

**ODISHA POWER GENERATION CORPORATION LTD.**

(A Government Company of the State of Odisha)

CIN : U40104OR1984SGC001429



**Regd. Off. :** Zone-A, 7th Floor, Fortune Towers, Chandrasekharapur, Bhubaneswar - 751023, Odisha  
**Ph. :** 0674-2303765 - 66, **Fax :** 0674-2303755 / 56  
**Web :** www.opgc.co.in,

Ref: OPGC/Units 1 & 2/Tariff /2019-20/ 2836

November 28, 2018

To,

**The Secretary,**

Odisha Electricity Regulatory Commission,

Plot No.4, Chunokoli, Sailashree Vihar

Bhubaneswar- 751 021

**Sub: Authorisation of Mr. Ritwik Mishra, GM (C&RA) for filing of tariff petition for FY 2019-20**

Sir,

This is to certify that Mr. Ritwik Mishra, functioning as General Manager, Commercial & Regulatory Affairs, Odisha Power Generation Corporation Ltd., posted at the corporate office at Zone-A, 7<sup>th</sup> Floor, Fortune Towers, Chandrasekharapur, Bhubaneswar-751023, Odisha, India (Petitioner), is hereby authorised to file the petition for determination of Generation Tariff for FY 2019-20 and appear on behalf of the petitioner for the tariff hearing and other procedure before OERC.

Thanking you  
Yours faithfully

  
(Indranil Dutta)  
Managing Director

*28/11/2018*  
PUSKAR SAHOO  
NOTARY, BHUBANESWAR  
GOVT. OF ODISHA  
MOB: 9337129137

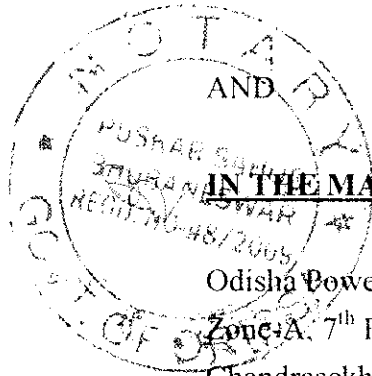
**AFFIDAVIT**

**BEFORE THE ODISHA ELECTRICITY REGULATORY COMMISSION,  
BHUBANESHWAR**

FILE NO.

CASE NO. \_\_\_\_\_ OF 2018

**IN THE MATTER OF:** Application for determination of Generation Tariff for FY 2019-20 for Odisha Power Generation Corporation Ltd. under Sections 62 & 86 of the Electricity Act, 2003 read with Approved Bulk Supply Agreement along with Supplemental Agreement (together referred to as the 'Amended PPA'), related provisions of OERC (Terms and Conditions for Determination of Generation Tariff) Regulations, 2014 and OERC (Conduct of Business) Regulations, 2004, and Hon'ble Supreme Court Order dated April 19, 2018 in Case No. 9485 of 2017.



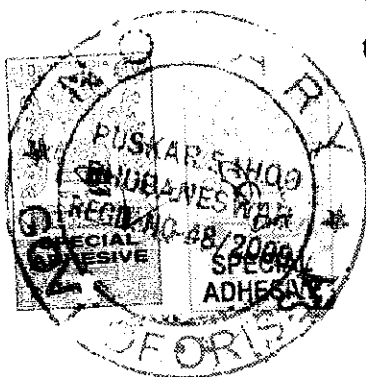
**IN THE MATTER OF:**

Odisha Power Generation Corporation Ltd. (OPGC)  
Zone-A, 7<sup>th</sup> Floor, Fortune Towers,  
Chandrasekharpur, Bhubaneswar – 751 023

..... Petitioner

I, Ritwik Mishra, son of Shri. Muralidhar Mishra, aged about 50 years, do solemnly affirm and say as follows:

- (a) That I am the General Manager (C&RA) of Odisha Power Generation Corporation Limited, the Petitioner in the above matter and am duly authorised by the said Petitioner to make this affidavit on its behalf.
- (b) The statements made in paragraphs *1 to 7 (page 1 to 145)* of the Petition herein now shown to me are true to my knowledge and statements made in paragraphs *1 to 7 (page 1 to 145)* are based on information made available to me and I believe them to be true.



*Puskar Sahoo*  
*28/11/2018*  
PUSKAR SAHOO  
NOTARY, BHUBANESWAR  
GOVT. OF ODISHA  
Mob 9337129137

*Ritwik Mishra*  
Deponent

Verification

I, the deponent above named do hereby verify that the contents of my above affidavit are true to my knowledge; no part of it is false and nothing material has been concealed there from.

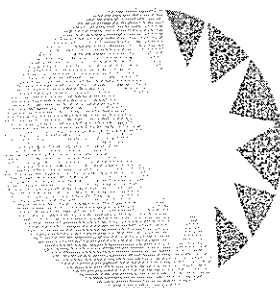
Verified at Bhubaneswar on the 28<sup>th</sup> day of November, 2018.

*[Handwritten signature]*  
*[Handwritten date: 28/11/2018]*  
*[Handwritten name: Puskar Sahoo]*  
Deponent

PUSKAR SAHOO  
NOTARY, BHUBANESWAR  
GOVT. OF ODISHA  
MOB: 9337129137

**ODISHA POWER GENERATION CORPORATION LIMITED**

**BHUBANESWAR**



**OPGC**  
*Power for Progress*

**PETITION FOR DETERMINATION OF TARIFF FOR  
IB TPS UNITS 1 & 2 FOR FY 2019-20**

NOVEMBER, 2018

**BEFORE THE ODISHA ELECTRICITY REGULATORY COMMISSION,  
BHUBANESHWAR**

CASE No. \_\_\_\_\_ of 2018

**IN THE MATTER OF** Petition for determination of Tariff for IB TPS Units 1 & 2 for  
FY 2019-20

**AND**

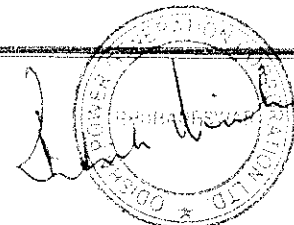
**IN THE MATTER OF** Odisha Power Generation Corporation Ltd. (OPGC Ltd.),  
**THE APPLICANT** Zone-A, 7<sup>th</sup> Floor, Fortune Towers, Chandrasekharpur,  
Bhubaneswar-751023, Odisha, India(Petitioner)

**ODISHA POWER GENERATION CORPORATION LIMITED ("The Petitioner")  
RESPECTFULLY SUBMITS AS FOLLOWS:**

Odisha Power Generation Corporation Limited (hereinafter referred as "OPGC" or "the Petitioner") is a company incorporated under the Companies Act, 1956 and having its registered office at Zone-A, 7<sup>th</sup> floor, Fortune Towers, Chandrasekharpur, Bhubaneswar, Odisha-751023.

GRIDCO Limited ("GRIDCO") had entered into Bulk Power Supply Agreement ("PPA") with OPGC dated August 13, 1996, for purchase of power from its Generating Units 1 & 2, having capacity of 420 MW (210 MW x 2) of IB Thermal Power Station. The said PPA came into force from January 1, 1995 and was approved by Government of Odisha ("GoO") in exercise of its power under Section 43A of the Electricity (Supply) Act, 1948.

OPGC, GRIDCO and GoO signed a Tripartite Agreement dated October 18, 1998 ("Tripartite Agreement") providing certain further amendments to the existing PPA and other provisions



including those concerning the establishment of Units 3 & 4 of IB Thermal Power Station by OPGC. Further an Escrow and Securitization Agreement dated November 30, 1998 was entered between OPGC, GRIDCO and Union Bank of India. In 2001, disputes arose between the parties in respect of the enforcement of the said Escrow and Securitization Agreement.

After resolving the disputes between the parties, OPGC and GRIDCO agreed to amend the existing PPA and Tripartite Agreement based on GoO Notification dated June 21, 2008 ("2008 Notification"). The relevant extract of the GoO's Notification dated June 21, 2008 is as follows:

*"3. After careful consideration of the recommendations of the task force, Government have been pleased to decide as under;*

*(a) In order to avoid any ambiguity with regard to tariff norms and parameters for Units 1 & 2, the provisions for calculation of incentive in the existing PPA shall stand amended to enhance the Plant Load Factor (PLF) from 68.49% to 80%. All other terms and parameters for determination of tariff for Units 1 & 2 shall be as per the existing PPA. Suitable amendments will be made in the PPA accordingly including deletion of all reference to change in tariff parameters in future. In other words, all tariff parameters will stand frozen till validity of amended PPA notwithstanding modification in tariff norms by CERC from time to time.*

*(b) The amended PPA shall be filed before the OERC for consent/approval.*

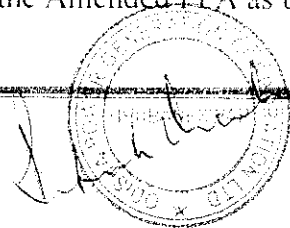
*(c) The amended PPA shall be effective with effect from 01.04.2007."*

Accordingly, an agreement was signed on September 6, 2012 as Supplemental to the Tripartite Agreement executed on October 18, 1998 (together called "Amended Tripartite Agreement"). The Amended Tripartite Agreement has been made effective from October 12, 2009.

Subsequently, OPGC and GRIDCO signed an amendment to existing PPA on December 19, 2012 by amending certain clauses (together called the "Amended PPA").

Hon'ble OERC vide its Order dated April 27, 2015 approved the Amended PPA as under (with emphasis added by underlining):

Petition for determination of Tariff for FY 2019-20



*“9. The above stipulation in PPA provides for settlement of issues if any arise due to implementation of this PPA in a future date the same shall be resolved basing on mutual discussion keeping intent and objects of the PPA intact. Therefore, the Commission has no objection to approve the PPA including its amendment between GRIDCO and OPGC for purchase of power from Unit 1 & 2 of Ib Thermal Power Station as it stands now.*

...

*11. Since the power purchase by GRIDCO from Unit 1 & 2 of Ib Thermal Power Station has been continuing as per mutual agreement without approved PPA and the Commission has approved the same in the ARR of GRIDCO for the concerned year there is no need to reopen the same as per the above Regulation. The parties should therefore, settle the power purchase process for the period prior to implementation of the above Regulation taking into account the original PPA and its supplemental one as approved by us now.”*

Further, Hon'ble OERC in the said Order dated April 27, 2015 (Case No. 13/2002) directed OPGC to file an application for determination of Generation Tariff, as per approved Amended PPA, for rest of the control period starting from FY 2016-17 onwards since tariff for FY 2014-15 and FY 2015-16 has already been approved by Hon'ble OERC in GRIDCO's ARR. The relevant extract of the Order of the Hon'ble OERC is reproduced below:

*“13. Due to the above provision in the Regulation read with Regulation 7.13 of the same Regulations, OPGC shall make an application before the Commission as per the above approved PPA each year for determination of tariff for the rest of the control period starting from FY 2016-17 onwards since the tariff for the FY 2014-15 and 2015-16 has already been approved by the Commission in the ARR of GRIDCO for the said year basing on the submission of GRIDCO.”*

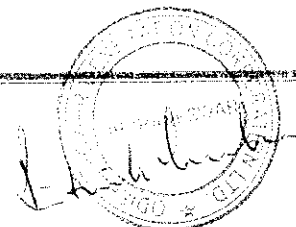
In compliance with the above directions of the Hon'ble OERC, OPGC filed a Petition for Approval of Generation Tariff for FY 2016-17 under Section 62 and 86 of the Electricity Act, 2003 (“the Act”), approved Amended PPA and related provisions of the OERC (Terms and Conditions of Generation Tariff) Regulations, 2014 (“2014 Tariff Regulations”) and OERC Petition for determination of Tariff for FY 2019-20



(Conduct of Business) Regulations, 2004, as amended from time to time. The Hon'ble OERC, vide its Order dated March 21, 2016 disposed of the above Petition (Case No. 53/2015) approving the Generation Tariff of Units 1 & 2 of IB Thermal Power Station for FY 2016-17, exclusively in accordance with the terms and conditions of the 2014 Tariff Regulations, and not the 2008 Notification or the Amended PPA.

