considered. For the purpose of determination of Tariff of new generating station Commissioned or capacity expanded on or after 01.04.2009, debt-equity ratio as on the Date of Commercial operation shall be 70:30. The debt-equity amount arrived in accordance with this clause shall be used for calculation of interest on loan, return on equity and foreign exchange rate variation.

Where equity actually employed is in excess of 30%, the amount of equity for the purpose of Tariff shall be limited to 30% and the balance amount shall be considered as loan. The interest rate applicable on the equity in excess of 30% treated as loan has been specified in Regulation 23. Where actual equity employed is less than 30%, the actual equity shall be considered.”

26. The Commission in earlier provisional tariff order dated 18th January, 2008 for Sardar Sarovar Project considered Rs.2065.07 crores as the capital cost of the project up to CoD for determination of provisional tariff. In Para 3.9 of aforesaid order, it is mentioned that since the petitioner had not indicated any thing about the loan availed by the GoMP / NVDA to

pay the capital cost and also about the equity employed in the project hence, the Commission has considered the normative debt-equity ratio of 70:30 for the project.

27. In para 3.37 of the MYT order for FY 2009-10 to FY 2011-12, the Commission worked out closing balance of loan as Rs.1321.72 crores for FY 2008-09 by applying repayment equal to depreciation for the year on the opening balance of loan as Rs.1445.55 crores as on CoD of the last unit. This closing balance was further worked out to Rs.1042.69 crores in FY 2011-12 on the same principles as mentioned in para 3.39 of MYT order of the Commission. Accordingly, this amount of Rs.1042.69 crores is considered as opening balance of loan as on 1st April, 2012 in this order.

Annual Capacity (Fixed) Charges:

28. The tariff for supply of electricity from a hydro power generating station shall comprise of capacity charge and energy charge to be derived in the manner specified in the Regulation 50 of "Madhya Pradesh Electricity Regulatory Commission (Terms and Conditions for Determination of Generation Tariff) Regulations, 2009. {RG-26 (I) of 2009} and its amendments." The annual Capacity (fixed) Charges consists of :

- (a) Return on Equity;
- (b) Interest and Financing Charges on Loan Capital;
- (c) Depreciation;
- (d) Operation and Maintenance Expenses;
- (e) Interest Charges on Working Capital;

29. While calculating the Annual Capacity (fixed) Charges, the following is considered in this order:

- (i) Capital Cost as on CoD of Rs.2065.07 crores is considered with the normative debt-equity ratio of Rs.1445.55 crores as loan component and Rs.619.52 crores as equity component as on CoD as considered by the Commission in all previous tariff orders. The petitioner has not taken any loan from any agency for the project.
- (ii) Same amount of equity of Rs.619.52 crores as on CoD is considered in this order since no infusion of equity is claimed by the petitioner after CoD. Base rate of Return on equity @ 15.50 as per Regulation, 2009 is considered in this order.
- (iii) Closing loan balance of Rs.1042.69 crores as on 31st March, 2012 (in MYT order dated 7th February, 2011) is considered as opening loan balance in this order. Repayment of loan equivalent to depreciation is considered in this order for FY 2012-13 as per Regulations, 2009 and its amendments.

- (iv) Since there is no actual loan for the project, rate of interest on loan component @ 9.1556% as considered by CERC for Indira Sagar Project for FY 2012-13 is considered in this order also. The Commission has followed the same approach in its previous tariff orders.
- (v) Normative Operation and Maintenance expenses are considered as per provisions under second amendment to MPERC (Terms and Conditions for determination of Generation tariff) Regulations, 2009.
- (vi) Interest on working capital is worked out as per provisions under Regulations, 2009. The interest on working capital @ 14% is worked out for FY2012-13.
- (vii) Since there is no change in design energy of 2193 MUs as considered in the earlier tariff orders, the same design energy for GoMP share is considered in this order also.

30. The component-wise annual capacity charges as determined in this order are given below :

Annual fixed (capacity) charges for FY2012-13

(a) Return on equity:

Sr. No.	Particular	Unit	FY 2012-13
1	Opening Equity	Rs. Cr.	619.52
2	Equity addition during the year	Rs. Cr.	0.00
3	Closing equity	Rs. Cr.	619.52
4	Average equity	Rs. Cr.	619.52
5	Base rate of Return on Equity	%	15.50
6	Rate of return on equity	%	15.50
7	Return on equity	Rs. Cr.	96.03

(b) Interest charges on loan:

Sr. No.	Particular	Unit	FY 2012-13
1	Opening Loan	Rs. Cr.	1042.69
4	Loan addition during the year	Rs. Cr.	0.00
5	Repayment during the year	Rs. Cr.	93.01
6	Closing Loan	Rs. Cr.	949.68
7	Average Loan	Rs. Cr.	996.18
8	Weighted average rate of interest	%	9.16
9	Interest amount	Rs. Cr.	91.21

(c) Depreciation:

