

**ANNUAL REPORT
ON
REGULATORY COMPLIANCE
FOR
2007-2008**



REPORTER OF COMPLIANCE
M.P.POWER GENERATING COMPANY LTD
9th BLOCK , BASEMENT, SHAKTI BHAWAN, JABALPUR

**ANNUAL REGULATORY COMPLIANCE REPORT OF MPPGCL FOR THE FINANCIAL YEAR
2007-08**

In pursuance with various directives and MPERC's letter no. MPERC/2008/1162 Dt. 30-05-2008, the annual status of compliance of various directives of MPERC for the financial year 2007-08 is prepared.

It is pertinent to mention that no specific requirement has been specified in the regulations reporting such compliance in the MPERC (Guidelines for reporting of Regulatory Compliances) Regulations 2005 notified by Hon'ble Commission on 5th May '05 which basically is applicable to the licensees. Yet, with a view to update Hon'ble Commission on the present status of the utility regarding the compliance of the various directives, this Annual report is being submitted.

This report is broadly structured in four sub groups as elaborated below:-

1. Petitions already cleared by Hon'ble Commission.
2. Petitions becoming due in near future.
3. MIS related matters.
4. Other important issues.

It is further to submit that directives of Hon'ble Commission which has already been complied by the utility earlier and reported to the Hon'ble Commission have been excluded from this report to avoid redundancy of the facts.

1. **Petitions already cleared** :- MPPGCL has submitted following petitions to the Hon'ble Commission. The status of each of the petitions is also submitted briefly against each of them hereunder. The summary details are as under :-

(i) **True up petition of Tariff Order for FY06.**

Petition submitted by MPPGCL on	23 rd Aug.07
Petition No. admitted by Hon'ble Commission	27/07
Technical validation	Completed.
Public hearing held on	---
No. of objections received	---
Reply submitted to consumer	Submitted.
Supplementary information required by Hon'ble Commission	Submitted.
Order by Hon'ble Commission	Order passed by Commission on 18 th January, 2008.

(ii) **Tariff Order for FY09.**

Petition submitted by MPPGCL on	17/11/07
Petition No. admitted by Hon'ble Commission	71/2007
Technical validation	Completed.
Public hearing held on	05/01/08
No. of objections received	One
Reply submitted to consumer	Submitted.
Supplementary information required by Hon'ble Commission	Submitted.
Order by Hon'ble Commission	Order passed by Commission on 18 th March, 2008.

(iii) **Tariff Petition for SGTPS Birsinghpur.**

Petition submitted by MPPGCL on	20/09/07
Petition No. admitted by Hon'ble Commission	51/2007
Technical validation	Completed.
Public hearing held on	---
No. of objections received	One
Reply submitted to consumer	Submitted.
Supplementary information required by Hon'ble Commission	Submitted.
Order by Hon'ble Commission	Order passed by Commission on 18 th January, 2008.

(iv) **Tariff Petition for Madhikheda**

Petition submitted by MPPGCL on	12/10/2006
Petition No. admitted by Hon'ble Commission	102/2006
Technical validation	Completed.
Public hearing held on	16/11/06
No. of objections received	Two
Reply submitted to consumer	Submitted.
Supplementary information required by Hon'ble Commission	Submitted.
Order by Hon'ble Commission	Order passed by Commission on 18 th January, 2008.

(v) **Tariff Petition for Jhinna.**

Petition submitted by MPPGCL on	12/10/06
Petition No. admitted by Hon'ble Commission	103/2006
Technical validation	Completed.
Public hearing held on	16/11/06

No. of objections received	Two
Reply submitted to consumer	Submitted.
Supplementary information required by Hon'ble Commission	Submitted.
Order by Hon'ble Commission	Order passed by Commission on 18 th January, 2008.

