



**ORDER  
OF THE  
WEST BENGAL ELECTRICITY REGULATORY COMMISSION  
IN CASE NO. OA-293/18-19**

IN REGARD TO THE APPLICATION SUBMITTED BY INDIA POWER CORPORATION LIMITED (IPCL) FOR IMPLEMENTATION OF ORDERS OF HON'BLE APPELLATE TRIBUNAL FOR ELECTRICITY (APTEL), NEW DELHI IN (A) APPEAL NO 217/2012 AND APPEAL NO 7/2013 BOTH DATED 1<sup>ST</sup> APRIL 2014 (B) APPEAL NO 277/2013 AND 286/2013 DATED 27<sup>TH</sup> OCTOBER 2014 (C) APPEAL NO 287/2013 DATED 23<sup>RD</sup> MAY 2014

**PRESENT:**

**SRI SUTIRTHA BHATTACHARYA, CHAIRPERSON  
SRI DURGADAS GOSWAMI, MEMBER  
SRI PULAK KUMAR TEWARI, MEMBER**

**DATE: 16.04.2021**



**Certified true Copy**



Implementation of Orders of the Hon'ble Appellate Tribunal for Electricity (APTEL), New Delhi in (a) Appeal No 217/2012 and Appeal No 7/2013 both dated 1<sup>st</sup> April 2014; (b) Appeal No 277/2013 and 286/2013 dated 27<sup>th</sup> October 2014 (c) Appeal No 287/2013 dated 23<sup>rd</sup> May 2014



**Facts in brief:**

- 1.0 India Power Corporation Limited (in short 'IPCL') submitted a petition on 20.09.2018 for implementation of the Orders of the Hon'ble Appellate Tribunal for Electricity (APTEL) New Delhi in (a) Appeal No. 217/2012 and Appeal No. 7/2013 both dated 1<sup>st</sup> April 2014; (b) Appeal No. 277/2013 and 286/2013 dated 27<sup>th</sup> October 2014 (c) Appeal No. 287/2013 dated 23<sup>rd</sup> May 2014. The petition has been registered as Case No. OA-293/18-19.
- 2.0 In their petition IPCL submitted the following:
- 2.1 West Bengal Electricity Regulatory Commission (hereinafter referred to as the "Commission" or 'WBERC') had passed Orders dated 30.06.2010 pertaining to determination of Fuel and Power Purchase Cost Adjustment (FPPCA) for Financial Year (FY) 2008-09 and Order dated 04.06.2012 pertaining to FPPCA for FY 2009-10.
- 2.2 Aggrieved by the aforesaid Orders, IPCL preferred appeals before the Hon'ble APTEL, New Delhi being in Appeal No. 217 of 2012 and Appeal No. 7 of 2013 against these two Orders passed by the Commission. The issue in the Appeals are limited to the disallowance of the expenses of quality and quantity assurance incentive paid by the Appellant to its transporters of coal.
- 2.3 Further, the Commission passed Orders pertaining to determination of FPPCA for FY 2010-11 and FY 2011-12 dated 17.12.2010 and 25.07.2013 respectively including the Order dated 01.07.2013 on Review Petition on the FPPCA Order of the Commission dated 17.12.2010.
- 2.4 Aggrieved by the above-mentioned Orders, IPCL preferred appeals before the Hon'ble APTEL, New Delhi being in Appeal No. 277 of 2013 and 286 of 2013, the issue being disallowance of costs due to incentives (Quality and Quantity assurance charges) paid on coal transportation.
- 2.5 IPCL had also preferred appeal, in part, being Appeal No. 287/2013 before the Hon'ble APTEL, New Delhi against disallowance of O&M expenses in the MYT Order of the Commission dated 14.02.2013 and Review Order dated 08.05.2013.

*West Bengal Electricity Regulatory Commission*

2



**Certified true Copy**





Implementation of Orders of the Hon'ble Appellate Tribunal for Electricity (APTEL), New Delhi in (a) Appeal No 217/2012 and Appeal No 7/2013 both dated 1<sup>st</sup> April 2014; (b) Appeal No 277/2013 and 286/2013 dated 27<sup>th</sup> October 2014 (c) Appeal No 287/2013 dated 23<sup>rd</sup> May 2014



- 2.6 The Hon'ble APTEL, New Delhi has allowed the appeals in part and has remanded the matters to the Commission with some directions. The Orders of Hon'ble APTEL vis-à-vis the Orders of the Commission have been tabulated below:

APTEL Judgments in	Against WBERC Orders on
Appeal No. 7 of 2013 dated 01.04.2014	FPPCA Order 2008-09 dated 30.06.2010
Appeal No. 217 of 2012 dated 01.04.2014	FPPCA Order 2009-10 dated 04.06.2012
Appeal No. 277 of 2013 dated 27.10.2014	FPPCA Order 2010-11 dated 17.12.2012 and Review Order dated 01.07.2013
Appeal No. 286 of 2013 dated 27.10.2014	FPPCA Order 2011-12 dated 25.07.2013
Appeal No. 287 of 2013 dated 23.05.2014	MYT Order dated 14.02.2013 and Review Order dated 08.05.2013

- 2.7 IPCL has also claimed the financial impact of non-consideration of such cost which have been tabulated below:

APTEL Judgments in	Claims (in Rs Crore)
FPPCA Order 2008-09 dated 30.06.2010	1.4
FPPCA Order 2009-10 dated 04.06.2012	5.6
FPPCA Order 2010-11 dated 17.12.2012 and Review Order dated 01.07.2013	4.1
FPPCA Order 2011-12 dated 25.07.2013	2.3
MYT Order dated 14.02.2013 and Review Order dated 08.05.2013	5.2
<b>Total</b>	<b>18.6</b>

- 2.8 In view of the above, IPCL prayed to implement the judgements of the Hon'ble APTEL and to allow claims of Rs. 18.6 crores incurred by issuing appropriate orders for recovery.
- 3.0 The Commission has noted the Judgements of the APTEL as submitted by IPCL in the instant Petition:
- 3.1 In the Judgement in Appeal No. 7 of 2013 and Appeal No. 217 of 2012 dated 01.04.2014, the Hon'ble APTEL has given opportunity to IPCL to present its case before the Commission for quality assurance service for Dishergarh Power Station for FY 2008-09 and for quantity assurance service rendered by the coal transporter for both the power plants for FY 2008-09 and 2009-10. The directions given by Hon'ble APTEL have been reproduced below:





Implementation of Orders of the Hon'ble Appellate Tribunal for Electricity (APTEL), New Delhi in (a) Appeal No 217/2012 and Appeal No 7/2013 both dated 1<sup>st</sup> April 2014; (b) Appeal No 277/2013 and 286/2013 dated 27<sup>th</sup> October 2014 (c) Appeal No 287/2013 dated 23<sup>rd</sup> May 2014



"27. As regards the weighted average heat value of coal received, the position is as under:

	<u>Dishergarh</u> Weighted average Heat Value of Coal		<u>Chinakuri</u> Weighted average Heat Value of Coal	
	Minimum as per Regulation 4.8	Actual	Minimum as per Regulation 4.8	Actual
FY 2008-09	5551.44	5623.00	5518.88	5221.00
FY 2009-10	5647.85	5517.00	5515.48	4942.00

Thus, the actual weighted average Heat Value of Coal for Chinakuri during 2008-09 and for Dishergarh and Chinakuri for FY 2009-10 fell short of the minimum allowable weighted average heat value of coal as per the grade mix of actual coal consumption as per the Regulation 4.8. However, during FY 2008-09, the Heat Value of coal actually received at Dishergarh has been more than the minimum value as per the Regulations 4.8. We also find that the State Commission has not considered the incentive for quantity assurance.