OPGC filed an Appeal before the Hon'ble Appellate Tribunal (Appeal No. 126 of 2016) for Electricity ("APTEL") against the said Tariff Order for FY 2016-17 in Case No. 53/2015. During the pendency of the stated Appeal before the Hon'ble APTEL, OPGC filed the Petition for Approval of Generation Tariff for FY 2017-18 and the Hon'ble OERC disposed of the said Petition (Case No. 62/2016) vide its Order dated March 23, 2017 determining the Generation Tariff for FY 2017-18 in line with its approach adopted in the tariff determination for FY 2016-17. Hon'ble APTEL vide its Judgment dated April 6, 2017 in the stated Appeal upheld this Hon'ble Commission's Tariff Order for FY 2016-17.

Aggrieved by the Judgment of the Hon'ble APTEL, OPGC filed Civil Appeal No. 9485 of 2017 before the Hon'ble Supreme Court ("SC"). During the pendency of the stated Civil Appeal before the Hon'ble SC, OPGC filed the Petition for Approval of Generation Tariff for FY 2018-19 and the Hon'ble OERC disposed of the said Petition (Case No. 75/2017) vide its Order dated March 22, 2018 determining the Generation Tariff for FY 2018-19 in line with its approach adopted in the tariff determination for FY 2016-17. The Hon'ble SC vide its Judgment dated April 19, 2018 in the stated Appeal set aside the Tariff Order for FY 2016-17 and remanded the matter to the Hon'ble OERC for a fresh decision. In effect, the Hon'ble SC has held that primarily the tariff norms under the PPA are to be followed in determining OPGC's tariff. Further, to the extent there are tariff norms not covered by the PPA, the 2014 Tariff Regulations may be relied upon by the OERC to determine OPGC's tariff. It is submitted that the effect of the SC's Judgment is that this arrangement would apply for the entire term of the subsistence of the PPA viz. till 30.06.2026. Any contrary interpretation would violate Regulation 4.4 of the 2014 Tariff Regulations. The relevant extract of the Judgment of the Hon'ble SC is reproduced below:



6. We are of the view that the Commission vide Order dated 27.04.2015 on the joint application of the parties dated 26.02.2014 rightly fixed the tariff but the view taken in subsequent order dated 21.03.2016 which has been upheld on appeal is unsustainable.

7. Accordingly, we set aside the impugned order and remand the matter to the State Commission for fresh decision. The State Commission may take into account the Notification dated 21.06.2008 for the fixed costs, the PPA for the variable costs specified therein and for other costs not reflected in the PPA, statutory Regulations may be applied.

8. The appeal shall stand disposed of as indicated above.

9. The parties may appear before the State Commission for further proceedings on 2.07.2018."

Further, Hon'ble OERC vide its Order dated May 5, 2018 in Case No. 43 of 2017 ruled as under:

"4. Heard the parties at length. As the Hon'ble Supreme Court vide their order dated 19.04.2018 in Civil Appeal No. 9485/2017 has set aside the order dated 21.03.2016 passed by the Commission and remanded the matter for fresh decision. OPGC Ltd. is required to file fresh application for determination of Generation Tariff of its Unit-I & II within 15 days from date of this order. Basing on the said application of OPGC Ltd., a public notice shall be issued inviting suggestions /objections from the general public for re-determination of generation tariff for FY 2016-17 & FY 2017-18 which would be completed within one month fixing the date of hearing on 02.07.2018."

In accordance with the above, OPGC has filed the Petitions for Re-determination of Tariff for FY 2016-17, FY 2017-18 and FY 2018-19 before the Hon'ble OERC on May 25, 2018 considering the original project cost as per the approved Amended PPA. The said Petitions were numbered as Case No. 33 of 2018 and the regulatory proceedings are in progress.

Subsequently, OPGC filed a separate Petition, numbered as Case No. 54 of 2018, for approval of additional capitalisation for FY 2015-16, FY 2016-17, FY 2017-18 and FY 2018-19 in Petition for determination of Tariff for FY 2019-20

compliance to the Commission's directive in the Tariff Order for FY 2018-19 dated March 22, 2018 and Hon'ble Supreme Court Order in Civil Appeal No.9485 of 2017 dated 19.04.2018. The regulatory proceedings in this Case are also in progress.

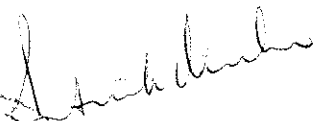
In line with the approach adopted in Petitions in Case No. 33 of 2018 and Case No. 54 of 2018, OPGC is filing the instant Petition for approval of Generation Tariff for FY 2019-20.

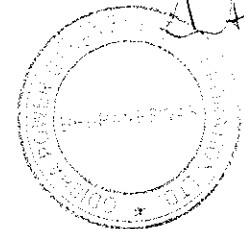
**Prayers to the Hon'ble OERC**

OPGC respectfully prays that the Hon'ble OERC may:

- i. Admit the instant Petition.
- ii. Approve the additional capitalisation for FY 2019-20 as claimed in the Petition.
- iii. Approve the tariff, including annual fixed cost and variable charges, for FY 2019-20 as claimed in the Petition.
- iv. Approve the other charges for FY 2019-20 as claimed in the Petition.
- v. Approve the recovery of other charges on actual basis during FY 2019-20.
- vi. Condone any inadvertent omissions, errors, short comings and permit OPGC to add/ change/ modify/ alter this filing and make further submissions as may be required at a future date; and
- vii. Pass such other and further Orders as deemed fit and proper in the facts and circumstances of the case.

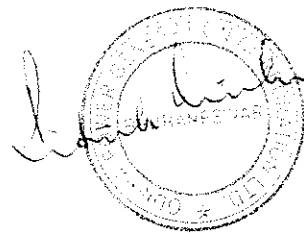
Bhubaneswar  
November 28, 2018

  
Petitioner



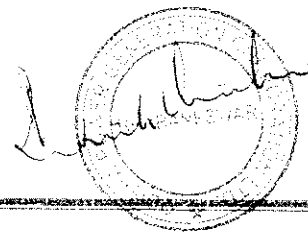
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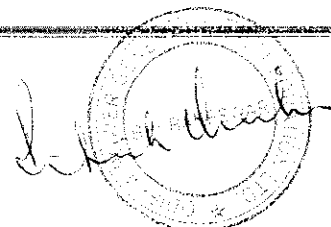
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## **1 Introduction**

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- 1.1 Odisha Power Generation Corporation Limited (herein after referred as "OPGC" or "the Petitioner") is a company incorporated under the Companies Act, 1956 and having its registered office at Zone-A, 7<sup>th</sup> floor, Fortune Towers, Chandrasekharpur, Bhubaneswar, Odisha-751023.
- 1.2 GRIDCO Limited ("GRIDCO") had entered into Bulk Power Supply Agreement ("PPA") with OPGC dated August 13, 1996, for purchase of power from its Generating Units 1 & 2, having capacity of 420 MW (210 MW x 2) of IB Thermal Power Station. The said PPA came into force from January 1, 1995 and was approved by Government of Odisha ("GoO") in exercise of its power under Section 43A of the Electricity (Supply) Act, 1948.
- 1.3 OPGC, GRIDCO and GoO signed a Tripartite Agreement dated October 18, 1998 ("Tripartite Agreement") providing certain further amendments to existing PPA and other provisions including those concerning the establishment of Units 3 & 4 of IB Thermal Power Station by OPGC. Further, Escrow and Security Agreement dated November 30, 1998 was entered between OPGC, GRIDCO and Union Bank of India.
- 1.4 GRIDCO had approached the Hon'ble OERC for approval of the existing PPA in 2002. The jurisdiction of the Hon'ble OERC for approval of the existing PPA was challenged by OPGC before Hon'ble Orissa High Court, but was upheld by Hon'ble Orissa High Court. Further, aggrieved by this, OPGC filed a Special Leave Petition before Hon'ble Supreme Court ("SC"). The proceedings of the Hon'ble OERC were stayed pursuant to an interim Order of the Hon'ble SC dated April 29, 2005.
- 1.5 Subsequently, certain disputes arose between the parties on issues arising from the terms of the PPA, Tripartite Agreement and other agreements between the Parties. In order to resolve these disputes, the parties entered into discussion and GoO constituted a Task



Force vide Resolution No. 3895 dated May 7, 2007 for resolving disputes regarding tariff and other related matters. GoO based on the recommendations of Task Force, issued Notification No. 7216 dated June 21, 2008 ("2008 Notification") for resolving all such disputes on terms and conditions contained therein in regard to Unit 1 & 2 and also in regard to setting up of Unit 3 & 4, as overall settlement of all such disputes. The relevant extract of GoO 2008 Notification is as follows:

...3. After careful consideration of the recommendations of the task force, Government have been pleased to decide as under:

(a) In order to avoid any ambiguity with regard to tariff norms and parameters for Units 1 & 2, the provisions for calculation of incentive in the existing PPA shall stand amended to enhance the Plant Load Factor (PLF) from 68.49% to 80%. All other terms and parameters for determination of tariff for Units 1 & 2 shall be as per the existing PPA. Suitable amendments will be made in the PPA accordingly including deletion of all reference to change in tariff parameters in future. In other words, all tariff parameters will stand frozen till validity of amended PPA notwithstanding modification in tariff norms by CERC from time to time.

(b) The amended PPA shall be filed before the OERC for consent/approval.

(c) The amended PPA shall be effective with effect from 01.04.2007.

1.6 Pursuant to above, OPGC and GRIDCO agreed to amend existing PPA and Tripartite agreement based on GoO's 2008 Notification. Accordingly, an agreement was signed on September 6, 2012 as Supplemental to the Tripartite agreement executed on October 18, 1998 (together called as "Amended Tripartite Agreement"). The Amended Tripartite Agreement has been made effective from October 12, 2009.

1.7 Subsequently, OPGC and GRIDCO signed an amendment to existing PPA on December 19, 2012 by amending certain clauses (together called the "Amended PPA"), which was retrospectively brought to effect from April 1, 2007.

1.8 With the execution of this agreement, the Parties agreed that all pending differences have



been settled and OPGC shall withdraw Special Leave Petition pending before Hon`ble SC. Further, Hon`ble SC vide its Order dated February 14, 2013 dismissed the Special Leave Petition as withdrawn by OPGC and in the said order Hon`ble SC directed OPGC to file the Amended PPA before Hon`ble OERC and the Hon`ble OERC shall consider the same appropriately in accordance with law.