2. Petitions becoming due in near future :-

The following petitions are becoming due on which the utility has started its preparation as elaborated below :-

(i)	True up Petition for FY07	Being planned to be submitted by June '08 end.
(ii)	True up Petition for FY .08	Being planned to be submitted by 15 th Oct. '08.
(iii)	VCA Petition	A Committee has been formed to suggest uniform methods of implementation. The recommendation are being implemented in phases. After availability of sufficient data, utility shall file the VCA petition.
(iv)	Availability of Data for next tariff period FY 10 to FY 14	By June'08 end.
(v)	Tariff petition of 210 MW new unit ATPS Chachai for infirm power.	Being planned to be submitted by July'08 end.
(vi)	Tariff Petition of Madhikheda Unit III	Being planned by July'08 end.
(vii)	Capital Expenditure and Business Plan	Being planned to be submitted by July'08 end

3. MIS related issues –

The Commission directed MPPGCL to submit MIS in the following manner :-

FORMAT NO.	SUBJECT/INFORMATION	PERIODICITY	SUBMISSION
Gen-1	Power Station-wise Generation Target Vs. Actual	Monthly	Quarterly
Gen-2 (Revised)	Power Station wise Coal consumption target Vs. Actual	Monthly	Quarterly
Gen-3	Power Station wise status	Monthly	Quarterly

	of Weight-o-meter and weigh bridges.		
Gen-4	Power Station wise Fuel cost target Vs. Actual	Monthly	Quarterly
Gen-5	Power Station wise Man Power sanctioned Vs. Actual	Monthly	Quarterly
Gen-6	Power Station wise Pollution parameters and details of outages.	Monthly	Quarterly
MPSEB-1	MPSEB Performance (Partly pertaining to Genco)	Quarterly	Quarterly

The above MIS is being submitted regularly. The latest MIS submitted for quarter ending Dec.07. The data for quarter March'08 is awaited.

4. MIS Key parameters –

The commission directed to submit the information monthly in the specified format. This MIS contains the details of performance parameters as well as financial parameters. The status of performance parameters is already included in the MPSEB-1 format mentioned above. Additionally, in this report the Commission desires the details of loan on monthly basis. Since mechanism is not in place, utility finding difficulty in arranging the month wise, station wise data for the loan status, hence the report could not be submitted for FY08. The utility is being directed to submit the information on the best possible manner. It is taking up matter with PFC to provide such details in the requisite manner directly to the company for onward submission to the Commission.

5. Display of information on website –

The Commission directed MPPGCL to display the following information on MPPGCL website (www.mpgenco.nic.in) The information is being updated regularly.

- i. Display of Annual Performance Standards of Genco.
- ii. Display of Actual Monthly Availability & Capacity Index of Thermal & Hydel Power Stations respectively.
- iii. Display of Monthly Key Parameters of Genco.
- iv. Display of reasons for deviation in actual maintenance schedule.
- v. Display of information of ROC – “Consolidated Regulatory Compliance Report of ROC submitted to MPERC.”
- vi. Display of month wise breakdown details.

Other Important issues –

6. Ferguson's Report :-

For improvement in coal practices, Hon'ble Commission got a study conducted from M/s. Fergusons. The recommendation of M/s. Fergusons have also been made available to the utility. The utility have also made its representation before Hon'ble Commission pointing out the difficulty in accepting the report in to-to. The changes as directed by Hon'ble Commission is acceptable to the utility and based on it, MPPGCL has already implemented most of the recommendations. However, for implementation of remaining recommendation, the utility has placed an order on the consultant, M/s. Deloitte. The firm have taken up the work at sites.

The Hon'ble Commission have reviewed the status on these issues in Joint meeting held on 15th May'08 at their office Bhopal. As directed by the Commission in this joint meeting, the utility is taking suitable measures to address the issues related to joint sampling, weighment of coal, moisture in the coal during finalization of the FSA to be signed with Coal India Ltd., by the utility shortly. Utility has also been advised to prepare a time bound action plan for upgradation of coal handling plants of power stations as per the recommendations of M/s. A.F. Ferguson clearly stating the deliverables and time frames to ensure completion of work by consultant in scheduled time limits. Utility has also been directed to prepare a comparative study report comprising the details of coal loss before and after implementation of recommendations of M/s. A.F. Ferguson.

7. Implementation of recommendations of NTPC at SGTPS, Birsinghpur :-

The utility has formed a cell to implement the recommendations given by NTPC team during their visit to SGTPS, Birsinghpur Power Station, in the time bound manner. NTPC has also been requested to visit Satpura T.P.S. to study and suggest remedial measures / recommendations for improvement in performance of Power station complex. Similarly, the recommendations of NTPC with regard to the best practices in O&M are also under implementation.

