

A5: PROVISIONAL TRUE UP OF FY 2007-08 AS PER PROVISIONAL ANNUAL ACCOUNTS FOR THAT YEAR

- 5.1 As part of the tariff determination process, the Commission acquired the provisional accounts for FY 2007-08 from the petitioner.
- 5.2 The Commission scrutinized the provisional accounts submitted by the petitioner for FY 2007-08 and observed variations on the cost and operational parameters between the figures approved by the Commission in tariff order FY 2007-08 and the provisional accounts for that year.
- 5.3 Accordingly, the Commission decided to conduct the provisional truing up for FY 2007-08 based on the actual data from the provisional annual accounts and as per the 'Generation Tariff Regulations, 2004'.
- 5.4 The component-wise description of Commission's analysis on the same is given below.

Plant Load Factor (PLF)

Petitioner's submission

- 5.5 The petitioner has submitted the actual PLF of 47.78% for FY 2007-08 for the two Units of the Tenughat Power Plant.

Commission's analysis

- 5.6 The Commission has approved the PLF of 47.78% for the two units but restates that the petitioner needs to take suitable measures to improve the PLF and availability by FY 2011-12 as per the norms of the Commission.

Gross Generation

Petitioner's submission

- 5.7 The petitioner has submitted the actual gross generation on the basis of proposed PLF of the two Units. The Gross generation has been calculated by the petitioner at 1795 MUs for the two Units.

Commission's analysis

- 5.8 The Commission approves the Gross Generation at 1795 MUs for the two Units of Tenughat TPS.

Auxiliary Consumption

Petitioner's submission

- 5.9 The petitioner has submitted that the auxiliary consumption for FY 2008-09 at 9.95% for both the Units of Tenughat plant.

Commission's analysis

- 5.10 The 'Generation Tariff Regulations, 2004' states that the auxiliary consumption allowed for such plants will be 9%. Accordingly the Commission has approved the auxiliary consumption at 9%.

Net Generation

Petitioner's submission

- 5.11 The actual Net Generation submitted by the petitioner is at 1616.14 MUs for the two Units of Tenughat Plan for FY 2007-08.

Commission's analysis

- 5.12 The Commission has computed the net generation at 1633.19 MUs for the two units of Tenughat TPS for FY 2007-08, on the basis of the gross generation and auxiliary consumption calculated and approved by the Commission.

Station Heat Rate (SHR)

Petitioner's submission

- 5.13 The petitioner has submitted the actual SHR at 2945 kcal/kWh for FY 2007-08.

Commission's analysis

- 5.14 The 'Generation Tariff Regulations, 2004' specifies the station heat rate of 2500 kcal/kWh during the post-stabilization period of coal-based generation stations with capacity between 200 MW and 500 MW. The station heat rate proposed by the petitioner is very high. In the previous tariff order for FY 2007-08 also the Commission had approved a SHR of 2500 Kcal/Kwh.

- 5.15 The Commission is not in agreement with the submissions of the petitioner for approving a higher SHR for truing up of FY 2007-08. The Commission approves a SHR as per the 'Generation Tariff Regulations, 2004' at 2500 kcal/kWh for the two Units of Tenughat power station.

Specific oil consumption

Petitioner's submission

5.16 The petitioner has submitted 1.96 ml/kWh as the actual specific oil consumption in FY 2007-08 for the two Units of Tenughat TPS.

Commission's analysis

5.17 The 'Generation Tariff Regulations, 2004' specify a maximum secondary fuel consumption of 2.0 ml/kWh and since the utility has proposed a specific oil consumption of less than the normative value, the Commission approves the same for FY 2007-08.

Gross Calorific Value (GCV) of primary and secondary fuel

Petitioner's submission

5.18 The petitioner has submitted the actual GCV of 4274.31 Kcal/Kg .It has submitted the GCV of secondary fuel at 10000 kcal/kl.

Commission's analysis

5.19 The Commission has approved the figures submitted by the petitioner.

Price of primary and secondary fuel

Petitioner's submission

5.20 The petitioner has submitted the price of coal at Rs. 1314.84 /MT.

Commission's analysis

5.21 The Commission has verified the coal process from the bills of coal and approves the price of coal at Rs. 1314.84 /MT.

Transit Loss

Petitioner's submission

5.22 The petitioner has submitted the transit loss at 0.3%.

Commission's analysis

5.23 Since the petitioner has submitted the transit loss of 0.3%, which is in accordance with the 'Generation Tariff Regulations 2004', the Commission has also considered the same for the true up of FY 2007-08.

Summary of Plant parameters & fuel cost determinants

5.24 The summary of Plant parameters and fuel cost determinants for the two Units of Tenughat plant of the Petitioner and true-up by the Commission for FY 2007-08 is given below

Table 18-Plant parameters & Fuel cost determinants (True up for FY 2007-08)

Parameters	Unit	Unit I & II	
		Submitted by the Petitioner	True up by JSERC
Capacity	MW	420	420
Plant Load Factor	%	48.78%	48.78%
Auxiliary Consumption	%	9.75%	9.00%
Station Heat Rate	Kcal/Kwh	2945	2500
GCV of Coal	Kcal/Kg	4274.31	4274.31
GCV of oil	Kcal/Kg	10000	10000
Specific oil consumption	ml/Kwh	1.96	1.96
Coal consumption	MT	1232041	1044630
Oil consumption	Kl	3510.46	3510.46
Price of Coal	Rs/MT	1314.84	1314.84
Price of Oil	Rs/KL	22390.23	22390.23
Total Coal Cost	Rs. Cr	161.99	137.35
Total Oil cost	Rs. Cr	7.86	7.86
Net Fuel Cost	Rs. Cr	169.85	145.21
Energy Charges	Rs/Unit	1.05	0.89

Provisional true up for fixed cost determinants

5.25 The true up of depreciation has been taken from the annual accounts for FY 2007-08 submitted by the petitioner. The Interest on loan has been calculated as per the project cost structure now submitted by the petitioner.

5.26 The return on equity, O&M charges and interest on working capital figures have been considered as per the 'Generation Tariff Regulations, 2004'.

Summary of Fixed Cost determinants and Generation Tariff

5.27 The table below shows the fixed cost determinants and Generation tariff for FY 2007-08 provisionally true up by the Commission as per the actual data and Provisional accounts.

Table 19- Fixed cost determinants and Generation Tariff (Rs. Cr) (True-up for FY 2007-08)

Parameters	Units	Unit II	
		Submitted by the Petitioner	Approved by JSERC
O&M charges	Rs. Cr	60.5	61.07
Depreciation	Rs. Cr	44.17	44.17
Interest on Loan	Rs. Cr	86.66	83.06
Return on Equity	Rs. Cr	14.00	16.27
Interest on Working Capital	Rs. Cr	12.70	7.62
Total Fixed cost	Rs. Cr	217.60	212.19
Non-Tariff Income	Rs. Cr	12.46	12.46
Net Fixed cost	Rs. Cr	205.14	199.73
Energy Cost	Rs. Cr	169.85	145.21
Total Cost	Rs. Cr	374.99	344.95
Existing Tariff (FY 2007-08)	(Rs/Kwh)	2.05	2.05
Revenue at Existing Tariff*	Rs. Cr	331.31	334.80
Revenue (Gap)/Surplus	Rs. Cr	(43.69)	(10.14)

5.28 The Commission approves the revenue gap of Rs. 10.14 Cr as per provisional true up for FY 2007-08.