28. We find that the Appellant has not provided specific details to justify the claims for quality and quantity assurance incentive paid to the transporter. The only argument advanced by the Appellant in support of providing incentive to the transporter for quality/ quantity assurance service is that if the incentive had not been given to the contractor the quantity and quality of coal would have been inferior to that actually received. We feel that this argument alone will not establish the value addition, if any, provided by the coal transporter towards quality/ quantity assurance. The Appellant has to clearly establish by the documentary proof that the coal transporter has provided the value addition in maintaining quality and quantity of coal with respect to a benchmark and the incentive is justified for the services rendered. State Commission has established the benchmark in the







Implementation of Orders of the Hon'ble Appellate Tribunal for Electricity (APTEL), New Delhi in (a) Appeal No 217/2012 and Appeal No 7/2013 both dated 1<sup>st</sup> April 2014; (b) Appeal No 277/2013 and 286/2013 dated 27<sup>th</sup> October 2014 (c) Appeal No 287/2013 dated 23<sup>rd</sup> May 2014



*Regulation 4.8.1 for quality of coal. However, there is no benchmark for quantity of coal.*

*29. In view of the above, we give an opportunity to the Appellant to establish with the help of documents the justification of claim for quality assurance for Dishergarh for FY 2008-09 where the heat value of coal has been more than the minimum value as per Regulation 4.8 and for quantity assurance service provided to both the power plants for the FY 2008-09 and 2009-10 and the State Commission shall consider the same without being influenced by its findings in the impugned order. If the Appellant is able to establish the value addition actually provided by the coal transporter based on the documentary proof, the Commission shall allow only the amount of incentive as expenditure in coal cost which is justified for the value addition service provided by the transporter."*

- 3.2 In the Judgement in Appeal No. 277 of 2013 and Appeal No. 286 of 2013 dated 27.10.2014, the Hon'ble APTEL has not found any merit in the claim of IPCL for additional payment to the contractor for quality / quantity assurance service over and above the transportation cost. However, the Hon'ble APTEL has found merit in the claim of IPCL regarding increase in weighted average distance of collieries from which coal was actually supplied to the power plants during the FY 2010-11 and 2011-12 compared to the previous year which has not been considered by the Commission while determining the transportation cost. Hon'ble APTEL remanded the matter to the Commission for redetermination of the transportation cost after considering the distance of the collieries from which coal was supplied to the power plants with the following directions at Para 33 (iv) of the said Judgement which is reproduced below:

*"..... However, as indicated above the State Commission has to re-determine the transportation charges after considering the data furnished by the Appellant regarding the distance and quantity of coal received from the various collieries during the FY 2010-11 and 2011-12 compared to FY 2009-*





Implementation of Orders of the Hon'ble Appellate Tribunal for Electricity (APTEL), New Delhi in (a) Appeal No 217/2012 and Appeal No 7/2013 both dated 1<sup>st</sup> April 2014; (b) Appeal No 277/2013 and 286/2013 dated 27<sup>th</sup> October 2014 (c) Appeal No 287/2013 dated 23<sup>rd</sup> May 2014



*10 and accordingly escalate the transportation cost based on distance and inflation factor over the transportation cost allowed for FY 2009-10."*

- 3.3 In the Judgement in Appeal No. 287 of 2013 dated 23.05.2014, the Hon'ble APTEL has remanded the matter back to the Commission to pass appropriate order on this aspect in accordance with law after hearing the Appellant and after considering the material furnished by them. The directions given by the Hon'ble APTEL has been reproduced below:

*"20. Under those circumstance, it is appropriate to direct the Appellant to give those particulars to the State Commission regarding the legal expenses actually incurred and in that event the State Commission would consider the same and decide the issue after prudent check."*

- 4.0 In view of the above judgements of the Hon'ble APTEL, the Commission vide letter dated 11.09.2019 directed IPCL to submit clarifications as detailed below alongwith relevant documents to,
- a) establish the value addition actually provided by the coal transporter based on documentary proof for FY 2008-09 and FY 2009-10;
  - b) ascertain distance of various collieries from which coal was actually supplied to the generating stations (duly certified by competent authority) and relevant quantities thereof, for determination of transportation charges for FY 2010-11 and FY 2011-12 and
  - c) determine legal expenses actually incurred during the relevant MYT control period
- 5.0 IPCL vide letter dated 26.11.2019 submitted the following:
- 5.1 In order to ensure minimum quantity and quality of coal, in the prevalent circumstances, IPCL was constrained to pay an incentive to its transporters for the purpose of ensuring that at least the contracted quantity and quality of coal is procured from its supplier, Eastern Coalfield Limited. Now, for FY 2008-09, in order to ensure the transportation of coal, IPCL







Implementation of Orders of the Hon'ble Appellate Tribunal for Electricity (APTEL), New Delhi in (a) Appeal No 217/2012 and Appeal No 7/2013 both dated 1<sup>st</sup> April 2014; (b) Appeal No 277/2013 and 286/2013 dated 27<sup>th</sup> October 2014 (c) Appeal No 287/2013 dated 23<sup>rd</sup> May 2014



issued work order on M/s PVR Inshield Bituminous Pvt. Ltd. for the concerned period with the following terms:

- a) Coal Sampling and analysis to be carried out at receiving end of both Dishergarh Power Station (DPS) and Chinakuri Power Station (CPS) by CPS personnel in the CPS Power Station Laboratory and the test results will be binding on both sides.
- b) Result of coal analysis done at CPS laboratory on 'as fired' basis will be taken as reference for calculating penalty/ incentive to the contractor.
- c) The contractor has guaranteed a supply of coal having GCV of 5350 Kcal/kg on 'as fired' basis, which is normative, weighted average of GCV of coal received by CPS and DPS, prior to implementation of the incentive scheme.

IPCL further stated that as per the terms of the work order dated 29.11.2006 and subsequent amendment to the original work order, the Petitioners have paid only quality assurance service cost to the transporter from April 2008 to November 2008 and Quantity assurance service cost has been paid to the transporter from December 2008 to March 2009 amounting to Rs. 14322956. IPCL also submitted copies of respective bills of purchase of coal from Eastern Coalfield Limited, GCV reports, contract (work order) agreement with M/s PVR Inshield Bituminous Pvt Ltd and copies of bills raised by M/s PVR Bituminous Pvt Ltd.