8. Creation of station wise Quality and Efficiency Cell :-

As per Hon'ble Commission's directives, Efficiency Cells have already been formed at power stations by the utility whereas the Quality Circle has been

formed at Satpura TPS. The action is being taken to form quality circles in Amarkantak and Birsinghpur TPS also.

9. Commission's visit to Satpura TPS –

Hon'ble Commission reviewed the status of implementation of recommendations given in respect of visit of Commission 's Chairman to Satpura TPS on 15th May, 2008 at Bhopal. As directed, the utility has been advised to consider deployment of additional scrutiny arrangements such as dog squads. Installation of close circuit TV in critical areas. The utility has also been advised to impart proper training and ensure capacity buildings of officers and sub-ordinates staff. For this purpose, the utility is preparing a training calendar keeping in view, the training needs of individual officers, practicing inter change of ideas with power utility companies like NTPC, undertaking theme based training programme. Under the DFID consultancy support, the consultant, M/s. Earnest & Young are also supporting utility in this area.

10. Commission's visit to NTPC TPS with MPPGCL – Follow up action :-

As per advise of Hon'ble Commission, utility is procuring special devices like sound detectors for Tube leakage, CCTVs, Chart less recorders etc. for their power stations to detect probable faults at an early stage to avoid longer down period.

11. Transit and Stacking loss:-

MPPGCL have submitted a request letter to the Hon'ble Commission requesting that the transit and stacking losses presently being permitted by the Hon'ble Commission are very stringent and need to be relooked. The utility has further requested the Commission vide its letter No. 07-03/Coal/2417 Jabalpur dated 16th Aug.07 to get a study conducted by an expert agency (3rd party) so as to ascertain the present level of transit and stacking losses and their controllability. The utility further submitted that the transit and stacking losses are season dependent and therefore requested to get the study conducted at least for one year. The utility reported that the

Commission, in the presentation made on implementation of Ferguson's report, have also expressed its consent to get the study conducted.

The matter was further taken up with the Commission by the Utility on 16th May 2008 at CMD level meeting wherein the Hon'ble Commission was again requested to relook the limits of allowable transit and stacking losses. It was brought to the notice of Commission that FSA with coal companies has a element of surface moisture (June to Sept.9%, Oct. to May 7%) which does not contribute to any value addition to calorific value on the contrary it takes away heat from the system. The loss on this account need to be compensated.

12. Metering & Accounting :-

As per procedure laid down, joint metering is being under taken regularly by MPPGCL and TRANSCO/DISCOM and being certified by SLDC for billing and accounting. State Energy Account is also being issued by SLDC on monthly basis regularly.

Main ABT meters for installation at interface points between GENCO and TRANSCO (procured by TRANSCO) have since been supplied, installed and commissioned and have been operationalized. Further, order has been placed by the utility for procurement of ABT compliance meters for installation of consumer meters and Energy accounting and audit meters.

13. Billing and Payment :-

Based on the certified Availability Factors and Capacity index and Energy Meter reading issued by SLDC/TRANSCO, MPPGCL has prepared energy bills in accordance with terms and conditions of Generation Tariff Regulations and tariff order FY 07. These bills are being issued to Commercial department of TRADCO on 7th day of each following month for arranging payments as per Power Purchase Agreement and provisions of MPERC Regulations and tariff order. This practice is being followed uninterruptedly during FY 2007-08 & 08-09 also as per Generation Tariff Orders for continuation of Tariff for respective years.

STATUS OF COMPLIANCE OF MPERC DIRECTIVES
GIVEN IN GENERATION TARIFF ORDER FOR FY- 07 TO FY- 09

(Ref: :MPERC Letter No.945 dated 17.4.2006 and MPPGCL Lr.No. 228 dated 27.04.2006 & No. 543 dated 30.10.06)

(As on 31st May 2008)