- 1.9 Hon`ble OERC vide its Order dated April 27, 2015 approved the Amended PPA, being filed before Hon`ble OERC jointly by OPGC and GRIDCO, as under (with emphasis added by underlining):

*"9. The above stipulation in PPA provides for settlement of issues if any arise due to implementation of this PPA in a future date the same shall be resolved basing on mutual discussion keeping intent and objects of the PPA intact. Therefore, the Commission has no objection to approve the PPA including its amendment between GRIDCO and OPGC for purchase of power from Unit 1 & 2 of Ib Thermal Power Station as it stands now.*

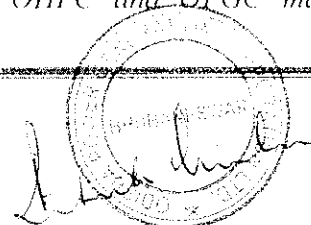
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*11. Since the power purchase by GRIDCO from Unit 1 & 2 of Ib Thermal Power Station has been continuing as per mutual agreement without approved PPA and the Commission has approved the same in the ARR of GRIDCO for the concerned year there is no need to reopen the same as per the above Regulation. The parties should, therefore, settle the power purchase process for the period prior to implementation of the above Regulation taking into account the original PPA and its supplemental one as approved by us now.*"

- 1.10 Further, Hon`ble OERC in the said Order dated April 27, 2015 directed OPGC to file an application for determination of Generation Tariff, as per approved Amended PPA, for rest of the control period starting from FY 2016-17 onwards since tariff for FY 2014-15 and FY 2015-16 has already been approved by Hon`ble OERC in ARR of GRIDCO. The relevant extract of the OERC Order is reproduced below:

*"12. The Regulation 2.7 of OERC (Terms and Conditions for Determination of Generation Tariff) Regulations, 2014 provides as follows:*

*"The existing generation plants of OHPC and OPGC may make an*



*application as per the Format prescribed by the Commission for determination of tariff as per annual schedule, by November 30th of every year for determination of tariff in respect of the units of the generating station completed or projected to be completed within six months from the date of application.*

*Provided that the OHPC and OPGC shall make an application as per the prescribed Format with necessary information and explanations, for determination of tariff based on capital expenditure incurred duly certified by the auditors or projected to be incurred up to the date of commercial operation and additional capital expenditure incurred duly certified by the auditors or projected to be incurred during the period for which application for determination of tariff is filed of the generating station:”*

*13. Due to the above provision in the Regulation read with Regulation 7.13 of the same Regulations, OPGC shall make an application before the Commission as per the above approved PPA each year for determination of tariff for the rest of the control period starting from FY 2016-17 onwards since the tariff for the FY 2014-15 and 2015-16 has already been approved by the Commission in the ARR of GRIDCO for the said year basing on the submission of GRIDCO.”*

1.11 In compliance with the above directions of the Hon`ble OERC, OPGC filed a Petition for Approval of Generation Tariff for FY 2016-17 under Section 62 and 86 of the Act, approved Amended PPA and related provision of OERC (Terms and Conditions of Generation Tariff) Regulations, 2014 and OERC (Conduct of Business) Regulations, 2004, as amended from time to time. The Hon`ble OERC, vide its Order dated March 21, 2016 disposed of the above Petition (Case No. 53/2015) approving the Generation Tariff of Units 1 & 2 of IB Thermal Power Station for FY 2016-17 exclusively in accordance with the terms and conditions of the 2014 Tariff Regulations, and neither the 2008 Notification nor the Amended PPA. OPGC filed Appeal No. 126 of 2016 before the Hon`ble Appellate Tribunal for Electricity (“APTEL”) against the said Tariff Order for FY 2016-17 in Case No. 53/2015. During the pendency of the stated Appeal before the Hon`ble APTEL, OPGC filed a Petition for Approval of Generation Tariff for FY 2017-



18 and the Hon'ble OERC disposed of the said Petition (Case No. 62/2016) vide its Order dated March 23, 2017 determining the Generation Tariff for FY 2017-18 in line with its approach adopted in the tariff determination for FY 2016-17. Hon'ble APTEL vide its Judgment dated April 6, 2017 in the stated Appeal upheld this Hon'ble Commission's Tariff Order for FY 2016-17.

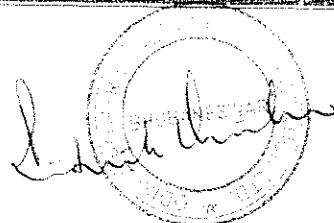
- 1.12 Aggrieved by the Judgment of the Hon'ble APTEL, OPGC filed Civil Appeal No. 9485 of 2017 before the Hon'ble SC. During the pendency of the stated Civil Appeal before the Hon'ble SC, OPGC filed the Petition for Approval of Generation Tariff for FY 2018-19 and the Hon'ble OERC disposed of the said Petition (Case No. 75/2017) vide its Order dated March 22, 2018 determining the Generation Tariff for FY 2018-19 in line with its approach adopted in the tariff determination for FY 2016-17. The Hon'ble SC vide its Judgment dated April 19, 2018 in the stated Appeal set aside the Tariff Order for FY 2016-17 and remanded the matter to the Hon'ble OERC for a fresh decision. In effect, the Hon'ble SC has held that primarily the tariff norms under the PPA are to be followed in determining OPGC's tariff. Further, to the extent there are tariff norms not covered by the PPA, the 2014 Tariff Regulations may be relied upon by the OERC to determine OPGC's tariff. It is submitted that the effect of the SC's Judgment is that this arrangement would apply for the entire term of the subsistence of the PPA viz. till 30.06.2026. Any contrary interpretation would violate Regulation 4.4 of the 2014 Tariff Regulations. This being the case, it is no longer permissible to rely on the generic tariff norms under the 2014 Tariff Regulations for the purpose of determining fixed costs and variable costs, which must now be determined in accordance with the tariff norms under the approved PPA.
- 1.13 The relevant extract of the Judgment of the Hon'ble SC is reproduced below with relevant portion underlined:

*"6. We are of the view that the Commission vide Order dated 27.04.2015 on the joint application of the parties dated 26.02.2014 rightly fixed the tariff but the view taken in subsequent order dated 21.03.2016 which has been upheld on appeal is*

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*Petition for determination of Tariff for FY 2019-20*

Page 13

A handwritten signature in black ink is written over a circular official stamp. The stamp contains the text "COMMISSIONER" at the top and "OPGC" at the bottom, with some illegible text in the center. The signature appears to be "S. Anil Kumar".

*unsustainable.*

7. *Accordingly, we set aside the impugned order and remand the matter to the State Commission for fresh decision. The State Commission may take into account the Notification dated 21.06.2008 for the fixed costs, the PPA for the variable costs specified therein and for other costs not reflected in the PPA, statutory Regulations may be applied.*

8. *The appeal shall stand disposed of as indicated above.*

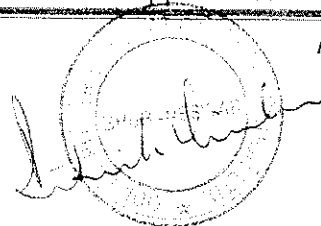
9. *The parties may appear before the State Commission for further proceedings on 2.07.2018."*

1.14 Further, Hon'ble OERC vide its Order dated May 5, 2018 in Case No. 43 of 2017 ruled as under:

*"4. Heard the parties at length. As the Hon'ble Supreme Court vide their order dated 19.04.2018 in Civil Appeal No. 9485/2017 has set aside the order dated 21.03.2016 passed by the Commission and remanded the matter for fresh decision. OPGC Ltd. is required to file fresh application for determination of Generation Tariff of its Unit-I & II within 15 days from date of this order. Basing on the said application of OPGC Ltd., a public notice shall be issued inviting suggestions objections from the general public for re-determination of generation tariff for FY 2016-17 & FY 2017-18 which would be completed within one month fixing the date of hearing on 02.07.2018."*

1.15 In accordance with the above, OPGC has filed the Petitions for Re-determination of Tariff for FY 2016-17, FY 2017-18 and FY 2018-19 before the Hon'ble OERC on May 25, 2018 considering the original project cost as per the approved Amended PPA. The said Petitions were numbered as Case No. 33 of 2018 and the regulatory proceedings are in progress.

1.16 Subsequently, OPGC filed a separate Petition numbered as Case No. 54 of 2018, for approval of additional capitalisation for FY 2015-16, FY 2016-17, FY 2017-18 and FY 2018-19 in compliance to the Commission's directive in the Tariff Order for FY 2018-19 dated March 22, 2018 and Hon'ble Supreme Court order in Civil Appeal No. 9485/2017  
Petition for determination of Tariff for FY 2019-20

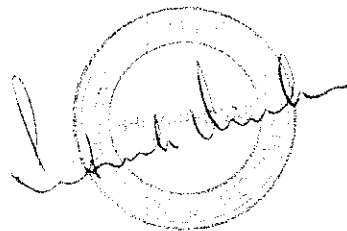


dated April 19, 2018. The regulatory proceedings in the said Case are in progress.

1.17 In line with the approach adopted in Petitions filed in Case No. 33 of 2018 and Case No. 54 of 2018, OPGC is filing the instant Petition for approval of Generation Tariff for FY 2019-20.

1.18 The Petition is structured in the following manner:

- Section 1 (This Section): Introduction
- Section 2: Overall Approach for Filing Petition
- Section 3: Generation Tariff for FY 2019-20 considering original project cost
- Section 4: Additional Capitalisation for FY 2019-20
- Section 5: Impact of Additional Capitalisation
- Section 6: Summary of Tariff Proposal for FY 2019-20
- Section 7: Prayers

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## 2 Overall Approach for Filing Petition

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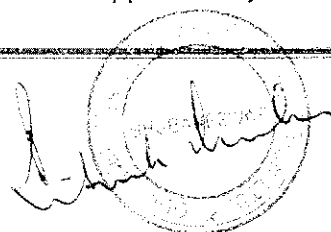
- 2.1 The instant Petition has been filed for determination of Generation Tariff for FY 2019-20 for IB Thermal Power Station of OPGC Ltd., having installed capacity of 420 MW (2 x 210 MW- Unit 1 & 2), located at Banharpalli in District Jharsuguda.
- 2.2 Hon'ble Supreme Court vide its Judgment dated April 19, 2018 in remanding the matter to Hon'ble OERC for fresh decision ruled as under:

“6. We are of the view that the Commission vide Order dated 27.04.2015 on the joint application of the parties dated 26.02.2014 rightly fixed the tariff but the view taken in subsequent order dated 21.03.2016 which has been upheld on appeal is unsustainable.

7. Accordingly, we set aside the impugned order and remand the matter to the State Commission for fresh decision. The State Commission may take into account the Notification dated 21.06.2008 for the fixed costs, the PPA for the variable costs specified therein and for other costs not reflected in the PPA, statutory Regulations may be applied.

8. The appeal shall stand disposed of as indicated above.”

- 2.3 Accordingly, the instant Petition has been filed based on the following agreements entered between the parties:
- (a) Bulk Power Supply Agreement between OPGC and GRIDCO, dated August 13, 1996 (“PPA”) and an agreement as Supplemental to Bulk Power Supply Agreement dated December 19, 2012 (“Amended PPA”). Both agreements were approved by the Hon'ble OERC vide its Order dated April 27, 2015.
  - (b) Tripartite Agreement between OPGC, GRIDCO and Government of Odisha dated October 18, 1998 (“Tripartite Agreement”)
  - (c) Govt. of Orissa (“GoO”) Notification No. 7216/E dated June 21, 2008.
  - (d) Agreement as Supplemental to Tripartite Agreement dated September 6, 2012 (“Amended Tripartite Agreement”) which was approved by Hon'ble OERC



vide its Order dated April 27, 2015.

