

BEFORE THE HON'BLE UTTARANCHAL ELECTRICITY REGULATORY COMMISSION
Institute of Engineers (I) Building, 1st Floor, Near I.S.B.T., Majra, Dehradun.

FILING NO. _____
CASE NO. _____

IN THE MATTER OF: PETITION SEEKING FIXATION OF TARIFF FOR DEBAL SMALL
HYDRO POWER PROJECT U/s.62 AND 86 OF THE ELECTRICITY
ACT, 2003 READ WITH THE RELEVANT REGULATIONS AND
GUIDELINES OF THE COMMISSION.

IN THE MATTER OF: CHAMOLI HYDRO POWER PRIVATE LIMITED, BEING THE
GENERATION COMPANY IN THE STATE OF UTTARAKHAND,
DISTRICT CHAMOLI, HAVING ITS REGISTERED OFFICE AT DEBAL
VILLAGE, THARALI TO., DIST. CHAMOLI, UTTARANCHAL STATE

Petitioner...

VERSUS

**THE UTTARAKHAND ELECTRICITY REGULATORY COMMISSION
INSTITUTE OF ENGINEERS (I) BUILDING, 1ST FLOOR,
NEAR I.S.B.T., MAJRA, DEHRADUN,
UTTARAKHAND .**

Respondent.....

PETITION

1. Specific Legal Provision Under Which Petition is being filed:

Filing of petition for availing final tariff for the financial year 2007-08 from Uttaranchal Power Corporation Limited for 5 MW Debal Small Hydro Power Project of M/S. Chamoli Hydro Power Pvt.Ltd. u/s. 62(4) and 86 of Electricity Act 2003 read with the relevant regulations and guide lines of the commission.

The petitioner respectfully submits the petition under section 62(1) (a) of Electricity Act 2003 before the honorable commission for determination of final tariff for the petition's power project which has been commissioned on 1st September, 2007.

2. Limitation:

The petitioner further declares that the present petition is within the time period specified as per the order dated 10th day of November 2005.

1.

3. Fact Of Case:

- 3.1 The Petitioner Company Chamoli Hydro Power Private Limited (CHPPL) was incorporated on 19.06.2003. The Petitioner has established a Small Hydropower Generating Station on River Kailganga, a tributary to Pinder River in District of Chamoli, Uttaranchal state, having a installed capacity of 5 MW in the name of Debal Small Hydro Power Project. The cost of the project as appraised by Term lending institutions has been estimated at Rs.28.63 Crores initially. Finally because of over run the project cost has been accepted at Rs.32.69 Crores and the project has been commissioned on 1st September, 2007.
- 3.2 The Government of Uttar Pradesh declared a policy in 1995 under which river valleys were to be allotted to private developers for identification and establishing hydropower projects in the respective river valleys.
- 3.3 The policy also stipulated that the power generated by these projects should be purchased by UPSEB.
- 3.4 The Petitioner was allowed by the Government of Uttar Pradesh in the year 18.10.1994 to identify potential sites in the Pinder valley, District Chamoli for setting up Small hydroelectric projects.
- 3.5 The petitioner started construction activities at the site in the year 25.04.2005 and commenced its commercial operation by 1st September 2007. The events of the case are as detailed below.
- 3.6 In November 2000 after formation of the State of Uttaranchal, Government of Uttaranchal vide its letter number – 1120/Uks -3-M/2001, Dated 10-12-2001 approved the draft PPA to be signed with the Small Hydro Power Projects Developers of Small Hydro Projects upto 5 MW. Government of Uttaranchal also directed that:
 - i) Small Hydro Power Projects Developers who have been allotted sites/projects by the Government of undivided Uttar Pradesh may be invited to sign the approved PPA within a specified period.
 - ii) If any of the Small Hydro Power Project Developer is not interested in developing projects as per the PPA approved by the Government of Uttaranchal, then allotment of sites/ projects shall be considered cancelled.
- 3.7 Accordingly UPCL informed all the Small Hydro Power Project Developers who had been allotted sites / projects by the Government of undivided Uttar Pradesh in line with Government of Uttaranchal directives dated 10-12-2001 to give their consent to develop project as per draft PPA approved by the Government of Uttaranchal upto 21-02-2002, having rate of Rs. 2.50 per unit, failing which allotment of sites/[projects to them shall be cancelled.

