

**MADHYA PRADESH ELECTRICITY REGULATORY COMMISSION
BHOPAL**

Date : 18th March, 2011

Subject: In the matter of petition filed by MPPGCL to bill and recover annual charges for Amarkantak Thermal Power Station Extn. Unit-5 (210 MW), Chachai for FY 2011-12 based on the tariff approved for FY2010-11 vide Commission's order dated 6th July, 2010.

(Petition No.15 of 2011)

ORDER

(Date of Hearing: 15th March, 2011)

M.P. Power Generating Company Ltd, Rampur, Jabalpur - Petitioner

- | | | |
|--|---|--------------------|
| 1. M.P. Power Trading Company Ltd., Rampur, Jabalpur
2. M.P. Poorva Kshetra Vidyut Vitaran Company Ltd., Jabalpur
3. M.P. Madhya Kshetra Vidyut Vitaran Company Ltd., Bhopal
4. M.P. Paschim Kshetra Vidyut Vitaran Company Ltd., Indore
5. M.P. Power Transmission Co. Ltd. Jabalpur
6. M.P. State Electricity Board, Rampur, Jabalpur | } | Respondents |
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Shri S.K. Khiani, Additional Chief Engineer (Corporate Services) appeared on behalf of the petitioner – M.P. Power Generating Company Ltd. Jabalpur.

Madhya Pradesh Power Generating Company Limited (hereinafter called MPPGCL or the petitioner), has filed this petition seeking approval of the Commission to bill and recover the annual charges for Amarkantak Thermal Power Station (ATPS) Extn. Unit-5 (210 MW), Chachai based on the tariff approved by the Commission for FY 2010-11 vide Ad-Interim Ex-Party order dated 6th July, 2010 in Interlocutory Application No.25 of 2010 for FY 2011-12 or till final tariff granted by the Commission since, the applicability of provisional tariff approved by the Commission in IA No.25/2010 shall expire on 31st March, 2011.

2 The petitioner has submitted the following in subject petition:

- i. *“A Petition was filed before the Hon’ble Commission on 29-04-2010 (No. P-23/2010) for approval of Generation Tariff of Amarkantak Thermal Power Station Extn. Unit-5 (210 MW), Chachai for the control period FY 10 to FY 12 on provisional basis. This was followed by filing of Interlocutory Application on 03-05-2010 (IA No. 25 of 2010), wherein it was prayed before the Hon’ble Commission to pass an Ad-interim Ex-parte Order to bill and recover the fixed and variable charges w.e.f. the date of commercial operation, till disposal of the main petition.*
- ii. *The Hon’ble Commission, in the matter of the Interlocutory Application filed by MPPGCL, determined the fixed and variable charges provisionally for FY 10 & FY 11 vide Order dated 06-07-2010.*
- iii. *Subsequently, the Hon’ble Commission, vide letter dated 31-07-2010, directed MPPGCL to file firm and final capital cost along with audited financial statements so that final tariff of Amarkantak Thermal Power Station Extn. Unit-5 (210 MW), Chachai may be determined. However, MPPGCL could not submit the audited financial expenses and firm and final project cost since all the works as per the original scope were not completed and also since approval of the revised project cost was awaited from GoMP.*

Subject: In the matter of petition filed by MPPGCL to bill and recover annual charges for Amarkantak Thermal Power Station Extn. Unit-5 (210 MW), Chachai for FY 2011-12 based on the tariff approved for FY2010-11 vide Commission's order dated 6th July, 2010.

- iv. *The Commission in the matter, vide Order dated 19-11-2010, disposed off the original petition with the remark that it is not reasonable to go for another provisional tariff and directed MPPGCL to file final tariff petition.*
- v. *Since provisional tariff granted by the Commission is expiring on 31st March, 2011, and MPPGCL is still in the process of submitting final tariff petition, it is requested that provisional tariff granted for FY11 may be continued for FY12, or till final tariff is granted by the Hon'ble Commission."*

3 The petitioner has prayed the following in subject petition:

- a. *"Pass an Ex-parte Order permitting the Petitioner to continue to bill and recover the annual charges for ATPS Extension Unit-5 (210 MW), Chachai, on monthly basis, for the period FY12, or till final tariff is granted by the Commission, based on Tariff approved by the Commission for FY 2010-11, vide its order dated 06-07-2010.*
- b. *Allow time up to 30th April 2011 to file final tariff petition."*

4 MPPGCL filed a petition on 30th April, 2010 for approval of provisional generation tariff of ATPS, Extn. Unit-5 (210 MW), Chachai for FY 2009-10 to FY 2011-12 which was registered as petition No.23/2010 by the Commission. The petitioner had also filed an Interlocutory Application (IA) No.25/2010 on 3rd May, 2010 seeking Ad-Interim Ex-Party order to allow him to bill and recover the annual charges on monthly basis w.e.f. date of commercial operation of ATPS, Extn. Unit-5 (210 MW), Chachai, in terms of his prayer in Para 1 to 9 of petition No.23/2010.