(e) Escrow and Securitization Arrangement dated November 30, 1998 entered between OPGC, GRIDCO and Union Bank of India, which was approved by Hon'ble OERC vide its Order dated April 27, 2015.

2.4 In line with the approach adopted in Petitions filed in Case No. 33 of 2018 and Case No. 54 of 2018, OPGC is filing the instant Petition for approval of Generation Tariff for FY 2019-20 as under:

<b>Tariff components</b>	<b>Considering original project cost as per the Approved Amended PPA</b>	<b>Considering the additional capitalisation claimed in Case No. 54 of 2018 and in the instant petition</b>
<b>Annual Fixed Cost</b>		
<i>O&amp;M expenses</i>	✓	×
<i>Depreciation</i>	×	✓
<i>Interest on loans</i>	×	✓
<i>Interest on working capital</i>	✓	✓
<i>Return on Equity</i>	✓	✓
<b>Variable Charges</b>	✓	×
<b>Other Charges</b>	✓	✓

2.5 In Section 3, OPGC has submitted the generation tariff for FY 2019-20 considering the original project cost as per the Approved Amended PPA. In Section 4, OPGC has submitted the details of proposed additional capitalisation for FY 2019-20. In Section 5, OPGC has submitted the impact of additional capitalisation on the Generation Tariff for FY 2019-20. In Section 6, OPGC has submitted the summary of tariff proposal for FY 2019-20.

### **3 Generation Tariff for FY 2019-20 considering the original project cost**

#### ***Computation of Annual Fixed Cost***

3.1 As per Clause 3.0 of Schedule II of the Amended PPA, the Annual Fixed Cost of OPGC shall consist of the following components:

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

3.2 The computation of each of the above components of the Annual Fixed Cost is detailed in the subsequent paragraphs.

#### ***Capital Cost***

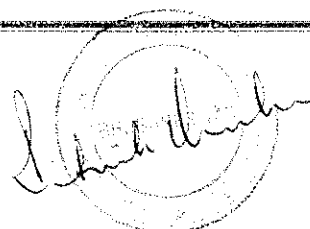
3.3 The Amended PPA signed between OPGC and GRIDCO has considered the Capital Cost of the Project as Rs. 1060 Crore. It is submitted that while approving the Amended PPA vide Order dated April 27, 2015, Hon'ble OERC has approved the capital cost of the project. In view of this, OPGC has considered the capital cost of Rs. 1060 Crore for the purpose of computation of tariff for FY 2019-20.

#### ***Additional Capitalisation***

3.4 The proposed additional capitalisation for FY 2019-20 has been discussed in Section 4 of the Petition.

#### ***Debt:Equity Ratio***

3.5 OPGC submits that project cost of Rs. 1060 Crore as approved in Amended PPA included equity of Rs. 450 Crore and Loan of Rs. 610 Crore. It is submitted that while approving the Amended PPA vide Order dated April 27, 2015, Hon'ble OERC has approved the equity of Rs. 450 Crore and loan of Rs. 610 Crore. Hence, OPGC has considered actual debt:equity ratio, as approved in Amended PPA, for the purpose of



determination of tariff for FY 2019-20. The debt and equity corresponding to the additional capitalisation claimed in Case No. 54 of 2018 and the proposed additional capitalisation for FY 2019-20 has been discussed in Section 4 of the Petition.

### ***Depreciation***

3.6 OPGC submits that Clause 3.0 (a) of Schedule II of the Amended PPA provides that depreciation charges shall be equal to 7.5% of the Capital Cost during the year. Considering the depreciation charges computed as per the provisions of the Amended PPA, the assets corresponding to Original Capital Cost of Generating Station are fully depreciated by the financial year ending March 31, 2009.

3.7 In view of the above, OPGC does not submit any claim towards the depreciation for FY 2019-20. However, the depreciation for FY 2019-20 corresponding to additional capitalisation has been discussed in Section 4 of the Petition.

### ***Return on Equity***

3.8 OPGC has considered the actual amount of equity of Rs. 450 Crore for computation of Return on Equity. The Clause 8.0 (10) of Schedule II of PPA provides for Return on Equity at the rate of 16%. Accordingly, OPGC submits the Return on Equity for FY 2019-20 as under:

**Table 3.1: Return on Equity corresponding to original project cost(Rs. Crore)**

<b>Sr. No.</b>	<b>Particulars</b>	<b>FY 2019-20</b>
1.	Actual Equity for Station	450.00
2.	Rate of Return on Equity	16.00%
3.	<b>Return on Equity</b>	<b>72.00</b>

3.9 OPGC humbly request the Hon'ble OERC to approve the Return on Equity of Rs. 72.00 Crore for FY 2019-20. The Return on Equity for FY 2019-20 corresponding to additional capitalisation has been discussed in Section 4 of the Petition.

### ***Interest on Loan Capital***

3.10 OPGC submits that Clause 8.0 (7) and (11) of Schedule II of the Amended PPA provides the loan amount of Rs. 610 Crore and interest on loan as per actuals. Considering the actual repayment made against the outstanding loan, OPGC submit that loan amount of Rs. 610 Crore has been fully repaid by financial year ending March 31, 2012. In view of the above, OPGC does not submit any claim towards the Interest on Loan Capital for FY 2019-20. However, the interest on loan capital for FY 2019-20 corresponding to additional capitalisation has been discussed in Section 4 of the Petition.

### ***O&M Expenses***

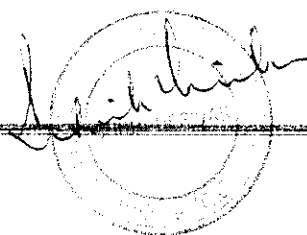
3.11 OPGC submits that Clause 3.0 (d) and (e) of Schedule II of the Amended PPA provides that O&M expenses for first year of operation at the rate of 2.5% of the capital cost which shall be escalated by 8% each year from April 1, 1996.

3.12 Accordingly, OPGC submits the O&M Expenses for FY 2019-20 considering the escalation factor of 8% as per the methodology prescribed in Amended PPA as under:

**Table 3.2: O&M Expenses for FY 2019-20(Rs. Crore)**

<b>Sr. No.</b>	<b>Particulars</b>	<b>Legend</b>	<b>FY 2019-20</b>
1.	Capital Cost of Project considered for O&M Expenses as per Amended PPA	a	1030.00
2.	O&M Expenses for first year @ 2.5% of Capital Cost	$b=a*2.5\%$	25.75
3.	Escalation rate	c	8.00%
4.	O&M Expenses	$d=b*((1+c)^{23})$	151.19

3.13 OPGC humbly request the Hon'ble OERC to approve O&M Expenses of Rs. 151.19 Crore for FY 2019-20.



### ***Interest on Working Capital***

3.14 The Clause 3.0 (f) of Schedule II of the Amended PPA provides the Interest on working Capital as under:

*"f) Interest on Working Capital will be worked out on the following basis on normative level of generation calculated at the rate of interest applicable to OPGC for its Working capital facility as on the fixed charge computation date*

- i) Coal cost for 1.5 months*
- ii) Oil cost for 2 months*
- iii) O&M expenses for 1 month*
- iv) Receivables for 2 months "*

3.15 As regards the rate of interest, the above said clause stipulates the interest rate applicable to OPGC for its Working Capital facility. It is submitted that OPGC has been meeting its working capital requirement through internal accruals.

3.16 As OPGC had not availed any actual working capital loan during FY 2018-19 till date, the rate of interest for FY 2019-20 has been considered as 11.50% (SBI 1 year MCLR as on date @8.50%+300 basis point) in accordance with Regulation 4.26 of the OERC Generation Tariff Regulations, 2014.

3.17 Hon'ble Supreme Court in its Judgment dated April 19, 2018 ruled that for the costs not reflected in the PPA, the statutory Regulations may be applied. Further, OPGC submits that Hon'ble APTEL in its Judgment dated May 28, 2009 in Appeal No. 111 of 2008 ruled as under:

*"7) The Commission observed that in actual fact no amount has been paid towards interest. Therefore, the entire interest on working capital granted as pass through in tariff has been treated as efficiency gain. It is true that internal funds also deserve interest in as much as the internal fund when employed as working capital loses the interest it could have earned by investment elsewhere. Further the licensee can never have any funds which has no cost. The internal accruals are not like some reserve which does not carry any cost....."*

3.18 In light of the above stated Judgments of Hon'ble Supreme Court and Hon'ble APTEL, OPGC requests the Hon'ble OERC to approve the interest on working capital considering the rate as claimed in the Petition.

3.19 Accordingly, OPGC submits the Interest on Working Capital for FY 2019-20 as under:

**Table 3.3: Interest on Working Capital corresponding to original project cost(Rs. Crore)**

Sr. No.	Particulars	FY 2019-20
1.	Cost of Coal for one and half months	41.92
2.	Cost of Secondary Fuel Oil for two months	6.13
3.	O&M Expenses for one month	12.60
4.	Receivables equivalent to two months	102.35
5.	<b>Total Working Capital Requirement</b>	<b>162.99</b>
6.	Interest Rate %	11.50%
7.	<b>Interest on Working Capital</b>	<b>18.74</b>

3.20 OPGC humbly request the Hon'ble OERC to approve the Interest on Working Capital of Rs. 18.74 Crore for FY 2019-20. The interest on working capital corresponding to additional capitalisation has been discussed in Section 4 of the Petition

**Summary of Annual Fixed Cost**

3.21 The Annual Fixed Cost proposed by OPGC for FY 2019-20 corresponding to the original project cost is summarised as under:

**Table 3.4: Annual Fixed Cost corresponding to original project cost(Rs. Crore)**

Particulars	FY 2019-20
Depreciation	0.00
Return on Equity	72.00
Interest on Loan Capital	0.00

<b>Particulars</b>	<b>FY 2019-20</b>
O&M Expenses	151.19
Interest on Working Capital	18.74
<b>Total Annual Fixed Cost</b>	<b>241.93</b>

3.22 OPGC humbly request the Hon'ble OERC to approve Annual Fixed Cost of Rs. 241.93 Crore corresponding to original project cost, for FY 2019-20.

### ***Operational Performance Parameters***

3.23 OPGC has considered the following Operational Performance parameters as under:

- (a) Normative Availability
- (b) Plant Load Factor (PLF)
- (c) Gross Station Heat Rate
- (d) Specific Oil Consumption
- (e) Auxiliary Energy Consumption

3.24 OPGC in Amended PPA signed with GRIDCO has agreed upon operational performance parameters. OPGC for computation of variable charges for FY 2019-20 has considered the operational performance parameters as per Clause 8 of Schedule II of the approved Amended PPA.

### **Normative Availability**

3.25 As per Clause 3.0(g) of Schedule II of the Amended PPA, Full Fixed Charges will be paid on achievement of Normative Availability of 68.49%.

### **Plant Load Factor (PLF)**

3.26 As per Clause 3.0 (g) of Schedule II of the Amended PPA, the interest on working capital will be worked out considering normative level of generation. Accordingly, OPGC has considered the PLF of 68.49%, equal to the Normative Availability for computing the coal cost, oil cost and receivables in the computation of interest of working capital.