Now, for FY 2009-10, to ensure the transportation of coal, IPCL issued work order on M/s PVR Inshield Bituminous Pvt. Ltd. IPCL stated that they had paid the quantity assurance cost to the transporter on the value addition and the same was clearly incorporated under the terms and conditions of the work order dated 21.04.2009 on M/s PVR Inshield Bituminous Pvt. Ltd., the key points of which are as below:

- a) Service Charge of Rs 600/MT for supply of any additional coal over and above 8000 MT
- b) The specified grade of coal has to meet at least the minimum calorific value declared by ECL. In case of non-achievement of the same, average calorific value per month may be assessed and the arrangement shall be reviewed by the management.





IPCL has submitted that they have paid quantity assurance incentive to the transporter during FY 2009-10 amounting to Rs 56296604. IPCL has submitted copies of GCV reports, bills of purchase of coal from Eastern Coalfield Limited and contract (work order) agreements with the coal transporter.

- 5.2 IPCL has submitted details of the distance of various collieries from the power stations and respective quantity of coal received during the FY 2010-11 and FY 2011-12 and has computed the weighted average distance between the collieries and power stations as tabulated below:

Weighted Average Distance from collieries in KM	Power Stations	2009-10	2010-11	2011-12
	Dishergarh	52.83	81.46	94.87
	Chinakuri	69.19	98.57	93.99

IPCL has also submitted copies of coal receipt statements for FY 2009-10, 2010-11 and 2011-12, route measurement sheets and bills of coal procurement pertaining to FY 2010-11 and 2011-12.

- 5.3 IPCL has submitted details of legal and professional charges for the year 2011-12 as part of compliance directed under para 9.8 of the Chapter 9 of the Tariff Order dated 14.02.2013.
- 6.0 Further, IPCL vide letter dated 27.07.2020 submitted the following:
- 6.1 IPCL has to establish with the help of documents, the justification of claim for quality assurance for Dishergarh Power Station for FY 2008-09 where the heat value of coal has been more than the minimum value as per Regulation 4.8 and for quantity assurance service provided to both the power plants for the FY 2008-09 and 2009-10 in reference to the Judgement dated 01.04.2014 in Appeal No. 217 of 2012 and Appeal No. 7 of 2013.
- 6.2 The incentive scheme during FY 2008-09 and 2009-10 contains the following:
- (i) Quality Assurance Incentive – Incentive on bringing coal with GCV (as fired basis) above 5350 kCal/kg and provision of penalty for GCV (as fired basis) below 5350 kCal/kg for the period April, 2008 to November, 2008.







Implementation of Orders of the Hon'ble Appellate Tribunal for Electricity (APTEL), New Delhi in (a) Appeal No 217/2012 and Appeal No 7/2013 both dated 1<sup>st</sup> April 2014; (b) Appeal No 277/2013 and 286/2013 dated 27<sup>th</sup> October 2014 (c) Appeal No 287/2013 dated 23<sup>rd</sup> May 2014



- (ii) Quantity Assurance Incentive – Incentive on delivery of monthly coal quantity above 8000 MT/ month for the period December, 2008 to March, 2009 and April, 2009 to March, 2010
- 6.3 Regarding Quality Assurance Incentive, IPCL stated that as per the New Coal Distribution Policy (NCDP), it was required to have an FSA with Coal Supplier however FSA could not be done with ECL at that time since their plants were categorized under CPP.
- 6.4 IPCL also stated that they have observed there was some grade slippage in primarily Chinakuri Power Station (CPS) during later part of FY 2004-05. Thus, a contract was awarded to an agency for improvement of quality of coal from November, 2006 onwards upto November, 2008. IPCL also claimed from the extracts of ECL's Annual Report for 2007-08 and 2008-09 that ECL has acknowledged the coal grade slippage issue which were under purview of third party/ joint sampling process. The result shows instances in the range of 18% to 13% for one grade slip.
- 6.5 IPCL also stated that they have periodically informed ECL regarding grade slippage issue and on continuous basis made efforts to sign FSA with ECL. However, due to inadvertent categorization of the plant as CPP, the FSA could not be signed at that time. IPCL further submitted that they have not renewed the Quality Assurance Incentive scheme after the contract condition expired in November, 2008.
- 6.6 Regarding Quantity Assurance Incentive, IPCL stated that ECL has confirmed only to the extent of 60% of monthly linkage of 13395 MT as assured delivery. However, there was no restriction on the maximum allocated linkage quantity lifting as per the model agreement 'Final Non Power Model Medium Demand dated 27.03.2008' by CIL.
- 6.7 In view of availability of coal with ECL and to ensure end consumers benefit by maximizing generation from the power plants, IPCL had to make efforts to negotiate with the transporting / handling agency appointed by IPCL with the primary objective of coal handling and transportation agency to liaison with ECL on behalf of IPCL to ensure additional quantity of coal along with desired quality. In order to ensure the additional quantity and quality of coal





Implementation of Orders of the Hon'ble Appellate Tribunal for Electricity (APTEL), New Delhi in (a) Appeal No 217/2012 and Appeal No 7/2013 both dated 1<sup>st</sup> April 2014; (b) Appeal No 277/2013 and 286/2013 dated 27<sup>th</sup> October 2014 (c) Appeal No 287/2013 dated 23<sup>rd</sup> May 2014



from ECL, the transporting agency was incentivized / penalized as per the contract or, else IPCL has to opt for procurement of balance 40% of ACQ coal through e-auction.

6.8 IPCL has presented three different case scenarios showing that the cost of fuel, including quantity assurance incentive was beneficial from consumer benefit point of view as compared to additional power purchase cost or 40% coal procurement through e-auction in case only 60% of ACQ was available. Brief details of the scenarios have been given below:

- (i) Scenario 1: IPCL has presented that the fuel cost from the power plants during FY 2008-09 and FY 2009-10 is less than the weighted average power purchase cost of the years concerned when the cost of fuel is considered with the quantity assurance incentive.

Particulars	Unit	2008-09		2009-10	
		Dishergarh	Chinakuri	Dishergarh	Chinakuri
Fuel Cost per unit	Rs/ kWh	2.83	1.99	3.02	2.26
Weighted average power purchase cost		3.48	3.48	3.56	3.56

- (ii) Scenario 2: IPCL has presented that instead of procuring coal over assured quantity of 60% by way of awarding incentive on quantity assurance, if additional power purchase would have been done, the burden on consumer could have increased by 10 paise/ unit in 2008-09 and 6 paise/ unit in 2009-10.
- (iii) Scenario 3: IPCL has presented that instead of procuring coal over assured quantity of 60% by way of awarding incentive on quantity assurance, if the rest 40% of the coal were procured from e-auction, then the GAP in savings with respect to the weighted average power purchase cost would have reduced compared to the Scenario 1.