- 3.8 An option was given to Developers to adopt the new Small Hydro Power Policy of Government of Uttaranchal but the petitioner categorically decided to stick to the old policy, wherein a fixed tariff of Rs.2.50 per unit for 40 years was approved & guaranteed by the Government of Uttaranchal & signed the Power Purchase Agreement with Uttaranchal Power Corporation Ltd.
- 3.9 Section 62 (1) (a) of the Electricity Act, 2003 empowers the state commission with the task of determining tariffs for sale of electricity by a generating company to a distribution licensee. In case of the State of Uttaranchal, the Uttaranchal Electricity Regulatory Commission (hereinafter referred to as "the Hon'ble Commission" or "the UERC") is the competent body to determine such tariffs.
- 3.10 The Hon'ble Commission was constituted in September 2001 and its Conduct of Business Regulations were notified on October 24, 2002.
- 3.11 The Hon'ble Commission notified the Uttaranchal Electricity Commission (Terms and conditions for determination of Hydro Generation Tariff) Regulations, 2004 on May 14, 2004. These regulations are applicable to all Large Hydro Power (LHP) stations located in Uttaranchal with an installed capacity above 25 MW.
- 3.12 On 31.12.04, in a suo moto order, the Hon'ble Commission ruled that pending the regulations for Small Hydro Power (SHP) stations with installed capacity upto 25 MW, determination of tariffs for such SHP stations would be based on the applicable regulations for LHP, with such relaxations and variations that, in Commissions view, may become necessary.
- 3.13 As per section 4(1) of the Uttaranchal Electricity Commission (Terms and conditions for determination of Hydro Generation Tariff) Regulations, 2004 on May 14, a generating company may make an application for fixation of tariff in respect of the completed units of generating station in such formats and along with such information which the Hon'ble commission may require from time to time.
- 3.14 Subsequently on 10th November 2005, the Hon'ble commission notified its approach for determining generation tariff for each new small hydro generating stations having capacities higher than 1MW and up-to 25MW for the initial years will be fixed on cost plus basis in accordance with Uttaranchal Electricity Regulatory Commission (Terms and Conditions for Determination of Hydro Generation Tariff) Regulations, 2004 subject to stipulations as notified by the UERC.
- 3.15 The notification also stipulates the generating station to supply contract with the distribution licensee (UPCL) only.
- 3.16 CHPPL is accordingly filing its tariff petition for Debal Small Hydro power station before Hon'ble commission for the financial year 2007-08 for determination of tariff applicable to sale of power by the station to UPCL.

3.17 For computing the cost of generation, the petitioner has largely adopted the approach articulated in the tariff regulations by the Hon'ble commission dated 10th November, 2005.

4. Cause of Action:

Our project 5 MW Debal small hydro power project has been commissioned on 1st September 2007. We have applied for fixation of provisional tariff and the same is passed by honorable commission vide their order dt. 5th June 2007. Now the plant has been commissioned on 1st September 2007. In view of this we are applying for final tariff fixation for the year 2007-08.

5. Ground of Relief :

The petitioner seeks the relief for tariff as per the regulations stipulated in clause 3(34) of the honorable commission's order dated 10th November 2005, and accordingly worked out the tariff structure, and submits the same in the enclosure for necessary consideration.

6. Details of remedies exhausted:

None.

7. Matter not previously filed for pending with any other court :

We have applied for fixation of Provisional tariff vide our Petition no. 01/2007 dated 15-02-2007 and now applying the petition for fixation of final tariff with the commission and this matter is not pending with any court.

8. Relief Sought :

In view of the above submissions, the petitioner, with a view to seek approval of Hon'ble commission, proposes the tariff structure for purchase of energy at Rs. 5.29 per unit by UPCL. The petitioner therefore humbly prays to the Honorable Commission to take the petition on record and may please grant the said relief.

9. Interim Order, If any , prayed for.

None.

10. Details of Index:

- Annexure – 1 : Affidavit
- Annexure – 2 : Statement of rate calculation offered by Petitioner
- Annexure – 3 : Board of Resolution.

11. Particulars of fee remitted.

Enclosed a DD no: ...890755....Dt :03.12.2007... for Rs. 1,00,000/- in favour of Uttarakhand Electricity Regulatory Commission drawn on SBI payable at Dehradun.

12. List of Enclosures

1. Auditor certificate on project expenditure (Page no: 36)
2. Copy MOU with NEDA (page no: 37-41)
3. Copy of MOU with Govt. for Implementation (Page no: 42 – 46)
4. Copy of the letter stating the formation of new generation company by name Chamoli Hydro Power Pvt.Ltd. (Page no: 47)
5. Copy of Power purchase Agreement for 3 MW (Page no: 48 – 120)
6. Copy of Amendment to Power Purchase Agreement for 5 MW (Page no: 121 – 123)
7. Copy of Implementation agreement for 3 MW (Page no: 124- 151)
8. Copy of Amendment to Implementation Agreement for 5 MW (Page no: 152- 153)
9. Copy of DPR (Page no: 154-353)
10. Copy of contract agreement for supply of E & M Equipment (Page no: 354- 370)
11. Copy of the contract agreement for local transport, erection, testing & commissioning of E & M Equipment. (Page no: 371- 387).
12. Copy of civil contract agreement. (Page no: 388-557)
13. Copy of sanctioned letters from financial Institutions. (Page no: 558-603)

Petitioner

VERIFICATION

I, B.Sadasiva Reddy, Director of Chamoli Hydro Power Pvt.Ltd, S/o. Sri. B.V.Reddy aged about 49 years, resident of Debal Village, Dist. Chamoli, Uttaranchal do hereby verify that the contents of para 1 to 10 are true to my personal knowledge and para 3.1 to 3.17 are derived from official records, which are true from record and para 1 to para 10 believed to be true on legal advise and that I have not suppressed any material fact.

Place : Debal (Village)

Date : 05.12.. 2007

Signature of the Petitioner