3.27 As per Clause 3.0 (g) of Schedule II of the Amended PPA, the PLF applicable for  
*Petition for determination of Tariff for FY 2019-20*

computation of incentive shall be 80%.

3.28 **Gross Station Heat Rate:** Gross Station Heat Rate of 2500 kCal/kWh has been considered as per Clause 8 of Schedule II of the approved Amended PPA.

3.29 **Specific Oil Consumption:** Specific Oil Consumption of 3.5 ml/kWh has been considered as per Clause 8 of Schedule II of the approved Amended PPA.

3.30 **Auxiliary Consumption:** Auxiliary Consumption of 9.5% has been considered as per Clause 8 of Schedule II of the approved Amended PPA.

3.31 The Operational Performance parameters considered by OPGC are summarised as under:

**Table 3.5: Operational Performance Parameters for FY 2019-20**

Sr. No.	Particulars	Unit	FY 2019-20
1.	Normative Availability	%	68.49%
2.	Auxiliary Consumption	%	9.50%
3.	Station Heat Rate	kcal/kWh	2500
4.	Specific Oil Consumption	ml/ kWh	3.50

#### ***Fuel Prices and GCV***

3.32 During FY 2019-20, the entire coal requirement for OPGC is proposed to be met from coal supply under existing FSA with Mahanadi Coal Fields Limited ("MCL").

3.33 Clause 7.0 of Schedule II of the existing PPA provides the computation of Fuel Cost. For computation of the fuel cost, OPGC has relied on the provisions of the Amended PPA which provides that the Price and Gross Calorific Value of coal and oil shall be considered as delivered to the Power Station. Further, Clause 9 of Schedule II of the PPA stipulates that the prices and GCV of oil and coal for one year shall be the base for the next year. Accordingly, OPGC has considered the actual weighted average prices and GCV of oil and coal for the period November 2017 to October 2018.

3.34 Accordingly, GCV and Price of Coal and Oil considered for tariff computation is summarised below:

**Table 3.6: Price and Gross Calorific Value of Coal and Oil**

Sl. No.	Source of Coal	Base for FY 2019-20
1	Price of Coal (Rs. /MT)	1600.13
2	Price of LDO (Rs./kL)	48291
3	Price of HFO (Rs./kL)	40826
4	Gross Calorific Value of Coal (kCal/kg)	2972
5	Gross Calorific value of LDO (kCal/ltr.)	10000
6	Gross Calorific value of HFO (kCal/ltr.)	10000

**Energy Charge**

3.35 OPGC has computed Variable Charges for FY 2019-20 as per Clause 7.0 of Schedule II of the Amended PPA. The computation of Variable Charges for FY 2019-20 is given in the Table below:

**Table 3.7: Variable Charges for 2019-20**

Particulars	Unit	FY 2019-20
Auxiliary Consumption	%	9.50%
Gross Station Heat Rate	kCal/kWh	2500
GCV of Coal	kCal/kg	2972
GCV of Oil	kCal/kg	10000
Specific Coal Consumption	kg /kWh	0.83
Specific Oil Consumption-LDO	ml/kWh	0.35
Specific Oil Consumption-HFO	ml/kWh	3.15
Price of Coal	Rs. / MT	1600.13
Price of Secondary Oil-LDO	Rs. / kL	48291
Price of Secondary Oil-HFO	Rs. / kL	40826
Variable Charges per kWh(base value)	Paisa/kWh	162.74

The proof of landed price of HFO is attached as Annexure-1.

3.36 OPGC humbly request the Hon'ble OERC to approve base Variable Charges of

162.74Paisa/kWh for FY 2019-20. Any variation in energy charges during the year on account of fuel prices and calorific value will be claimed through Fuel Price Adjustment in supplementary bills on half yearly basis as per the provisions of PPA.

***Reimbursement of other charges***

3.37 Clause 10.0 of the approved Amended PPA stipulates as under:

***"10.0 LEVIES, TAXES, DUTIES, CESS ETC. :***

*The above tariff is exclusive of any statutory taxes, levies, duties, cess or any other kind of imposition(s) whatsoever imposed/charged by any Government (Central/State) and/or any other local bodies/authorities on generation of electricity including auxiliary consumption or any other type of consumption, transmission, sale or on supply of power/energy and/or in respect of any of its installations associated with Generating Stations and/or on Transmission System. Environmental Protection, Water etc. However electricity duty payable on energy drawn by OPGC if any shall be payable by OPGC and reimbursed by GRIDCO."*

3.38 Clause 11.0(vii) of the approved Amended PPA stipulates as under:

*"vii) Supplementary bills will be raised for the following.*

- a) Fuel price adjustment on half yearly basis*
- b) Incentive/disincentive at the end of year*
- c) Income Tax as per actual to be reimbursed as detailed in Para-6.0 of schedule - II*
- d) Any other charges/taxes etc."*

3.39 Accordingly, OPGC has claimed the following other charges for FY 2019-20:

- Electricity Duty
- Water Cess and Water Charges
- Tax and Cess on Land
- System Operation Charges (SOC) & Market Operation Charges (MOC) for SLDC
- ERPC Charges

- Income Tax
- Recovery of ARR & Tariff Petition Fee and Publication Expenses
- Contribution to Water Conservation Fund, Odisha

3.40 **Electricity Duty:**Electricity Duty is payable on the auxiliary consumption of the generating station at the prevailing rates, which is currently Rs. 0.55/kWh. OPGC has paid the Electricity Duty of Rs. 16.50 Crore in FY 2017-18 to Government of Odisha. OPGC requests the Hon'ble Commission to consider the same amount of Rs. 16.50 Crore provisionally in the tariff determination for FY 2019-20. The actual Electricity Duty payable shall be billed in accordance with the provisions of the approved Amended PPA.

3.41 **Water Cess and Water Charges:** OPGC claims the Water Cess and Water Charges of Rs. 6.86 Crore, which is the same as actually incurred in FY 2017-18. In addition to the regular Water Cess and Water Charges being paid to WRD, Govt. of Odisha, as per the Government of Odisha letter No. 6140 dated July 31, 2012.(Copy of letter attached as Annexure-2). OPGC is required to pay additional charges to OHPC for drawal of water in the form of energy compensation. The estimated charges for FY 2019-20 is Rs. 0.62 Crore approximately in line with the invoice of 2017-18. In addition to the above, OHPC has raised invoice for Rs. 4,75,78,538/- till August 2018 (Copy of OHPC Invoice is attached at Annexure-3). Out of such claim, Rs. 3,75,12,218/- is related to Ib TPS Unit 1&2 (210 MW X 2). Accordingly, OPGC requests the Hon'ble Commission to pass appropriate Order for reimbursement of such amount and the amount payable for the balance period of FY 2018-19.

3.42 **Tax and Cess on land:** OPGC claims the tax and cess on land of Rs. 0.19 Crore, which is the same as actually incurred in FY 2017-18.

3.43 **System Operation Charges (SOC) & Market Operation Charges (MOC) for SLDC:**OPGC claims the amount of Rs. 0.32 Crore towards charges to be paid to SLDC for SOC and MOC, the same as per the SLDC Tariff Order for FY 2018-19.

- 3.44 **ERPC Charges:** OPGC claims the ERPC Charges of Rs. 0.16 Crore, as actually paid during FY 2017-18.
- 3.45 **Income Tax:** OPGC claims the income tax of Rs. 38.67 Crore considering the Return on Equity of Rs. 72 Crore corresponding to the original capital cost and the applicable tax rate of 34.94%.
- 3.46 **Reimbursement of contribution towards Water Conservation Fund:** As per the Resolution of Department of Water Resources, Government of Odisha, dated 18<sup>th</sup> May, 2015 (Copy attached as Annexure-4), OPGC is required to contribute an amount of Rs 30.65 Crore (12.26 Cusec X 2.5 Crore/Cusec) towards creation of water conservation Fund. Further, as per the Resolution of Department of Water Resources, Government of Odisha, dated 3<sup>rd</sup> November, 2015 (Copy attached as Annexure-5), the Government has provided the facility to industries to deposit their contribution to the Water Conservation Fund in five equal annual instalments. OPGC has also received a letter on July 14, 2015 from Main Dam Division, Burla to deposit the contribution towards Water Conservation Fund (Copy attached as Annexure-6). As the facility of making this payment is available in five equal annual instalments, OPGC has decided to opt for this facility and make payment in five annual instalments to reduce the burden to be passed on in tariff. Accordingly, OPGC has claimed an amount of Rs 6.13 Crore in FY 2019-20 towards contribution to Water Conservation Fund. OPGC humbly submits that this expense is not in control of OPGC and is payable because of Govt. Resolution. Hence, OPGC requests the Hon'ble OERC to allow reimbursement of the same.
- 3.47 **Recovery of ARR & Tariff Petition Fee and Publication Expenses:** OPGC claims the provisional amount of Rs. 0.30 Crore towards recovery of ARR & Tariff Petition Fee and Publication Expenses.
- 3.48 Accordingly, the other charges claimed by OPGC for FY 2019-20 is as shown in the Table given below:

**Table 3.8: Other Charges corresponding to original project cost (Rs. Crore)**

S. No.	Particulars	FY 2019-20
1	Electricity Duty	16.50
2	Water Cess and Water Charges including Electricity Charges to OHPC	11.23
5	Tax and Cess on land	0.19
6	SOC and MOC for SLDC	0.32
7	ERPC Charges	0.16
8	Income Tax	38.67
9	<b>Water Conservation Fund</b>	6.13
10	Recovery of ARR & Tariff Petition Fee	0.30
	<b>Total</b>	<b>73.51</b>

3.49 OPGC requests the Hon'ble Commission to provisionally approve the other charges of Rs. 73.51 Crore. OPGC further requests the Hon'ble Commission to direct GRIDCO Ltd. to reimburse the other charges on actual basis incurred during the year.

## 4 Additional Capitalisation for FY 2019-20

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### *Additional Capitalisation for FY 2015-16, FY 2016-17, FY 2017-18 & FY 2018-19*

4.1 OPGC has claimed the total additional capitalisation of Rs. 128.07 Crore for FY 2015-16, FY 2016-17, FY 2017-18 and FY 2018-19. For the sake of brevity, the details of the additional capitalisation claimed in Case No. 54 of 2018 are not repeated in this Petition. OPGC requests the Hon'ble Commission to consider OPGC's submissions in the said Petition and approve the additional capitalisation for the respective years as claimed.

### *Additional Capitalisation for FY 2019-20*

4.2 The Hon'ble OERC notified the Terms & Conditions for Determination of Generation Tariff Regulations, 2014 ("2014 Tariff Regulations") on September 8, 2014 in exercise of the powers conferred by Section 61 and Section 62 read with Section 181 of the Act. These Regulations are applicable for the MYT Control Period from FY 2014-15 to FY 2018-19. The Hon'ble OERC may notify the Tariff Regulations for the MYT Control Period commencing from April 1, 2019, in due course of time. OPGC is hopeful that the Hon'ble OERC retains the framework of approval of additional capitalisation as specified in its 2014 Tariff Regulations, for the next Control Period also. Therefore, OPGC is relying on the provisions of the 2014 Tariff Regulations for claiming the proposed additional capitalisation for FY 2019-20 in this Petition, pending notification of Tariff Regulation applicable for the period 2019-20.

