

**JOINT ELECTRICITY REGULATORY COMMISSION FOR
THE STATE OF GOA AND UNION TERRITORIES
GURGAON**

Coram
Dr. V.K. Garg, Chairperson
Shri S.K. Chaturvedi, Member
Petition No. 18/2010

In the matter of

1. Petition for determination of tariff for Puducherry Power Corporation Limited (PPCL) Gas Power Station (32.5 MW) for the FY 2011-12.

Petition No. 45/2011

2. Petition for review of order dated 06.08.2011 passed by the Commission in the matter of determination of tariff for Puducherry Power Corporation Limited (PPCL) Gas Power Station (32.5 MW) for FY 2011-12.

And in the matter of

Puducherry Power Corporation Limited (PPCL)

..... Petitioner

And

Electricity Department, Puducherry

..... Respondent

Present

For Petitioner

1. Shri Ramasubramanian, M.D., PPCL
2. Shri Anand K Ganeshan, Advocate, PPCL

For Respondent

2. Shri K. Mathivanan, Superintending Engineer, ED- Puducherry
3. Shri T. Chanemougam, Executive Engineer, ED- Puducherry

Order

23.01.2013

The respondent ED- Puducherry filed written submissions dated 18.01.2013 received in the Commission on 22.01.2013 on the observations and findings of the Hon'ble APTEL in appeal no. 41/2012 in Judgment dated 21.11.2012.

The Commission heard representative of the parties at length. The representative of petitioner- PPCL submitted that approval of Rs. 5.92 Cr. for purchase of land and

construction of building for corporate office was submitted to the Hon'ble Commission during the hearing in review petition no. 45/2011 and confirmed that the land was purchased only after approval of competent authority.

Whereas the representative of the respondent ED- Puducherry submitted that Regulation 19 of JERC(Terms and Conditions for determination of Tariff Regulations) 2009, provides that while determining the cost of generation, the Commission shall be guided, as far as feasible, by the principles and methodologies of CERC, as amended from time to time.

Quote

"As per the provisions in the CERC (Terms and Conditions for the determination of Tariff Regulations) 2009, the capital cost for determination of tariff is subject to deduction on account of the following from the capital expenditure provided in the audited accounts of the Generating Company.

- a) *The assets forming part of the capital expenditure but not in use as per regulation (7)*
- b)
- c)
- d)"

Unquote

The representative of PPCL submitted that these spares were purchased subsequent to COD and hence not a part of original capital cost cleared by CEA in Techno Economic Clearance (TEC).

Replying to the above submissions of the representative of PPCL, the representative of ED- Puducherry submitted that the cost of spares is more than the norms fixed by CERC.

Keeping in view above submissions made by both the sides, the Commission directed PPCL to produce all relevant records of approvals from TEC onwards and documents related to approval & purchase of spares worth Rs. 1.603 Crs. Including bills thereof. The Commission further directed the parties to submit a reconciled statement in respect of items under reference on or before 20.02.2013.

Scheduled for hearing on 27.02.2013.

Sd/-
(S.K.Chaturvedi)
Member

Sd/-
(Dr. V.K. Garg)
Chairperson

Certified Copy

24/01/13

(R.K. Malik)
Secretary

R. K. Malik
Secretary
Joint Electricity Regulatory Commission
For State of Goa and Union Territories
Vanija Nikunj, 2nd Floor, Udyog Vihar, Ph-V
Gurgaon-122016, Haryana