

### A3: SUMMARY OF THE PETITIONS FILED BY THE PETITIONER

#### Overview of the Thermal Stations

- 3.1 The petitioner has submitted that it operates two Units (Units I and II) of Tenughat Thermal Power Plant that are the subject of tariff determination in the petitions filed by it. With the creation of Jharkhand State on November 15, 2000, the Petitioner is an undertaking of Government of Jharkhand. All the papers relating to Tenughat Thermal Power Station (TTPS) are still lying at the erstwhile office of the Petitioner located in Patna and in spite of the orders of the Jharkhand High Court, the petitioner is not in a position to access these documents.. As such the details of the estimated costs of various items related to the project are not available to the petitioner. However, based on the expenditure details available with TTPS, the total cost of the project including Interest during construction (IDC) is estimated at Rs.1355.58 Cr. This has been audited by Chartered Accountants.
- 3.2 The following table summarizes the information pertaining to the two Units of the power plant operated by the petitioner.

**Table 3- Summary of power plants owned by the Petitioner**

Name of thermal plant	Installed Capacity (MW)	Status of Operation	Commercial Operation Date
Unit I, Tenughat Power Plant	210	Operational	September, 1996
Unit II, Tenughat Power Plant	210	Operational	September, 1997

#### Status of PPA

- 3.3 The petitioner entered into a Power Purchase Agreement (PPA) with JSEB on July 19, 2005. The PPA was executed on September 1, 2005 and remains valid and operative till August 1, 2010. As per the PPA, the applicable rate for sale of energy by the Petitioner to JSEB will be the rate decided by JSERC at delivery point.

#### ARR & Tariff Determination

- 3.4 The tariff for sale of electricity from a thermal power generating station comprises of two parts, namely, the recovery of annual capacity (fixed) charges and energy (variable) charges.
- 3.5 The annual capacity (fixed) charges consist of:
- Return on equity
  - Interest on loan capital
  - Operation & Maintenance (O&M) expenses
  - Depreciation
  - Interest on working capital

- 3.6 The energy (variable) charges cover fuel cost comprising:
- (a) The cost of primary fuel (coal), and
  - (b) The cost of secondary fuel (oil)

### Tariff petition for FY 2008-09

- 3.7 The table below summarizes the variable cost components as proposed by the petitioner in the petition of FY 2008-09 for the tariff period of that year:

**Table 4- Proposed Energy (variable) charges for FY 2008-09**

Energy Charge Components	Units	Unit I&II
Installed capacity	MW	420
Plant Load Factor	%	60.43
Gross Generation	MUs	2223
Auxiliary Consumption	%	8.37
Net Generation	MUs	2037
Specific Coal Consumption	Kg/Kwh	0.715
Total Coal Consumption	MT	1589745.3
Total Coal Consumption including transit losses @ 0.30%	MT	1594515
Delivered coal price	Rs./MT	1295.50
Total Coal cost	Rs. Lakhs	20656.94
Specific Oil Consumption	ml / kWh	2.78
Total Oil consumption	Kl	6181
Delivered Oil price	Rs./Kl	39045
Total oil cost	Rs. Lakhs	2413.41
Coal cost per unit	Rs./kwh	1.014
Oil cost per unit	Rs./Kwh	0.118
Total Fuel Cost per unit ( energy charges)	Rs./kwh	1.132
<b>Total Fuel Cost</b>	<b>Rs. Cr.</b>	<b>230.70</b>

- 3.8 The table below summarizes the net ARR as proposed by the petitioner in the petition of FY 2008-09 for the tariff of that year:

**Table 5- Proposed ARR for FY 2008-09 (Rs. Cr.)**

	Unit I&II
O&M expenses	84.12
Depreciation	45.28
Interest on Loan	83.06
Interest on Working Capital	15.70
Return on Equity	19.32
<b>Total Fixed Charges</b>	<b>247.48</b>
Less: NTI	<b>4.20</b>
<b>Energy Charges</b>	<b>230.70</b>
<b>Net ARR</b>	<b>473.99</b>

### Tariff petition for FY 2009-10

- 3.9 The table below summarizes the variable cost components as proposed by the petitioner in the petition of FY 2009-10 for the tariff of that year:

**Table 6 - Proposed Energy (Variable) Charges for FY 2009-10**

Energy Charge Components	Units	Unit I&II
Installed capacity	MW	420
Plant Load Factor	%	67.68
Gross Generation	MUs	2490
Auxiliary Consumption	%	9
Net Generation	MUs	2266
Specific Coal Consumption	Kg/Kwh	0.720
Total Coal Consumption	MT	1792859
Total Coal Consumption including transit losses	MT	1798238
Delivered coal price	Rs./MT	1300.00
Total Coal cost	Rs. Lakhs	23377.09
Specific Oil Consumption	ml / kWh	2.50
Total Oil consumption	Kl	6225
Delivered Oil price	Rs./Kl	39045.20
Total oil cost	Rs. Lakhs	2430.64
Coal cost per unit	Rs./kwh	1.032
Oil cost per unit	Rs./Kwh	0.107
Total Fuel Cost per unit (energy charges)	Rs/ Kwh	1.139
<b>Total Fuel Cost</b>	<b>Rs. Cr.</b>	<b>258.08</b>

3.10 The table below summarizes the annual revenue requirement as proposed by the petitioner in the petition for FY 2009-10 :

**Table 7- Proposed ARR for FY 2009-10 (Rs. Cr.)**

	Unit I&II
O&M expenses	124.10
Depreciation	45.55
Interest on Loan	83.15
Interest on Working Capital	18.05
Return on Equity	19.43
Income Tax	Nil
<b>Total Fixed Charges</b>	<b>290.28</b>
<b>Less: NTI</b>	<b>2.00</b>
<b>Energy Charges</b>	<b>258.08</b>
<b>Net ARR</b>	<b>546.36</b>

3.11 Apart from the petitions filed for FY 2008-09 & FY 2009-10, the petitioner has submitted the provisional accounts for FY 2007-08 & FY 2008-09 on the basis of which the Commission has decided to provisionally true up the ARR for FY 2007-08 & FY 2008-09.