Sr. No.	Particular	Unit	FY 2012-13
1	Opening Gross Block	Rs. Cr.	2065.07
2	Gross Block addition during the year	Rs. Cr.	0.00
3	Closing Gross Block	Rs. Cr.	2065.07
4	Average Gross Block	Rs. Cr.	2065.07
5	Weighted average rate of depreciation	%	4.50
6	Depreciation amount	Rs. Cr.	93.01
7	Cumulative Depreciation	Rs. Cr.	495.87

(d) Operation & Maintenance expenses:

Sr. No.	Particular	Unit	FY 2012-13
1	Installed Capacity (GoMP share)	MW	826.50
2	Per MW O&M expenses	Rs. L/MW	7.09
3	Total O&M expenses	Rs. Cr.	58.60

(e) Interest on working capital:

Sr. No.	Particular	Unit	FY 2012-13
1	O&M Charges for one month	Rs. Cr.	4.88
2	Maint. Spares 15% of the O&M charges	Rs. Cr.	8.79
3	Receivables for two months	Rs. Cr.	58.15
4	Total working capital	Rs. Cr.	71.82
5	Applicable rate of interest	%	14.00
6	Interest on working capital	Rs. Cr.	10.06

Annual capacity (fixed) charges:

Sr. No.	Particular	Unit	FY 2012-13
1	Return on equity	Rs Cr.	96.03
2	Interest charges on loan	Rs. Cr.	91.21
3	Depreciation	Rs. Cr.	93.01
4	Operation & Maintenance expenses	Rs. Cr.	58.60
5	Interest on working capital	Rs. Cr.	10.06
6	Annual capacity (fixed) charges	Rs. Cr.	348.90
7	95% of the annual capacity charges	Rs. Cr.	331.45

Recovery of Annual Capacity (Fixed) Charges and Energy Charges:

31. The petitioner is allowed to recover above charges on the basis of 95% of the annual fixed cost determined in this order on provisional basis subject to retrospective adjustment on determination of final tariff. Recovery of annual fixed cost in terms of Capacity Charges and Energy Charges shall be made by the petitioner in accordance with Clause 50 of the Regulations, 2009.

Other Charges:

32. The petitioner is allowed to recover the fee paid by the petitioner to MPERC for determination of generation tariff, water charges on usages of water for hydro power station and E.D. and cess on auxiliary power consumption levied by the Statutory Authorities from the beneficiaries on pro-rata basis in accordance with the provisions of Regulations, 2009.
33. The Commission vide order dated 13th June, 2012 in petition No. 42/2012 allowed the petitioner to bill/claim charges in FY 2012-13 as per the provisional tariff determined by the Commission for FY 2011-12 vide MYT order dated 7th February, 2011 till disposal of the subject petition. Accordingly, annual capacity charges billed by the petitioner in FY 2012-13 shall now be adjusted retrospectively as per this tariff order. Since the delay in filing the subject petition is due to the reasons attributable to the petitioner, the under recovery shall not bear any interest.
34. The Commission, in exercise of the powers vested in it under Section 64 of the Electricity Act, 2003, directs that the tariff provisionally determined by this Order shall be applicable from 1st April, 2012 to 31st March, 2013. The petitioner must take steps to implement the Order after giving public notice in accordance with clause 1.30 of MPERC (Details to be furnished and fee payable by licensee or generating company for determination of tariff and manner of making application) Regulations, 2004 and its amendments and must also provide information to the Commission in support of having complied with this Order.

(C. S. Sharma)
Member

(Rakesh Sahni)
Chairman

Date: 18th October, 2012

Place: Bhopal

Comments/Suggestions on the petition

35. Comments/suggestions by the Respondent – M.P. Power Management Co. Ltd., Jabalpur.

1. **Comments:** The petitioner is required to file a petition for determination of Generation Tariff at the beginning of the tariff period and every year thereafter in format as prescribed by the Commission in compliance of the provisions of the Tariff Regulations namely MPERC (Terms & Conditions for determination of Generation Tariff) (Revision-I) Regulation, 2009 and MPERC (Details to be furnished and fee payable by licensee or generating company for determination of tariff and manner of making application) Regulation, 2004 as amended from time to time. The petitioner has not complied the provisions of the “Regulations 7” & “Regulation 8.4” of the Tariff Regulations, 2009 dated 30.04.2009, even after lapse of more than five years from CoD of the project.

Petitioner's Response:

The final tariff petition shall be filed after completion of Dam height at FRL 138.68 mtrs. At present height of Dam is 121.92 mtrs. The construction of the Dam of project is still not completed because Narmada Control Authority is in process for following due procedures as stipulated by the court order.

2. **Comments:** The petitioner has failed to make compliance of the Tariff Regulation and also not complied the repeated directions of this Commission. The petitioner has abnormally delayed the submission of information in prescribed format without any justification. The Commission is, therefore, requested to limit the provisional tariff to 90% of the provisional tariff approved by the Commission vide order dated 12.06.2012 in petition No.42/2012 so as impress upon the petitioner for early filing of the petition for determination of final tariff.

Petitioner's Response:

The petitioner is allowed to recover the provisional tariff to 95% as approved by the Commission vide order dated 12.06.2012. The same shall be adjusted in the final tariff petition.