Particulars	Unit	2008-09		2009-10	
		Dishergarh	Chinakuri	Dishergarh	Chinakuri
Fuel Cost per unit	Rs/ kWh	3.25	2.29	3.31	2.28
Weighted average power purchase cost		3.48	3.48	3.56	3.56







Implementation of Orders of the Hon'ble Appellate Tribunal for Electricity (APTEL), New Delhi in (a) Appeal No 217/2012 and Appeal No 7/2013 both dated 1<sup>st</sup> April 2014; (b) Appeal No 277/2013 and 286/2013 dated 27<sup>th</sup> October 2014 (c) Appeal No 287/2013 dated 23<sup>rd</sup> May 2014



- 7.0 The Commission vide letter dated 23.11.2020 directed IPCL to submit background papers on which the work order dated 29.11.2006 and work order dated 21.04.2009 along with respective amendments were issued.
- 8.0 In response, IPCL vide letter dated 04.12.2020 submitted that the agreements/ orders were placed on the vendor, viz., M/s PVR Inshield Bituminous Pvt. Ltd. due to its experience with the vendor's efficiency, productivity in terms of desired coal quality and quantity supplied in earlier years. It has also been submitted by IPCL that such old documents are not available with the management now as there are no electronic copies of the documents of the said period and also, various documents have gone missing as a result of change of management and fire at their central office at Dishergarh.

**Observations of the Commission:**

- 9.0 The Commission now taking note of the directions of the Hon'ble APTEL given in the Judgement in the Appeal No. 7 of 2013 and Appeal No. 217 of 2012 dated 01.04.2014 and in the Judgement in the Appeal No. 277 of 2013 and Appeal No. 286 of 2013 dated 27.10.2014 and subsequent submissions of IPCL vide their letter dated 26.11.2019, 27.07.2020 and 04.12.2020 proceeds with the matters as per the observations given in paragraphs 11.0 and 12.0 respectively.
- 10.0 The Commission further noted the directions of the Hon'ble APTEL given in the Judgement in the Appeal No. 287 of 2013 dated 23.05.2014 and submission of IPCL vide their letter dated 26.11.2019 and decided to hear the matter on 13.08.2020. In the hearing, the Commission raised certain points to be clarified by IPCL and accordingly IPCL vide letter dated 02.09.2020 submitted the clarifications on the following:
- (i) Provisions for re-examination of approved expense after issuance of Tariff Order.
  - (ii) Reasons for such high increase in Legal and Professional Expenses when compared to FY 2009 – 10 and 2010 – 11.
  - (iii) Any increase in Legal and Professional expenses compared to what have been approved in the past years may benefit IPCL business as well as the end consumers.





Implementation of Orders of the Hon'ble Appellate Tribunal for Electricity (APTEL), New Delhi in (a) Appeal No 217/2012 and Appeal No 7/2013 both dated 1<sup>st</sup> April 2014; (b) Appeal No 277/2013 and 286/2013 dated 27<sup>th</sup> October 2014 (c) Appeal No 287/2013 dated 23<sup>rd</sup> May 2014



- (iv) Failure to submit actual expense figure even as the MYT order was delayed.
- (v) Suppression of the actual expense related documents/ audited documents during MYT/ APR and review petition.

Based on the submission of IPCL, the Commission proceeds with the matter as per the observations given in paragraph 13.0.

11.0 Regarding the issue of incentive for Quality Assurance Services for Dishergarh Power Station pertaining to FY 2008 – 09 and the issue of incentive for Quantity Assurance Services for both Dishergarh Power Station and Chinakuri Power Station pertaining to FY 2008 - 09 and FY 2009 – 10 as given in the Judgement in the Appeal No. 7 of 2013 and Appeal No. 217 of 2012 dated 01.04.2014 of the Hon'ble APTEL, the Commission observes the following:

11.1 Hon'ble APTEL in paragraph 29 of the Judgement in the Appeal No. 7 of 2013 and Appeal No. 217 of 2012 dated 01.04.2014 reproduced at paragraph 3.1 of this order, has clearly stated that the Appellant is required to establish the justification of claim for quality assurance and quantity assurance with the help of documents and the Commission shall allow only the amount of incentive as expenditure in coal cost which is justified for the value addition service provided by the transporter only if the Appellant is able to establish the value addition actually provided by the coal transporter based on the documentary proof.

11.2 Quality Assurance Services for Dishergarh Power Station pertaining to FY 2008 – 09:

11.2.1 DPSC (presently IPCL) had issued work order on M/s PVR Inshield Bituminous Pvt. Ltd. on 29.11.2006 which was subsequently amended on 06.02.2007, 03.12.2007 and 24.12.2008. The said work order had a clause regarding incentive for quality assurance to be allowed to the contractor for improvement of weighted average GCV of coal received on "as fired" basis over the guaranteed figure (5350 Kcal/Kg) upto 5575 Kcal/Kg. Further, the work order states that the incentive will be effective when the Heat Value of the coal is 75 Kcal/Kg more than the guaranteed figure (5350 Kcal/Kg).







Implementation of Orders of the Hon'ble Appellate Tribunal for Electricity (APTEL), New Delhi in (a) Appeal No 217/2012 and Appeal No 7/2013 both dated 1<sup>st</sup> April 2014; (b) Appeal No 277/2013 and 286/2013 dated 27<sup>th</sup> October 2014 (c) Appeal No 287/2013 dated 23<sup>rd</sup> May 2014



- 11.2.2 Now, from the order dated 30.06.2010 for FPPCA of the FY 2008-09 in Case No. FPPCA-34/ 09-10, the Commission observed that during FY 2008-09, the actual weighted average heat value of coal at Dishergarh Power Station was more than the minimum value as per the Regulation 4.8 of the Tariff Regulations, 2007. The Hon'ble APTEL also pointed out the fact in Paragraph 27 in the Judgement in the Appeal No. 7 of 2013 and Appeal No. 217 of 2012 dated 01.04.2014.
- 11.3 Quantity Assurance Services for both Dishergarh Power Station and Chinakuri Power Station pertaining to FY 2008 - 09 and FY 2009 – 10:
- 11.3.1 LOA dated 29.11.2006 was placed on M/s PVR Inshield Bituminous Pvt. Ltd. by DPSC. In the said LOA, a multiplying factor of 1.45 for the unit rate for transportation of coal to the power plants was considered. The order was to remain valid for the entire contract period from 01.12.2006 to 30.11.2008. Subsequently, on 06.02.2007 i.e. after 68 days from the date of LOA, DPSC has revised the said rate chart and changed the multiplying factor to 1.80. Further, on 24.12.2008, DPSC modified their work order and included a service charge of Rs. 300 per MT for supply of additional quantities of coal per month over and above 8000 MT of coal from different collieries of ECL to Chinakuri Power Station from December, 2008 to March, 2009. Further, DPSC revised the order on 21.04.2009 on the basis of negotiation and offered service charge @ Rs. 3.50 Lakh per ton and an additional service charge of Rs. 600 per MT over and above the targeted supply.
- 11.3.2 Now, from the documents submitted by IPCL, it is observed that DPSC had received excess quantity of coal over the quantity specified in the aforesaid work orders during the period from December, 2008 to March, 2010 as detailed below:

Month	Coal Purchase	Admissible quantity over which incentive is allowed (Order dated 24.12.2008)	Excess Quantity of coal received
	Chinakuri		
	in MT		
Dec-08	10780.10	8000.00	2780.10
Jan-09	11749.80	8000.00	3749.80
Feb-09	14179.63	8000.00	6179.63
Mar-09	13637.46	8000.00	5637.46







Implementation of Orders of the Hon'ble Appellate Tribunal for Electricity (APTEL), New Delhi in (a) Appeal No 217/2012 and Appeal No 7/2013 both dated 1<sup>st</sup> April 2014; (b) Appeal No 277/2013 and 286/2013 dated 27<sup>th</sup> October 2014 (c) Appeal No 287/2013 dated 23<sup>rd</sup> May 2014



Month	Coal Purchase			Admissible quantity over which incentive is allowed		Excess Quantity of coal received	
	Dishergarh	Chinakuri	Total	Dishergarh	Chinakuri	Dishergarh	Chinakuri
	in MT						
Apr-09	2562.71	11467.79	14030.50	2000.00	6000.00	562.71	5467.79
May-09	2108.55	13164.68	15273.23	2000.00	6000.00	108.55	7164.68
Jun-09	2109.97	20423.59	22533.56	2000.00	6000.00	109.97	14423.59
Jul-09	2099.83	15048.52	17148.35		8000.00		7048.52
Aug-09	2720.64	14965.87	17686.51		8000.00		6965.87
Sep-09	3343.90	9946.89	13290.79		8000.00		1946.89
Oct-09	2068.40	11232.33	13300.73		8000.00		3232.33
Nov-09	1878.65	11445.29	13323.94		8000.00		3445.29
Dec-09	1946.73	11412.79	13359.52		8000.00		3412.79
Jan-10	2003.87	11350.65	13354.52	2000.00	6000.00	3.87	5350.65
Feb-10	2002.94	11344.64	13347.58	2000.00	6000.00	2.94	5344.64
Mar-10	2019.44	11145.28	13164.72	2000.00	6000.00	19.44	5145.28

Note: There is no provision for incentive on account of Quantity Assurance in the work order during the period from July, 2009 to December, 2009 at Dishergarh Power Station

- 11.4 It is also observed that Regulation 4.8.1 (iv) and 4.8.1 (vii) of the West Bengal Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2007 specify that transportation charge of coal and other charges related to fuel procurement and other incidental charges of fuel are to be considered during fuel cost determination.
- 11.5 However, IPCL could not submit the relevant background papers as sought by the Commission citing the fact that such old documents are not available with the management now. There are no electronic copies of the documents of the said period also, various documents have gone missing as a result of change of management and fire at their central office at Dishergarh.
- 11.6 From the above, it is observed that the work orders and subsequent modification have huge financial implications. Without any background paper indicating the logic and explanation, the Commission has hardly any scope to be satisfied with IPCL's claim over and above what has been allowed in the FPPCA Orders. The Commission is of the view that mere saying







Implementation of Orders of the Hon'ble Appellate Tribunal for Electricity (APTEL), New Delhi in (a) Appeal No 217/2012 and Appeal No 7/2013 both dated 1<sup>st</sup> April 2014; (b) Appeal No 277/2013 and 286/2013 dated 27<sup>th</sup> October 2014 (c) Appeal No 287/2013 dated 23<sup>rd</sup> May 2014



that the documents are not available cannot be acceptable, more so, when their appeal is pending in respect of the period for which the claim has been made.

- 11.7 In view of the above, the Commission finds that the expenditure on account of incentive is non-transparent since the justification of the benchmarks set by DPSC in those work orders could not be ascertained. Thus, the rate of incentives does not withstand the test of prudence and as a result, cannot be justified.
- 12.0 Regarding the issue of ascertaining the weighted average distance of various collieries from which coal was actually supplied to the generating stations for FY 2010-11 and FY 2011-12 as given in the Judgement in the Appeal No. 277 of 2013 and Appeal No. 286 of 2013 dated 27.10.2014, the Commission has the following observations:
- 12.1 Aggrieved by the orders dated 17.12.2012 and 25.07.2013 of the Commission, IPCL preferred appeals before the Hon'ble APTEL against disallowance of costs due to incentives (Quality and Quantity assurance charges) paid on coal transportation. The Commission now observes that Hon'ble APTEL in the Judgement in the Appeal No. 277 of 2013 and Appeal No. 286 of 2013 dated 27.10.2014 in paragraph 33 (i) and 33 (ii) stated the following:

*"33 (i) .... the Coal Transportation Contract in the present cases are linked to distance of collieries without any specific benchmark and incentive/ penalty for quantity and quality assurance services. Thus, even though the Regulations provide for claim of quality/ quantity assurance service in the fuel price, in absence of necessary provision for benchmarking quality and quantity assurance services and charges therein, we do not find any merit in the claim of the Appellant for additional payment to the contractor for quality/ quantity assurance services over and above the transportation cost."*

*"33 (ii) However there is merit in the claim of the Appellant regarding increase in weighted average distance of collieries from which coal was actually supplied to the power plant during the FY 2010-11 and FY 2011-12 compared to the previous year which has not been considered by the State Commission while determining the transportation cost. We, therefore, remand the matter to the State Commission for*







Implementation of Orders of the Hon'ble Appellate Tribunal for Electricity (APTEL), New Delhi in (a) Appeal No 217/2012 and Appeal No 7/2013 both dated 1<sup>st</sup> April 2014; (b) Appeal No 277/2013 and 286/2013 dated 27<sup>th</sup> October 2014 (c) Appeal No 287/2013 dated 23<sup>rd</sup> May 2014



*redetermination of the transportation cost after considering the distance of the collieries from which coal was supplied to the power plant."*

- 12.2 Now, based on the distance of various collieries from which coal was supplied to Dishergarh Power Station and Chinakuri Power Station and the route measurement sheets as submitted by IPCL vide letter dated 26.11.2019, the weighted average distance of the collieries from both the power stations pertaining to FY 2009-10, FY 2010-11 and FY 2011-12 have been computed. Detailed computation for Dishergarh Power Station and Chinakuri Power Station has been given in Annexure I and Annexure II respectively.