Sl. No.	Clause No.	Direction	Status of compliance as conveyed to MPERC and updation as on date
1	3.17	NCV of Coal:- The Commission directs that the Generating Company in future while computing the NCV for the station shall consider only the operating norms specified by the Commission and any variation in these values shall be addressed through VCA claims.	Directive will be complied along with VCA petition.
2	3.31	Other Fuel Related Cost:- The Commission directs the Company to account for the other fuel related cost station wise so that the need to allocate this cost is done away.	Complied.
3	3.44	Adjustment in Depreciation:- With regard to the accounting of adjustment in the depreciation, the Generating Company is directed that in future it must provide explanations for such adjustments.	Complied.
4	3.50	Preparation of Fixed Asset Register:- With regard to preparation of Fixed Assets Registers, the direction given in the previous order to complete fixed asset registers and codify all its assets by October, 2006 must be complied by the due date.	Complied.
5	3.89	Claims of MPSEB:- MPPGCL is directed not to entertain any claims of MPSEB with regard to the common facility charges / trading margin without the prior approval of the Commission.	Complied.
6	5.1.1	Performance Reporting of Generating Units:- Performance reporting by generating units every six months -The Commission has once again directed that the Company should file the desired report for the period ending 31st October, 2005 within 15 days of the issue of this order.	Performance reporting by generating units every six months is regularly furnished to MPERC. Recent report of ending March 2008 has been sent to MPERC vide No. 07-12/CP-MPPGCL/ROC-104/252 dated 16.6.08.
7	5.1.6	Maintenance of Asset registers :- The Commission has directed that MPPGCL should file the account code and sub codes wise details with the Commission.	Complied.
8	5.1.9	Data Based Management and Management Information System :- The Commission in its Generation Tariff Order for FY06 has already directed the Generating Company to prepare a time bound programme / action plan and apprise the Commission on the implementation of the action plan. The Commission has also directed MPPGCL to complete the task by 30/09/2006	Compliance status reported to MPERC under Sl.No. 8 of statement vide MPPGCL letter No. 228 dated 27.4.06 and letter No. 542 Dated 28.10.2006. A scheme of Rs.28 Crores has since been approved by BoD of MPPGCL as well as GoMP. PFC have also agreed to finance the scheme upto Rs.22 Crores and has been consented by MPPGCL. MoA has been signed on 12.12.07. The Capex Plan is being submitted for approval of MPERC. DFID is now agreed to provide consultancy support and the progress shall be reported to the Commission regularly.

9	5.1.12	<p>Creation of Station wise Efficiency Cells:- In the Generation Tariff Order for FY06 the Commission has directed the MPPGCL to submit a comprehensive report on the activities of efficiency cells comprising the various types of wastage identified in the power stations, the waste minimizing strategies and implementation of the recommendations, etc. MPPGCL has also been directed to indicate the efficiency gains achieved through the implementation of recommendations of these efficiency cells. MPPGCL has not submitted any details in this regard to the Commission. The Commission directs the Generating Company to submit the desired information by 30/06/2006 positively.</p>	Complied.
10	5.1.18	<p>Coal Loss:- Uniform method for determination of coal loss at all Thermal Power Stations In the Generation tariff Order for FY06 the Commission has directed the Company to report the results and the comparison of the losses before and after the installation of weigh bridges and weight-o-meter to the Commission within one month of the issuance of the order of FY06. The same has not been reported till date. MPPGCL shall file the information to the Commission by 30/04/2006 positively.</p>	The issue has already been covered in the detailed presentation on status of implementation of recommendations of AF Furguson before the Hon'ble Commission held on 15.5.2008.
11	5.2.1	<p>Improvement in Performance of Generating Units:- The Commission again directs MPPGCL to carry out necessary R&M works for improving the performance of its generating units. MPPGCL may consider phasing out these units if it feels that these units have over lived their economic life and investment in R&M may not yield the desired results. The Company is required to submit its proposal in this regard to the Commission with a detailed cost benefit analysis within three months of this order. (Paragraph 5.4 of Generation Tariff Order for FY06)</p>	The compliance of the directive has been submitted to MPERC vide MPPGCL letter .no.368 dt. 28.07.2006. The BoD of MPPGCL have also considered this proposal and approved the proposal for retirement of Amarkantak PH-1. Now M.P.Govt. has also given approval. Further action in this regard is being taken up by the utility.
12	5.2.2	<p>Monthly Availability:- The Commission directs that the Generating Company and SLDC shall report themonthly availability of all the stations to the Commission and all beneficiaries (Distribution Licensees). Full details of station wise actual availability shall also be displayed for public information on the web site of the Generating Company, SLDC and the Commission. Compliance of these directions shall be reviewed at the time of yearly review of tariff and in case of non-compliance a deduction in ARR shall be considered. (Paragraph 5.13 of Generation Tariff Order for FY06)</p>	Complied.
13	5.2.3	<p>Energy Audit :- The Commission further directs the MPPGCL to carry out energy audit in its thermal plants regularly and based on this audit determine SHR phase wise for all stations. MPPGCL shall provide reasons for the observed differences in values determined on the basis of this audit and actual coal consumption. The Company is also required to determine SHR separately for all stations after discounting the energy generated and coal assumed to be fed in the boilers during the period when its weight-o-meters are non functional. The Company shall submit above reports quarterly and shall place the data on its website. The Commission shall arrange to review the position through a consultant and by taking up the scrutiny suo moto through a petition. (Paragraph 5.29 of Generation Tariff Order for FY06)</p>	The Energy Audit of ATPS, Chachai & SGTPS, Birsinghpur has been got conducted through M/s ERDA, Vadodara and for STPS, Sarni through CPRI. Firms have submitted their recommendations. Station Heat rate and other parameters are calculated in line with the recommendation issued. The quarterly report is being submitted regularly as directed.