4.3 The 2014 Tariff Regulations define "Additional Capitalisation" as the capital expenditure incurred or **projected to be incurred**, after the date of commercial operation of the project and after cut-off date and admitted by the Commission after prudence check subject to Regulation 3.4.

4.4 As regards additional capitalisation, the 2014 Tariff Regulations specify as under:

*"ADDITIONAL CAPITALISATION*

*3.4 The capital expenditure incurred or projected to be incurred, on the following counts **after the cut-off date** may, in its discretion, be admitted by the Commission, subject to prudence check-*

*(a) Liabilities to meet award of arbitration or for compliance of the order or decree of a Court*

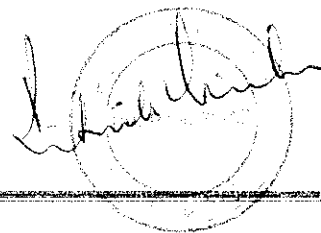
*(b) Change in law*

*(c) Deferred works relating to ash pond or ash handling system in the original scope of work*

*(d) Any additional works/services, which have become necessary for efficient and successful operation of a generating station but not included in the original capital cost*

*.....”*

- 4.5 The additional capitalisation claimed for FY 2018-19 is after the cut-off date of the project and hence qualifies under Regulation 3.4 of the 2014 Tariff Regulations.
- 4.6 OPGC has proposed the additional capitalisation of Rs. 9.80 Crore for FY 2019-20. The list of items of additional capitalisation claimed by OPGC for FY 2019-20 along with the justification is enclosed at **Annexure 7**. The additional capitalisation proposed for FY 2019-20 is towards the additional works some of which are towards compliance to Change in Law and other works which have become necessary for efficient and successful operation of the generating station. OPGC requests the Hon'ble OERC to approve the additional capitalisation claimed for FY 2019-20 under the provisions of Regulation 3.4 (b) and (d) of the 2014 Tariff Regulations.

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## 5 Impact of Additional Capitalisation

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### *Additional Capitalisation*

5.1 OPGC has considered the additional capitalisation for FY 2015-16, FY 2016-17, FY 2017-18, FY 2018-19 as claimed in Case No. 54 of 2018 and the proposed additional capitalisation for FY 2019-20 in this Petition.

### *Debt-Equity Ratio*

5.2 OPGC has considered the closing normative debt for FY 2018-19 as claimed in Case No. 54 of 2018, as the opening debt for FY 2019-20. OPGC has considered the closing Equity for FY 2018-19 as claimed in Case No. 54 of 2018 as the opening Equity for FY 2019-20.

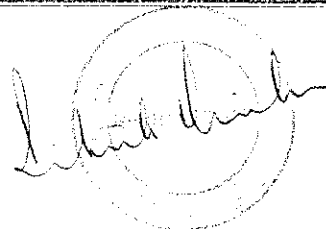
5.3 As regards the debt-equity ratio of additional capitalisation, Regulation 3.8 of the 2014 Tariff Regulations specifies as under:

*“3.8 Any expenditure incurred or projected to be incurred on or after 01-04-2014 as may be admitted by the Commission as additional capital expenditure for determination of tariff, and renovation and modernisation expenditure for life extension the normative debt-equity ratio shall be considered to be 70:30 for determination of tariff;*

*Provided that in case of a generating station where equity employed is more than 30% of the capital cost, equity in excess of 30% shall be treated as normative loan.*

*Provided also that in case of a generating station where actual equity employed is less than 30% the actual debt and equity shall be considered for determination of tariff.”*

5.4 The additional capitalisation in FY 2019-20 is proposed to be funded by the internal resources of OPGC. Hence, in accordance with the Regulation 3.8 stated above, the debt-equity ratio of the proposed additional capitalisation in FY 2019-20 has been considered



as 70:30.

**Table 9: Debt and equity of additional capitalisation for FY 2019-20**

<b>Particulars</b>	<b>FY 2019-20</b>
Additional capitalisation (Rs. Crore)	9.80
Debt (%)	70%
Debt (Rs. Crore)	6.86
Equity (%)	30%
Equity (Rs. Crore)	2.94

5.5 As per Clause 3.0 of Schedule II of the Amended PPA, the Annual Fixed Cost of OPGC shall consist of the following components:

- (f) Depreciation;
- (g) Return on Equity;
- (h) Interest on Loan;
- (i) Operation and Maintenance Expenses;
- (j) Interest on Working Capital.

5.6 OPGC has claimed only the components of AFC corresponding to recovery of additional capitalisation viz., Depreciation, Return on Equity, Interest on Loan and Interest on Working Capital. The computation of each of the above components of the Annual Fixed Cost is detailed in the subsequent paragraphs.

### ***Depreciation***

5.7 The 2014 Tariff Regulations specify the rates of depreciation for each asset class. The term of the Amended PPA is upto FY 2025-26. If the depreciation rates as per the 2014 Tariff Regulations are applied for computing the depreciation, OPGC will not be able to recover the entire depreciable value of the assets capitalised from FY 2015-16 onwards by the end of the term of the PPA. Hence, OPGC requests the Hon'ble Commission to allow the recovery of depreciable value of the assets (90% of total value) capitalised

from FY 2015-16 onwards, by equally spreading the same during each year, from the year of capitalisation of the respective assets, upto FY 2025-26. It is humbly prayed that this Hon'ble Commission exercise its power to relax in accordance with Regulation 7.13 of the 2014 Tariff Regulations in the unique circumstances of this case to permit OPGC to recover the depreciable value of the assets by FY 2025-26. It is submitted that if such relaxation is not permitted, OPGC will be prejudiced for no fault of its own.

5.8 Accordingly, the depreciation claimed for FY 2019-20 is as under:

**Table 10: Depreciation corresponding to additional capitalisation (Rs. Crore)**

<b>Particulars</b>	<b>FY 2019-20</b>
Depreciation corresponding to additional capitalisation	14.24

***Return on Equity***

5.9 The closing Equity for FY 2018-19 as claimed in Case No. 54 of 2018 has been considered as the opening Equity for FY 2019-20. Clause 8.0 (10) of Schedule II of PPA provides for Return on Equity at the rate of 16%. Accordingly, OPGC submits the Return on Equity for each year considering the equity base for the corresponding year at the rate of 16%.

**Table 11: Return on Equity corresponding to additional capitalisation (Rs. Crore)**

<b>Particulars</b>	<b>FY 2019-20</b>
Opening Equity corresponding to additional capitalisation	38.42
Addition to Equity during the year corresponding to 30% of additional capitalisation during the year	2.94
Closing Equity corresponding to additional capitalisation	41.36
<b>Return on Equity corresponding to average equity towards additional capitalisation</b>	<b>6.38</b>

### ***Interest on Loan Capital***

5.10 The closing normative loan for FY 2018-19 as claimed in Case No. 54 of 2018 has been considered as the opening normative loan for FY 2019-20. The normative loan pertaining to additional capitalisation has been considered as loan addition during the year. The loan repayment for the year has been considered as equal to depreciation for the year. In accordance with Regulation 4.13, the interest rate has been considered as 10.55% which is the actual weighted average rate of interest of the generating company as a whole (on the ongoing loan draw down for OPGC Units 3&4 being availed from PFC and REC) for FY 2017-18. The interest on loan has been computed on the normative average loan for the year by applying the rate of interest.

5.11 Accordingly, the interest on loan claimed for FY 2019-20 is as under:

**Table 12: Interest on loan corresponding to additional capitalisation (Rs. Crore)**

<b>Particulars</b>	<b>FY 2019-20</b>
Gross Loan-Opening corresponding to additional capitalisation	89.65
Cumulative repayment upto previous year	24.43
Net Loan-Opening corresponding to additional capitalisation	65.22
Addition to Loan during the year corresponding to 70% of additional capitalisation during the year	6.86
Repayment during the year (depreciation)	14.31
Closing Loan	57.77
Average Loan	61.50
Interest Rate (%)	10.55%
<b>Interest on Loan corresponding to additional capitalisation</b>	<b>6.49</b>

### ***Interest on Working Capital***

5.12 The Clause 3.0 (f) of Schedule II of the Amended PPA provides the Interest on working Capital as under:

*"f) Interest on Working Capital will be worked out on the following basis on normative level of generation calculated at the rate of interest applicable to OPGC for its Working capital facility as on the fixed charge computation date*

- i) Coal cost for 1.5 months*
- ii) Oil cost for 2 months*
- iii) O&M expenses for 1 month*
- iv) Receivables for 2 months "*

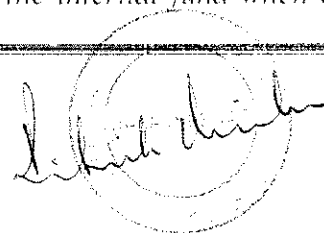
5.13 OPGC would like to submit that, due to AFC on account of the additional capitalisation, there will be change in the receivables. Accordingly, OPGC is eligible for Interest on Working Capital on two months' incremental receivables, which has been claimed in the instant Petition.

5.14 As regards the rate of interest, the above said clause stipulates the interest rate applicable to OPGC for its Working Capital facility. It is submitted that OPGC has been meeting its working capital requirement through internal accruals.

5.15 As OPGC had not availed any actual working capital loan during FY 2018-19 till date, the rate of interest for FY 2019-20 has been considered as 11.50% in accordance with the 2014 Tariff Regulations.

5.16 Hon'ble Supreme Court in its Order dated April 19, 2018 ruled that for the costs not reflected in the PPA, the statutory Regulations may be applied. Further, Hon'ble APTEL in its Judgment dated May 28, 2009 in Appeal No. 111 of 2008 ruled as under:

*"7) The Commission observed that in actual fact no amount has been paid towards interest. Therefore, the entire interest on working capital granted as pass through in tariff has been treated as efficiency gain. It is true that internal funds also deserve interest in as much as the internal fund when employed as*

A handwritten signature in black ink is written over a circular stamp. The signature appears to be "S. K. Singh". The stamp is a circular seal with a double-line border, but the text inside is illegible due to the signature and the quality of the scan.

*working capital loses the interest it could have earned by investment elsewhere. Further the licensee can never have any funds which has no cost. The internal accruals are not like some reserve which does not carry any cost.....”*

5.17 In light of the above stated Judgments of Hon`ble Supreme Court and Hon`ble APTEL, OPGC requests the Hon`ble OERC to approve the interest on working capital considering the rate of interest in accordance with Regulation 4.26 of the 2014 Tariff Regulations.

5.18 Accordingly, the interest on working capital claimed for FY 2019-20 for the Annual Fixed Cost computed corresponding to additional capitalisation is as under:

**Table 13: Interest on working capital corresponding to additional capitalisation (Rs. Crore)**

Particulars	FY 2019-20
Interest on working capital	0.53

***Summary of Annual Fixed Cost corresponding to additional capitalisation***

5.19 The Annual Fixed Cost corresponding to additional capitalisation is summarised in the Table below:

**Table 14: Annual Fixed Cost corresponding to additional capitalisation (Rs. Crore)**

Particulars	FY 2019-20
Depreciation	14.24
Return on Equity	6.38
Interest on loan	6.49
Interest on working capital	0.53
<b>Total Annual Fixed Cost</b>	<b>27.64</b>

5.20 **Income Tax:** OPGC requests the Hon`ble OERC to approve the income tax of Rs. 3.43 Crore based on the Return on Equity corresponding to the additional capitalisation and income tax rate of 34.94%.