Weighted Average Distance from collieries in KM	Power Stations	2009-10	2010-11	2011-12
	Dishergarh	53.57	86.77	101.78
	Chinakuri	70.41	97.00	96.30

- 12.3 In view of the increased weighted average distance from the collieries to the power stations pertaining to FY 2010-11 and FY 2011-12 as compared to the same in FY 2009-10, the enhanced transportation cost for both the power stations has been calculated and tabulated below:

Particulars	Dishergarh Power Station	Chinakuri Power Station
	Cost (in Rs/ MT)	Cost (in Rs/ MT)
Transportation Cost for 2009-10 approved in FPPCA Order dated 04.06.2012 in Case No. FPPCA-44/10-11	147.04	170.28
Transportation Cost recomputed for 2010-11 based on increase in weighted average distance i.r.o FY 2009-10	238.15	234.58
Transportation Cost recomputed for 2011-12 based on increase in weighted average distance i.r.o FY 2009-10	279.37	232.87

- 12.4 Effect of inflation on the enhanced transportation cost as mentioned in above paragraph has been given exactly in the same manner exercised and detailed in FPPCA Order dated 17.12.2012 in Case No. FPPCA-60/12-13 for FY 2010-11 and in FPPCA Order dated 25.07.2013 in Case No. FPPCA-58/12-13 for FY 2011-12:







Implementation of Orders of the Hon'ble Appellate Tribunal for Electricity (APTEL), New Delhi in (a) Appeal No 217/2012 and Appeal No 7/2013 both dated 1<sup>st</sup> April 2014; (b) Appeal No 277/2013 and 286/2013 dated 27<sup>th</sup> October 2014 (c) Appeal No 287/2013 dated 23<sup>rd</sup> May 2014



Transportation Cost for FY 2010-11:

SI No.	Particulars	Rs/ MT	
		Generating Stations	
		Dishergarh	Chinakuri
1	Transportation cost due to increase in weighted average distance for FY 2010-11	238.15	234.58
2	Inflation due to enhanced cost of fuel in transportation cost during FY 2010-11	188.43	185.60
3	Inflation due to enhance cost of service in transportation cost during FY 2010-11	65.49	64.51
4	<b>Total transportation cost during FY 2010-11 (2+3)</b>	<b>253.92</b>	<b>250.11</b>

Transportation Cost for FY 2011-12:

SI No.	Particulars	Rs/ MT	
		Generating Stations	
		Dishergarh	Chinakuri
1	Transportation cost due to increase in weighted average distance for FY 2011-12	279.37	232.87
2	Inflation due to enhanced cost of fuel in transportation cost during FY 2010-11	221.04	184.25
3	Inflation due to enhance cost of service in transportation cost during FY 2010-11	76.83	64.04
4	Transportation cost with inflation during FY 2010-11 (2+3)	297.87	248.29
5	Inflation due to enhanced cost of fuel in transportation cost during FY 2011-12	244.06	203.43
6	Inflation due to enhance cost of service in transportation cost during FY 2011-12	81.91	68.28
7	<b>Total transportation cost during FY 2011-12 (5+6)</b>	<b>325.97</b>	<b>271.71</b>

- 12.5 Thus, the recomputed transportation cost based on the weighted average distance from the collieries during the FY 2010-11 and 2011-12 compared to FY 2009-10 and accordingly escalating the transportation cost based on distance and inflation factor over the transportation cost allowed for FY 2009-10 comes to:

Power Stations	Recomputed Transportation cost (Rs/MT)	
	2010-11	2011-12
Dishergarh	253.92	325.97
Chinakuri	250.11	271.71





Implementation of Orders of the Hon'ble Appellate Tribunal for Electricity (APTEL), New Delhi in (a) Appeal No 217/2012 and Appeal No 7/2013 both dated 1<sup>st</sup> April 2014; (b) Appeal No 277/2013 and 286/2013 dated 27<sup>th</sup> October 2014 (c) Appeal No 287/2013 dated 23<sup>rd</sup> May 2014



- 12.6 Based on the recomputed transportation cost, the redetermined average price of coal for the FY 2010-11 and FY 2011-12 comes to:

Sl No	Particulars	Weighted Average Price of Coal (Rs/MT)			
		Dishegarh		Chinakuri	
		FY 2010-11	FY 2011-12	FY 2010-11	FY 2011-12
1	Basic Price	2961.43	5505.59	2998.38	5514.59
2	Transportation Cost	253.92	325.97	250.11	271.71
3	<b>Total (1+2)</b>	<b>3215.35</b>	<b>5831.56</b>	<b>3248.49</b>	<b>5786.30</b>

- 12.7 Now, in view of the redetermined average price of coal for the FY 2010-11 and FY 2011-12 for Dishegarh Power Station and Chinakuri Power Station, the Commission has recomputed the Cost of Coal as Rs 2749.67 Lakh and Rs 2443.52 Lakh respectively. The details of the computation for FY 2010-11 is given in Annexure III and for FY 2011-12 is given in Annexure IV.
- 12.8 The Commission further observes that in the order dated 17.12.2012 in Case No. FPPCA-60/12-13, it had computed the Cost of Coal in Annexure – 2B as Rs. 2686.61 Lakh for both the plants and also that in the order dated 25.07.2013 in Case No. FPPCA-58/12-13, it had computed the Cost of Coal in Annexure – 2B as Rs. 2408.22 Lakh for both the plants
- 13.0 Regarding the issue of determining the legal expenses actually incurred as given in the Judgement in the Judgement in the Appeal No. 287 of 2013 dated 23.05.2014:
- 13.1 The Commission observes that Hon'ble APTEL in the Judgement in the Appeal No. 287 of 2013 dated 23.05.2014 in paragraph 5, 6, 7, 11, 21 and 22 stated the following:

*"5. The present Appeal is preferred only with reference to issue of Operation and Maintenance expenses which was not allowed in the impugned MYT order as prayed for. The grievance of the Appellant is that the State Commission has permitted a normative increase over the previous year level, the FY 2010 – 11 for almost all the expenses except legal charges and consultancy fees and on staff training expenses."*







Implementation of Orders of the Hon'ble Appellate Tribunal for Electricity (APTEL), New Delhi in (a) Appeal No 217/2012 and Appeal No 7/2013 both dated 1<sup>st</sup> April 2014; (b) Appeal No 277/2013 and 286/2013 dated 27<sup>th</sup> October 2014 (c) Appeal No 287/2013 dated 23<sup>rd</sup> May 2014



*"6. Thus, the Appellant has confined its challenge only to the issue of Operation and Maintenance expenses relating to legal charges and staff pay expenses not allowed in the impugned MYT order."*

*"7. According to the Application, the State Commission have decreased the Operation and Maintenance expenses on these items without proper reasons while the State Commission has decided to increase the Operation and Maintenance expenses for other distribution licensee of the State who is similarly situated as that of the Appellant."*

*"11. As stated earlier, the main contention urged in this Appeal by the Appellant that the Operation and Maintenance expenses have been reduced to the unrealistic low level, whereas the State Commission has allowed a higher Operation and Maintenance expenses in relation to other activities by misconstruing the Tariff Regulation 2011."*

*"21. With these observations the matter is remanded back to the State Commission to pass appropriate order on this aspect in accordance with law after hearing the Appellant and after considering the materials furnished by them as expeditiously as possible. The matter is remanded back for re-consideration in light of the reasons narrated above."*

*"22. Accordingly, the Appeal is allowed in part with the directions referred to above. However, there is no order as to costs."*

13.2 Now, IPCL vide letter dated 02.09.2020, inter-alia submitted the following clarifications of the queries raised by the Commission in the hearing dated 13.08.2020:

- (i) The Commission can re-examine its Tariff Order in terms of regulation 2.5.3 (v) of the Tariff Regulations which inter-alia states that in case of any error which is found in the determined ARR of any ensuing year in any tariff order or APR due to miscalculation or consideration of improper data or missing of any data, then the Commission may while issuing tariff order for any ensuing year. The Commission may rectify the error on the basis of any application or suo-moto and make necessary adjustment for such



*Certified true Copy*





Implementation of Orders of the Hon'ble Appellate Tribunal for Electricity (APTEL), New Delhi in (a) Appeal No 217/2012 and Appeal No 7/2013 both dated 1<sup>st</sup> April 2014; (b) Appeal No 277/2013 and 286/2013 dated 27<sup>th</sup> October 2014 (c) Appeal No 287/2013 dated 23<sup>rd</sup> May 2014



rectification in the ARR of any ensuing year or in APR of any year. In such case, such rectification shall not be treated as review order.