5 Considering the request of the petitioner, the Commission processed the Interlocutory Application filed subsequent to the main petition and passed an order on 6th July, 2010 in IA No.25/2010 provisionally allowing annual capacity charges for FY 2009-10 (203 days) and FY 2010-11 and energy charges calculated on ex-bus is given below :

a) **Total Annual Capacity Charges**

Sr. No.	Particulars	Unit	Determined by the Commission	
			FY 2009-10	FY10-11
1	Return on Equity		25.57	25.57
2	Interest and Financing charges on Loan	Rs. Crs.	78.49	73.62
3	Depreciation	Rs. Crs.	42.87	42.87
4	Operation and Maintenance Expenses	Rs. Crs.	29.99	31.84
5	Cost of Secondary Fuel Oil	Rs. Crs.	4.34	4.34
6	Interest Charges on Working Capital	Rs. Crs.	7.67	7.67
7	Total annual Capacity Charges	Rs. Crs.	188.93	185.90
8	Days of operation	No.	203	365
9	Annual Capacity Charges (for 203 days in FY2009-10)	Rs. Crs.	105.08	185.90

Subject: In the matter of petition filed by MPPGCL to bill and recover annual charges for Amarkantak Thermal Power Station Extn. Unit-5 (210 MW), Chachai for FY 2011-12 based on the tariff approved for FY2010-11 vide Commission's order dated 6th July, 2010.

b) Energy Charges calculated on ex-bus

Sr. No.	Particulars	Unit	
1	Capacity	MW	210
2	NAPAF	%	85
3	Gross Station Heat Rate	kCal/kWh	2450
4	Sp. Fuel Oil Consumption	ml/kWh	1.0
5	Transit loss	%	0.8
6	Aux. Energy Consumption	%	9.0
7	Wt, Average GCV of Oil	kCal/ltr.	10,000
8	Wt, Average GCV of Coal	kCal/Kg	4223
9	Wt. Average price of Coal	Rs./MT	1441
10	Heat Contributed from Oil	kCal/kWh	10
11	Heat Contributed from Coal	kCal/kWh	2440
12	Sp. Coal Consumption	Kg/kWh	0.5777
13	Sp. Coal Consumption including transit loss	Kg/kWh	0.5823
14	Rate of Energy Charge	Paise/kWh	83.94
15	Rate of Energy Charge ex-bus per kWh sent out	Paise/kWh	92.24

6 The Commission vide above-mentioned Order allowed the petitioner to recover 90% of the total capacity (fixed) charges. It was mentioned in the order that the billing of energy charges as determined above shall be subject to monthly adjustment of actual price and GCV of coal in terms of the Regulations.

7 Thereafter, the Commission initiated the process of scrutiny of the main petition No.23/2010 filed by MPPGCL and conducted a hearing in that matter on 9th November, 2010. The main petition No.23/2010 was disposed of by the Commission with the following conclusion :

- (i) *“The provisional generation tariff has already been determined by the Commission in ad-interim ex-party order dated 6th July, 2010 based on the capital cost of Rs.932.17 cr., which is the amount of actual payments made till CoD and the design heat rate of the unit (2300 kcal/kwh) as requested by the petitioner in the subject petition.*
- (ii) *The provisional tariff, as approved by the Commission is based on the admissibility of the capital cost and other claims as filed by the petitioner as per the Regulations.*
- (iii) *The Commission does not find it reasonable to go for another provisional tariff at this instant when the figures, as claimed by the petitioner have neither attained finality nor have been recorded in the statutory documents as per Regulations.*
- (iv) *The petitioner should pursue completion of the audited financial statements incorporating all its claims as per the Regulations and file the petition for determination of final tariff of the project without waiting for cut off date.*

Subject: In the matter of petition filed by MPPGCL to bill and recover annual charges for Amarkantak Thermal Power Station Extn. Unit-5 (210 MW), Chachai for FY 2011-12 based on the tariff approved for FY2010-11 vide Commission's order dated 6th July, 2010.

- (v) *The issues related to provisional generation tariff order dated 6th July, 2010, raised by the petitioner for reconsideration and discussed in para 9 of this order shall be dealt appropriately with the petition for final generation tariff since most of them are related to firm and final capital cost and its consequential effects.*
- (vi) *The processing fee already deposited with the subject petition shall be adjusted in the petition for final tariff in accordance with the MPERC (Fees, Fine and Charges) Regulation, 2010 as amended from time to time.*
- (vii) *The Commission would now determine the final tariff of the project as and when the firm and final capital cost duly approved by the State Government along with the audited financial statement are made available to the Commission by the petitioner."*

8 In the above background, the petitioner has filed this petition seeking approval of the Commission to continue to bill and recover the annual charges for ATPS, Extn. Unit-5 (210 MW), Chachai on monthly basis, based on the tariff approved by the Commission for FY 2010-11 vide Ad-Interim Ex-Party order dated 6th July, 2010 in Interlocutory Application No.25 of 2010 for FY 2011-12 or till final tariff granted by the Commission since, the applicability of provisional tariff approved by the Commission in IA No.25/2010 shall expire on 31st March, 2011. The petitioner has also requested to allow time up to 30th April 2011 to file final tariff petition.

9 The hearing in subject petition held on 15th March, 2011 when the petition is admitted by the Commission with directions to the petitioner to ensure filing of the petition for determination of final generation tariff for ATPS Extn. Unit-5 (210 MW), Chachai by 15th May, 2011 without any further delay. With the above directions, the petitioner is allowed to bill and recover the annual charges for ATPS, Extn. Unit-5 (210 MW), Chachai for FY 2011-12 on basis of the annual charges approved by the Commission for FY 2010-11 vide Commission's Ad-Interim Ex-Party order dated 6th July, 2010 in IA No.25/2010. This order shall be applicable upto 31st March, 2012 or the date of applicability of Commission's order for final generation tariff of ATPS, Extn. Unit-5 (210 MW), Chachai, whichever is earlier. All other terms and conditions, as stated in Commission's order dated 6th July, 2010 in IA No.25/2010 shall remain applicable in this order also.

10 With the above directions, this petition stands disposed of.

Sd/-

(C.S. Sharma)
Member (Economics)

Sd/-

(K.K. Garg)
Member (Engineering)

Sd/-

(Rakesh Sahni)
Chairman