## 6 Summary of Tariff Proposal for FY 2019-20

6.1 Based on the above, the summary of Tariff Proposal for FY 2019-20 is as shown in the Table below:

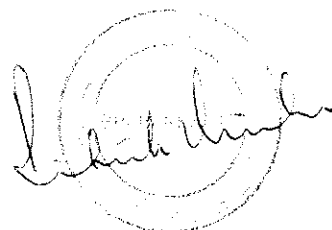
**Table 15: Summary of Tariff Proposal for FY 2019-20**

<b>Particulars</b>	<b>Units</b>	<b>Corresponding to original project cost</b>	<b>Corresponding to Additional Capitalisation</b>	<b>Total</b>
Depreciation	Rs. Crore	-	14.24	14.24
Return on Equity	Rs. Crore	72.00	6.38	78.38
Interest on loan	Rs. Crore	-	6.49	6.49
O&M expenses	Rs. Crore	151.19	-	151.19
Interest on working capital	Rs. Crore	18.74	0.53	19.27
<b>Total Annual Fixed Cost</b>	Rs. Crore	<b>241.93</b>	<b>27.64</b>	<b>269.57</b>
<b>Variable Charges per kWh</b>	Paisa/kWh	<b>162.74</b>	-	<b>162.74</b>

6.2 The summary of other charges for FY 2019-20 is as shown in the Table below:

**Table 16: Other Charges for FY 2019-20**

<b>Particulars</b>	<b>Units</b>	<b>Corresponding to original project cost</b>	<b>Corresponding to Additional Capitalisation</b>	<b>Total</b>
Other Charges	Rs. Crore	73.51	3.43	76.94



## 7 Prayers

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OPGC respectfully prays that the Hon'ble OERC may:

- i) Admit the instant Petition.
- ii) Approve the additional capitalisation for FY 2019-20 as claimed in the Petition.
- iii) Approve the tariff, including annual fixed cost and variable charges for FY 2019-20 as claimed in the Petition.
- iv) Approve the variation in energy charges during the year on account of fuel prices and calorific value to be claimed through Fuel Price Adjustment in supplementary bills on half yearly basis as per the provisions of PPA.
- v) Approve the other charges for FY 2019-20 as claimed in the Petition.
- vi) Approve the recovery of other charges on actual basis during FY 2019-20.
- vii) Condone any inadvertent omissions, errors, short comings and permit OPGC to add/ change/ modify/ alter this filing and make further submissions as may be required at a future date; and
- viii) Pass such other and further Orders as deemed fit and proper in the facts and circumstances of the case.

  
Petitioner

Bhubaneswar

November 28, 2018



**Checklist of Forms and other information/ documents for tariff filing for IB TPS Units 1 & 2**

Name of Utility / Company: Odisha Power Generation Corporation Limited

Form No.	Title of Tariff Filing Form	Tick
Form 1.1	Summary of Tariff Proposal(Thermal)	✓
Form 1.2	Summary of Tariff Proposal(Hydro)	NA
Form 2.1	Plant Characteristics	NA
Form 2.2	Details of COD, Type of hydro station, Capacity Index, Primary energy rate	NA
Form 2.3	Salient Features of Hydroelectric Project	NA
Form 3.1	Planned & Forced Outages	NA
Form 4.1	Revenue from Sale of Power (Previous year actual)	NA
Form 5.1	Non Tariff Income	NA
Form 6.1	O&M Expenses	✓
Form 6.2	Fixed Assets and Depreciation	✓
Form 6.3	Calculation of Interest on Loans	✓
Form 6.4	Calculation of Interest on Working Capital Loan	✓
Form 7.1 ( C )	Details Information to be Submitted in respect of Fuel for Computation of Energy Charges for FPA(Coal)	✓
Form 7.1 ( O )	Details Information to be Submitted in respect of Fuel for Computation of Energy Charges for FPA(Oil)	✓
Form 7.2	Energy Charges for Thermal Generation	✓
Form 8.1	Break-up of Capital Cost for Coal based projects	NA
Form 8.2	Break up of Capital cost for hydro power generating station	NA
Form 8.3	Break up of Capital Cost for Plant & Equipment(Hydro)	NA
Form 8.4	Statement of Additional Capitalisation after COD	NA
Form 8.5	IDC Planned and actual	NA
Form 8.6	Details of Foreign loans Equity	NA
Form 8.7	Design energy and peaking capability (monthwise)- ROR with Pondage Storage type new stations	NA
Form 8.8	Design energy and MW Continuous (monthwise)- ROR type new stations	NA
<b>Other Information/ Documents</b>		
Sl. No.	Information/Document	Tick
1	Certificate of incorporation, Certificate for Commencement of Business, Memorandum of Association, & Articles of Association ( For New Station setup by a company making tariff application for the first time to OERC)	NA
2	Stationwise and Corporate audited Balance Sheet and Profit & Loss Accounts with all the Schedules & annexures on COD of the Station or the new station for the relevant years	NA
3	Copies of relevant loan Agreements	NA
4	Copies of the approval of Competent Authority for the Capital Cost and Financial package	NA
5	Copies of the Equity participation agreements and necessary approval for the foreign equity	NA
7	Copies of the BPSA-PPA with the beneficiaries, if any	NA
8	Detailed note giving reasons for time and cost over run, if applicable	NA
9	Details of SBI Base rate taken for calculation	NA
10	Any other relevant information, in any to be specified	NA

Note: Electronic copy in the form of CD/ floppy disc shall also be furnished.

Summary of Tariff Proposal (Generation Thermal)						
Name of the Utility / Company : Odisha Power Generation Corporation Limited						
Name of the Thermal Power Station: IB TPS Units 1 & 2				FORM-1.1		
S.No.	Particulars	Reference	Units	FY 2019-20		
1	2	3		4	5	6
A	Annual Fixed Cost			Corresponding to original project cost	Corresponding to Additional Capitalisation	Total
1	O & M Expenses	Form 6.1	Rs. Crore	151.19	-	151.19
2	Depreciation	Form 6.2	Rs. Crore	-	14.24	14.24
3	Interest on Term Loans	Form 6.3	Rs. Crore	-	6.49	6.49
4	Interest on Working Capital Loans	Form 6.4	Rs. Crore	18.74	0.53	19.27
5	Return on Equity		Rs. Crore	72.00	6.38	78.38
	<b>Total (A)</b>		Rs. Crore	<b>241.93</b>	<b>27.64</b>	<b>269.57</b>
<b>B</b>	<b>Rate of Variable Charge</b>	Form 7.2	Paise/kWh	<b>162.74</b>	-	<b>162.74</b>
<b>C</b>	<b>Other Charges</b>		Rs. Crore	<b>73.51</b>	<b>3.43</b>	<b>76.94</b>

O&M Expenses			
Name of the Utility / Company : Odisha Power Generation Corporation Limited			FORM-6.1
Name of the Thermal Power Station: IB TPS Units 1 & 2			(Rs. In Crore)
S.No.	Particulars	Units	Value
1	2	3	4
1	Project Cost for O&M expenses	Rs. Crore	1030
2	O&M expenses for first year=2.5% of the project cost	Rs. Crore	25.75
3	Annual Escalation rate	%	8%
4	O&M expenses for FY 2019-20	Rs. Crore	151.19



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Fixed Assets and Depreciation													
Name of the Utility / Company : Odisha Power Generation Corporation Limited										FORM 6.2			
Name of the Thermal Power Station: BB TPS Units 1 & 2										Year Ending March			
(Rs. In Crore)													
FY 2019-20													
S.No.	Assets Group	A/c Code	Rate of Depreciation	Gross fixed Assets			Provisions for depreciation			Net fixed Assets			
				At the beginning of the year	Additions during the year	Adjust. & deductions	At the end of the year	Cumulative upto the beginning of the year	Additions during the year	Adjust during the year	Cumulative at the end of the year	At the beginning of the year	At the end of the year
TOTAL				128.07	9.89	0.00	137.87	24.43	14.24	-	38.66	103.64	99.21

FORM- 6.3

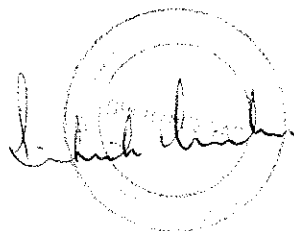
## Calculation of Interest on Loans

Name of the Utility / Company: Odisha Power Generation Corporation Limited

Name of the Thermal Power Station: IB TPS Units 1 &amp; 2

(Rs. in Crore)

Sl. No	Particulars	FY 2019-20
1	2	3
A	Loan-I	
1	Gross loan - Opening	89.65
2	Cumulative repayments of Loans upto previous year	24.43
3	Net loan - Opening	65.22
4	Receipts during the year	6.86
5	Repayment during the year	14.31
6	Net loan - Closing	57.77
7	Average Net Loan	61.50
8	Rate of Interest on Loan	10.55%
9	Interest on loan	6.49



FORM-6.4				
Calculation of Interest on Working Capital Loan				
Name of the Utility / Company: Odisha Power Generation Corporation Limited				
Name of the Thermal Power Station: IB TPS Units 1 & 2				
(Rs. In Crore)				
Sl. No.	Particulars	Norms considered	FY 2019-20	
			Corresponding to original project cost	Corresponding to Additional Capitalisation
1	Coal Cost	1.5 months	41.92	0.00
2	Oil Cost	2 months	6.13	0.00
3	O & M expenses	1 month	12.60	0.00
4	Receivables	2 months	102.35	4.61
5	<b>Working capital Loan Requirement</b>		<b>162.99</b>	<b>4.61</b>
6	Rate of Interest		11.50%	11.50%
7	<b>Interest on Working Capital</b>		<b>18.74</b>	<b>0.53</b>

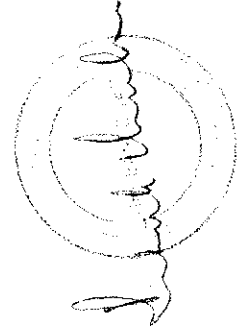
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Details Information to be Submitted in respect of Fuel for Computation of Energy Charges for FPA