- (ii) The new management that had taken over the charge during the late 2010 – 11 decided to take assistance of consultants / experts for activities like preparation of MYT, land acquisition for setting up power plant/ distribution sub-station, construction of lines, distribution system study, exploration of imported coal mining opportunities, other allied activities such as financial restructuring, financial advisory, etc. IPCL has also incurred legal expenses towards meeting newer requirement of power sector which also involved completing its title for the acquisition of lease along with different arbitration proceedings. IPCL has stated that the expenses have been incurred for the long-term benefit of consumers interests.

IPCL has also submitted that the Tariff Regulation does not contain any norms for Operation and Maintenance expenses for distribution licensees. Further, legal expenses cannot be made controllable simply being grouped under O&M expense as it is need based and in many occasions, it is necessary to be incurred in the interest of the justice and business.

- (iii) Disallowance of the legal expenses and the consultancy charges actually incurred would seriously impinge upon IPCL's fundamental right to be represented by a lawyer of its choice as well as its freedom of trade guaranteed under Article 19 (1) (g) of the Indian Constitution. Also, the entire legal and regulatory framework governing annual revenue requirement and tariff is (i) expenses during the financial year, (ii) income from existing tariff, (iii) resultant gap, that is the revenue gap which culminates into the tariff for the financial year. All the expenses incurred by the utility such as loans, interest on working capital, capitalization, interest and finance charges, delayed payment surcharge, foreign exchange rate variation, renovation and modernization expenses, A&G expenses, transmission expenses, SLDC expenses, are not necessarily to be justified, keeping the benefit of the end consumers in mind.







Implementation of Orders of the Hon'ble Appellate Tribunal for Electricity (APTEL), New Delhi in (a) Appeal No 217/2012 and Appeal No 7/2013 both dated 1<sup>st</sup> April 2014; (b) Appeal No 277/2013 and 286/2013 dated 27<sup>th</sup> October 2014 (c) Appeal No 287/2013 dated 23<sup>rd</sup> May 2014



- (iv) IPCL had submitted the APR Petition for FY 2011-12 on 17.01.2013 i.e. prior to the issuance of MYT Order dated 14.02.2013. Thus, the annual report and audited accounts was available with the Commission before issuance of the MYT Order on 14.02.2013.
- (v) IPCL has also submitted the actual break-up of legal and professional charges vide letter dated 25.04.2013 while the review petition was under consideration by the Commission.
- 13.3 The Commission observes that in para 5.7.4 of the MYT Order dated 14.02.2013, the overall amount claimed by DPSC (presently IPCL) for distribution system on sub-heads Legal charges & consultancy fees and expenses during 2011 – 12 was Rs. 218.09 Lakh under centrally maintained expenses. The same was found to be on the higher side as compared to the actual expenditure in 2009 – 10 for Rs. 129.33 Lakh and the estimated expenditure in 2010 - 11 for Rs. 166.99 Lakh, too. After apportioning Rs. 218.09 lakh to distribution function, the proposed amount came to Rs. 82.54 Lakh in 2011 – 12. The Commission allowed the actual expenditure of Rs. 129.33 Lakh during 2009 – 10, with an annual escalation of 5% to arrive at Rs. 142.59 Lakh and apportioning the same to the distribution function in the ratio of proposed O & M expenses during 2011 – 12, the admitted amount was determined to be Rs. 54.05 Lakh. The Commission observes that regulation 5.7.3 of the West Bengal Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2011 was relied upon for applying prudence check in absence of details being given by IPCL, while issuing the aforesaid MYT Order for the FY 2011 – 12, 2012 – 13 and 2013 – 14 and thus it had allowed Legal and Professional Charges under Operation & Maintenance expenses of Distribution system within the terms of the Tariff Regulations, 2011.
- 13.4 The Commission is also of the view that there cannot be any straightjacket formula for determination of variation of incremental expenses. Every application is decided in its merit.
- 13.5 The Commission also notes from the Table 2.5.5 - 1 of the Tariff Regulations, 2011 that the sub-head 'Legal & Professional Charges' which fall under the head 'Administrative and







Implementation of Orders of the Hon'ble Appellate Tribunal for Electricity (APTEL), New Delhi in (a) Appeal No 217/2012 and Appeal No 7/2013 both dated 1<sup>st</sup> April 2014; (b) Appeal No 277/2013 and 286/2013 dated 27<sup>th</sup> October 2014 (c) Appeal No 287/2013 dated 23<sup>rd</sup> May 2014



General Expenses for distribution or transmission system' has been characterized as 'Controllable' item. The Commission further observes that there is a scope under regulation 2.5.5 (iv) of the West Bengal Electricity Regulatory Commission (Terms and Conditions of Tariff) (Amendment) Regulations, 2013 which came into effect since 30.07.2013, for permitting variation in expenditure of different elements under a controllable item with respect to the amount for such elements that has been admitted in the tariff order, subject to the condition that the overall expenditure of such controllable item allowable under APR will be limited to the value that has been allowed in the tariff order. However, this regulation shall not apply to the instant case as the instant issue is being treated as per West Bengal Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2011.

- 13.6 Further, the Commission observes that the submission of IPCL in their letter dated 02.09.2020 regarding the delay in submitting the documents of actual expense figures is not convincing. Delay in production of documents itself is a ground debarring the utility from claiming the expenses unless the delay is accounted for in a just and convincing manner.
- 13.7 In view of above, the Commission finds that there is no scope for modifying the said Tariff Order in accordance with law since the same has been prepared in terms of applicable regulations only.

#### Order:

- 14.0 Based on the observations given in paragraph 11.0 above regarding the quality incentive for Dishergarh Power Station and quantity incentive for Chinakuri Power Station for FY 2008-09 and the quantity incentive for Dishergarh Power Station and Chinakuri Power Station for FY 2009-10, the Commission decides not to allow any incentive.
- 15.0 Due to redetermined transportation cost for FY 2010-11 and FY 2011-12 due to the increase in weighted average distance of the collieries from which coal was supplied to Dishergarh Power Station and Chinakuri Power Station, the excess amount recoverable by IPCL comes to Rs. 63.06 Lakh for FY 2010-11 and Rs. 35.30 Lakh for FY 2011-12.