Name of the Utility / Company : Odisha Power Generation Corporation Limited

Name of the Thermal Power Station: BH TPS Units 1 & 2

S.No	Month	Unit	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18
1	2	3	Domestic coal	Domestic coal	Domestic coal	Domestic coal	Domestic coal	Domestic coal	Domestic coal	Domestic coal	Domestic coal	Domestic coal	Domestic coal	Domestic coal
4	5	6	7	8	9	10	11	12	13	14	15	16	17	18
1	Quantity of coal in stock at the beginning of the month	(MT)	53,382	1,25,666	1,08,718	97,648	80,752	36,047	77,774	78,949	1,06,882	1,48,595	1,67,823	1,49,579
2	Quantity of coal supplied by Coal Company	(MT)	2,06,775	2,17,494	2,08,466	2,01,642	2,15,706	2,43,721	2,37,811	2,40,414	2,05,551	2,03,734	2,01,018	1,93,541
3	Adjustment (+) in quantity supplied made by Coal Company	(MT)	2,06,775	2,17,494	2,08,466	2,01,642	2,15,706	2,43,721	2,37,811	2,40,414	2,05,551	2,03,734	2,01,018	1,93,541
4	Cost supplied by Coal Company (2*3)	(MT)	2,06,775	2,17,494	2,08,466	2,01,642	2,15,706	2,43,721	2,37,811	2,40,414	2,05,551	2,03,734	2,01,018	1,93,541
5	Non-revenue Transport & Handling Losses (For coal-based Plants)	(MT)	2,06,775	2,17,494	2,08,466	2,01,642	2,15,706	2,43,721	2,37,811	2,40,414	2,05,551	2,03,734	2,01,018	1,93,541
6	Net coal Supplied (4-5)	(MT)	2,06,775	2,17,494	2,08,466	2,01,642	2,15,706	2,43,721	2,37,811	2,40,414	2,05,551	2,03,734	2,01,018	1,93,541
7	Total Coal Receipts & Opening Stock (1)+(6)	(MT)	2,60,157	3,45,160	3,17,185	3,71,182	3,06,458	2,89,739	3,15,581	3,19,354	3,12,403	3,52,428	3,68,841	3,43,111
8	Coal burnt/consumed	(MT)	1,34,491	2,41,412	2,47,440	2,30,415	2,39,140	2,68,965	2,36,644	2,42,892	1,67,810	1,84,565	2,19,271	2,38,136
9	Coal in stock at the end of the month	(MT)	1,25,666	1,08,718	69,545	50,752	40,918	77,774	78,949	1,06,882	1,48,593	1,67,813	1,49,570	1,04,975
10	Value of coal in stock (Handled cost of 1)	(RS.)	40,05,097	1,80,28,110	1,58,55,303	1,04,61,864	81,40,351	67,84,713	1,22,62,079	1,32,44,959	1,75,58,602	2,36,92,120	2,72,07,505	2,46,57,603
11	Amount charged by the Coal Company	(RS.)	2,81,77,749	2,87,54,674	3,13,70,151	3,13,62,366	3,43,13,040	3,76,38,681	3,62,11,928	3,72,31,178	3,17,98,379	3,43,92,229	3,64,98,449	2,99,32,036
12	Adjustment (+) in amount charged made by Coal Company	(RS.)	2,81,77,749	2,87,54,674	3,13,70,151	3,13,62,366	3,43,13,040	3,76,38,681	3,62,11,928	3,72,31,178	3,17,98,379	3,43,92,229	3,64,98,449	2,99,32,036
13	Total amount Charged (11+12)	(RS.)	2,81,77,749	3,03,71,323	3,19,59,148	3,13,62,366	3,43,13,040	3,76,38,681	3,672,11,028	3,712,31,178	3,173,98,379	3,145,92,999	3,104,98,449	2,990,32,016
14	Adjustment charges in individual statement Adjustment (+) in amount charged made by Railways Transport Company including debit credit note by MCL	(RS.)	191,79,510	1,41,98,731	1,13,92,444	2,29,30,292	3,54,72,674	3,96,86,162	3,96,86,162	2,16,21,196	2,16,21,196	1,96,62,748	2,54,79,111	1,60,15,429
15	Cost of coal in stock at the end of the month (10+14)	(RS.)	1,25,666	1,08,718	69,545	50,752	40,918	77,774	78,949	1,06,882	1,48,593	1,67,813	1,49,570	1,04,975
16	Percentage Charges, if any	(RS.)	191,79,510	1,41,98,731	1,13,92,444	2,29,30,292	3,54,72,674	3,96,86,162	3,96,86,162	2,16,21,196	2,16,21,196	1,96,62,748	2,54,79,111	1,60,15,429
17	Cost of coal in stock at the end of the month (15+16)	(RS.)	1,25,666	1,08,718	69,545	50,752	40,918	77,774	78,949	1,06,882	1,48,593	1,67,813	1,49,570	1,04,975
18	Cost of coal in stock at the end of the month (15+16+17)	(RS.)	1,25,666	1,08,718	69,545	50,752	40,918	77,774	78,949	1,06,882	1,48,593	1,67,813	1,49,570	1,04,975
19	Other Storage packing charges, loco drivers salary, Transportation Charges (13+14+15+16+17)	(RS.)	3,903,48,659	3,299,06,685	3,181,98,705	3,410,59,621	3,698,05,704	3,995,11,352	4,068,67,199	3,928,52,343	3,224,04,401	3,442,55,747	3,359,68,500	3,150,67,436
20	Average cost of coal (Opening stock + receipts) (10+19) / 7	(RS./MT)	1,439	1,462	1,564	1,643	1,701	1,577	1,678	1,645	1,595	1,621	1,649	1,637
21	Cost of coal in stock at the end of the month (20X9)	(RS.)	1,25,666	1,08,718	69,545	50,752	40,918	77,774	78,949	1,06,882	1,48,593	1,67,813	1,49,570	1,04,975
22	Weighted average GCV of coal as fired - T.M Basis (Cost/Cal)	(Cal/Kg)	2,981	2,752	2,503	3,001	3,105	3,102	3,104	2,930	3,005	3,136	3,114	3,029



Details/Information to be Submitted in respect of Fuel for Computation of Energy Charges for FPA

FORMAT - 7.1 (O)

Name of the Utility / Company : Odisha Power Generation Corporation Limited  
Name of the Thermal Power Station: IB TPS Units 1 & 2

S.NO	PARTICULARS	Unit	For the Month of												
			Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	
			LDO	LDO	LDO	LDO	LDO	LDO	LDO	LDO	LDO	LDO	LDO	LDO	LDO
1	Quantity of Sec Fuel oil(FO, HSD/LDO) in stock at the beginning of the month	KL	484	409	522	435	559	446	500	490	558	448	517	520	
2	Quantity of Sec Fuel oil(FO, HSD/LDO) supplied by company	KL	180	252	-	142	-	190	-	167	-	514	80	-	
3	Adjustment (+/-) in quantity of Sec Fuel oil (FO, HSD/LDO) supplied by company	KL	-	-	-	-	-	-	-	-	-	-	-	-	
4	Gross Oil(FO, HSD/LDO) supplied by company(2+3)	KL	180	252	-	142	-	190	-	167	-	514	80	-	
5	Nonpetive/Tripair Loss	KL	-	-	-	-	-	-	-	-	-	-	-	-	
6	Net Oil (FO, HSD/LDO) supplied by company(4-5)	KL	180	252	-	142	-	190	-	167	-	514	80	-	
7	Total oil receipt & in stock (1+6)	KL	664	661	572	577	559	636	500	657	558	961	597	520	
8	Total Oil Consumed	KL	255	89	137	18	112	137	9	100	110	444	77	-	
9	Oil in stock at the end of month	KL	409	572	435	559	446	500	490	558	448	517	520	520	
10	Value of oil in stock (landed cost of 1)	Rs	203,70,905	1,76,78,238	2,55,50,145	1,94,38,222	2,56,90,722	2,01,44,602	2,32,47,230	2,28,07,339	2,73,04,652	2,19,14,929	2,74,65,288	2,78,62,205	
11	Amount charged by company	Rs	83,31,850	1,18,48,954	1,18,48,954	70,99,487	-	94,58,484	-	-	-	291,38,647	45,20,751	-	
12	Adjustment (+/-) in Amount charged by Company	Rs	-	-	-	-	(1,11,418)	-	-	-	-	-	-	-	
13	Total amount charged(11+12)	Rs	83,31,850	1,18,48,954	-	70,99,487	(1,11,418)	94,58,484	-	-	-	291,38,647	45,20,751	-	
14	Transportation charges	Rs	-	-	-	-	-	-	-	-	-	-	-	-	
15	Adjustment (+/-) in Transportation charges	Rs	-	-	-	-	-	-	-	-	-	-	-	-	
16	Demurrage charges if any	Rs	-	-	-	-	-	-	-	-	-	-	-	-	
17	Cost of diesel in transporting oil through MGR System if applicable	Rs	-	-	-	-	-	-	-	-	-	-	-	-	
18	Total Transportation charges(14+15+16+17)	Rs	-	-	-	-	-	-	-	-	-	-	-	-	
19	Total amount charged for oil including Transportation(13-18)	Rs	83,31,850	1,18,48,954	-	70,99,487	(1,11,418)	94,58,484	-	-	-	291,38,647	45,20,751	-	
20	Average cost of oil in stock (receipt)	Rs/KL	43,250	44,688	41,688	45,994	45,795	46,520	46,520	48,953	48,953	53,098	53,555	53,555	
21	Cost of Oil in stock at the end of month	Rs	1,76,78,238	2,55,50,145	1,94,38,222	2,56,90,722	2,04,40,795	2,32,47,230	2,28,07,339	2,73,04,652	2,19,14,929	2,74,65,288	2,78,62,205	2,78,62,205	
22	Weighted AVG Rate of oil fired	Rs/KL	43,250	44,688	44,688	45,994	45,795	46,520	46,520	48,953	48,953	53,098	53,555	53,555	
23	Weighted AVG CCV of oil fired	(Rs/lt)	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	

Energy Charges for Thermal Generation			
Name of the Utility / Company : Odisha Power Generation Corporation Limited			FORM-7.2
Name of the Thermal Power Station: IB TPS Units 1 & 2			Year Ending March
Particulars	Units	Reference	FY 2019-20
<b>Operational Parameter</b>			
Number of Units			
<i>Upto 250 MW</i>			2
Total Capacity	MW		420
Availability	%		68.49%
PLF	%		68.49%
Gross Generation	MU		2526.79
Auxiliary Energy Consumption	%		9.50%
Auxiliary Energy Consumption	MU		240.04
Net Generation	MU		2286.74
Heat Rate	kcal/kwh		2500
<b>Fuel Parameters</b>			
<b>Calorific Value for Different Fuels</b>			
Indigenous Coal	kcal/Kg	From 7.1 ( C )	2972
HFO	kcal/Ltr.	From 7.1 ( O )	10000
LDO	kcal/Ltr.	From 7.1 ( O )	10000
<b>Landed Fuel Price for different fuels</b>			
Indigenous Coal	Rs/MT	From 7.1 ( C )	1,600.13
HFO	Rs/KL	From 7.1 ( O )	40,825.69
LDO	Rs/KL	From 7.1 ( O )	48,291.13
<b>Specific Fuel Consumption</b>			
Indigenous Coal	Kg/kWh		0.83
HFO	ml/kWh		3.15
LDO	ml/kWh		0.35
<b>Total Fuel Consumption</b>			
Indigenous Coal	MT		20,95,888
HFO	KL		7,959
LDO	KL		884
<b>Heat Content (each fuel separately)</b>			
Indigenous Coal	Million kcal		6228532
HFO	Million kcal		79594
LDO	Million kcal		8844
<b>Total Fuel Cost</b>			
Indigenous Coal	Rs. Crore		335.37
HFO	Rs Crore		32.49
LDO	Rs Crore		4.27
Total fuel Cost	Rs Crore		372.14
Energy Charges per unit	Rs./kWh		162.74

## Statement of Additional Capitalisation after COD

Name of the Utility / Company : Odisha Power Generation Corporation Limited

FORM-8.4

Name of the Thermal Power Station: IB TPS Units 1 &amp; 2

Cost in Rs. Crores

Sl.No.	Year	Work/Equipment added Beyond Cut off Date	Amount Capitalised / Proposed to be capitalised	Justification	Admitted Cost
(1)	(2)	(3)	(4)	(5)	(6)
1	FY 2019-20	Please refer to Annexure 7	9.80	Please refer to Annexure 7	-