Implementation of Orders of the Hon'ble Appellate Tribunal for Electricity (APTEL), New Delhi in (a) Appeal No 217/2012 and Appeal No 7/2013 both dated 1<sup>st</sup> April 2014; (b) Appeal No 277/2013 and 286/2013 dated 27<sup>th</sup> October 2014 (c) Appeal No 287/2013 dated 23<sup>rd</sup> May 2014



Particulars	Unit	FY 2010-11	FY 2011-12
Redetermined net Amount recoverable considering Fixed Charges [1]	in Rs Lakhs	2749.67	2443.52
Net amount recoverable considering as admitted in respective APR Order of FY 2010-11 [2]	in Rs Lakhs	2686.61	-
Net amount recoverable considering as admitted in respective APR Order of FY 2011-12 [2]	in Rs Lakhs	-	2408.22
<b>Excess Amount Recoverable [1-2]</b>	<b>in Rs Lakhs</b>	<b>63.06</b>	<b>35.30</b>

Thus, the total amount recoverable becomes: Rs. (63.06 + 35.30) Lakh = Rs. 98.36 Lakh.

- 16.0 In view of the observations given in the paragraph 13.0 above, the Commission decides not to allow any legal expenses since the Tariff Order dated 14.02.2013 along with the review order dated 08.05.2013 has been issued in accordance with applicable Tariff Regulations.
- 17.0 Now, on the basis of the above decisions, the Commission determines that the additional recoverable amount of IPCL comes to Rs. 98.36 Lakh.
- 18.0 In terms of Tariff Regulation, the additional recoverable amount of Rs. 98.36 Lakh or a part thereof may be adjusted with the amount of Aggregate Revenue Requirement for the subsequent period or that for any other ensuing year or through a separate order, as may be decided by the Commission. The decision of the Commission in this regard will be given in the subsequent tariff order of IPCL for the year 2018-19 or any ensuing year or by a separate order.
- 19.0 The petition is thus disposed off. Let a copy of the order be served upon IPCL.

sd/-  
(PULAK KUMAR TEWARI)  
MEMBER

sd/-  
(DURGADAS GOSWAMI)  
MEMBER

sd/-  
(SUTIRTHA BHATTACHARYA)  
CHAIRPERSON

**Certified true Copy**

Dated: 16.04.2021



*M. Guha Roy*  
(M. Guha Roy)  
Secretary



Implementation of Orders of the Hon'ble Appellate Tribunal for Electricity (APTEL), New Delhi in (a) Appeal No 217/2012 and Appeal No 7/2013 both dated 1<sup>st</sup> April 2014; (b) Appeal No 277/2013 and 286/2013 dated 27<sup>th</sup> October 2014 (c) Appeal No 287/2013 dated 23<sup>rd</sup> May 2014



## Annexure I

### Computation of weighted average distance from collieries for Dishergarh Power Station

Name of Colliery	Avg. Distance from Power Station (in KMs)	2009-10		2010-11		2011-12	
		Quantum of Coal Received (in MT)	Weighted Avg. Distance from Collieries (in KMs)	Quantum of Coal Received (in MT)	Weighted Avg. Distance from Collieries (in KMs)	Quantum of Coal Received (in MT)	Weighted Avg. Distance from Collieries (in KMs)
North Searsol	74.00	869.29	53.57		86.77		101.78
Tirat	91.00	208.72					
Amrasota	78.00	0.00					
Narsumuda	35.00	4585.45					
Kalipahari	61.50	80.75					
Monoharballi	52.00	1318.84					
Central Kajore	101.80	3047.06		12145.36		7699.99	
Lachipur	94.40	1526.31		0.00		523.02	
Kalidaspur	113.40	106.28		1065.48		0.00	
Dhemomain	20.40	11030.52		3678.07		0.00	
Jambad	105.20	4092.41		1847.08		1088.13	
Begunia	70.00			170.17			
Sonepur Bazari	103.80			114.04			
<b>Total</b>		<b>26865.63</b>		<b>19020.20</b>		<b>9311.14</b>	



Certified true Copy





Implementation of Orders of the Hon'ble Appellate Tribunal for Electricity (APTEL), New Delhi in (a) Appeal No 217/2012 and Appeal No 7/2013 both dated 1<sup>st</sup> April 2014; (b) Appeal No 277/2013 and 286/2013 dated 27<sup>th</sup> October 2014 (c) Appeal No 287/2013 dated 23<sup>rd</sup> May 2014



## Annexure II

### Computation of weighted average distance from collieries for Chinakuri Power Station

Name of Colliery	Avg. Distance from Power Station (in KMs)	2009-10		2010-11		2011-12	
		Quantum of Coal Received (in MT)	Weighted Avg. Distance from Collieries (in KMs)	Quantum of Coal Received (in MT)	Weighted Avg. Distance from Collieries (in KMs)	Quantum of Coal Received (in MT)	Weighted Avg. Distance from Collieries (in KMs)
North Searsol	74.00	5595.41	70.41		97.00		96.30
Tirat	91.00	605.83					
Amrasota	78.00	2384.20					
Narsumuda	35.00	14466.88					
Kalipahari	61.50	2404.40					
Monoharwali	52.00	4926.32					
Central Kajore	103.20	19480.16		5600.92		11584.18	
Lachipur	95.80	7598.94		3000.00		14656.80	
Kalidaspur	114.80	24489.23		16388.33		0.00	
Dhemomain	21.80	46154.40		9811.18		1432.25	
Jambad	106.60	24842.55		6458.61		3300.00	
Begunia	71.40			1758.84			
Sonepur Bazari	105.20			48556.23			
<b>Total</b>		<b>152948.32</b>		<b>91574.11</b>		<b>30973.23</b>	



Certified true Copy



Implementation of Orders of the Hon'ble Appellate Tribunal for Electricity (APTEL), New Delhi in (a) Appeal No 217/2012 and Appeal No 7/2013 both dated 1<sup>st</sup> April 2014; (b) Appeal No 277/2013 and 286/2013 dated 27<sup>th</sup> October 2014 (c) Appeal No 287/2013 dated 23<sup>rd</sup> May 2014



### Annexure III

#### Admissible Fuel Cost for FY 2010-11

SI No	Particulars	Unit	Generating Station		Overall
			Dishergarh	Chinakuri	
1	Sent out Generation	MU	16.01	91.45	107.46
2	Rate of Auxiliary Consumption (normative)	%	10.90	9.00	
3	Auxiliary Consumption (normative)	MU	1.959	9.05	11.00
4	Gross Generation for allowing Fuel (1+3)	MU	17.969	100.495	118.46
5	Station Heat Rate (Normative)	kCal/kWh	5391.00	3760.00	
6	Total Heat Required (4x5)	M.kCal	96870.879	377861.200	474732.08
7	Heat value of coal (Allowable)	kCal/kg	5658.19	5602.53	
8	Coal Consumption (6/7) x 1000	MT	17120.471	67444.744	84565.21
9	Coal Requirement with permissible transit loss @ 0.30%	MT	17171.987	67647.687	84819.67
10	Average Price of Coal	Rs/MT	3215.35	3248.49	
11	Cost of Coal (9x10)/100000	Rs Lakh	552.14	2197.53	2749.67



**Certified true Copy**