14	5.2.4	<p>Up gradation of Coal Handling Plants:- MPPGCL is therefore again being directed to upgrade its coal handling plants immediately so that these losses are minimized and do not add to the overall fuel cost. It may be mentioned here that even 0.5% stacking loss translates to Rs. 6.71 Crore each year. (Paragraph 5.42 of Generation Tariff Order for FY06)</p>	<p>The information has been conveyed to MPERC vide MPPGCL letter no. 118 dt 23-02-2006 and compliance confirmed to Hon'ble MPERC vide l. no. 295 dt 15-06-2006.</p> <p>Several steps are taken to minimize stacking loss, which are as under:-</p> <ol style="list-style-type: none"> 1. Water spraying is being done to avoid coal losses due to spontaneous ignition. 2. Stacking losses are being tried to reduce by restoring direct feeding of 3. coal received through rail/road to bunker. 4. Security staff private and our own are being constantly pursued to have 5. strict security of coal stock to avoid pilferage. 6. Coal are being stacked at proper height and proper place to minimize carpetisation of coal. 7. During rainy season proper channels are made for drainage of rain water from 8. coal yards in order to avoid coal loss due to flowing out in the form of coal slurry. 9. To minimize loss of coal during unloading of coal wagons through wagon trippers spraying of water is done. <p>Further in order to reduce windage loss at STPS, Sarni, a high pressure mist/fog generating system at coal crushers A,B,C & D are being installed. An order no. SE/STPS-II/CHP-II/PT-111/PO-1530/7062 dated 14/09/2007 has already been placed on M/s DFE Envirotech (India) Pvt.Ltd . Nagpur for purchase of above system. Similarly high pressure mist/fog generating system at wagon tripler No.13,14 & 15 of CHP are being installed. An order No. SE/STP-S/II/CHP-II/T-110/PO-1508/5684 dated 25.7.2007 has already been placed on M/s DFE Envirotech (India) Pvt.Ltd., Nagpur for purchase of above system.</p> <p>Separate orders for installation and commissioning of above system, at crusher house and wagon trippers have also been placed to above firm.</p> <p>At both the locations, construction of civil works have been almost completed. The requisite equipments/material against above orders have been received in the O&M store and the work of erection has been just started. The work will be completed within one month at both the location as per. M.D. of the above firm.</p> <p>Actual quantification of carpet coal is being planned and civil department is carrying out necessary survey. Complete concreting of CHP coal yards will be done in future for which action plan is being prepared and shall be submitted shortly.</p>
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15	5.2.5	<p>Increase in Coal Linkages:- The Company is advised to explore the possibility of sourcing coal or getting more linkage from Coal Company (SECL) for its more efficient plants at Sarni and Birsinghpur, this is likely to bring down the variable cost of generation. The Generating Company shall report to the Commission the steps taken to comply with this direction within three months of the issuance of this order. (Paragraph 5.45 of Generation Tariff Order for FY06)</p>	<p>The requirement of coal is being evaluated as per generation targets set by CEA on quarterly basis and accordingly the allocation of coal linkages to respective thermal power stations of MPPGCL is being done by SLC (ST), under the control of MoC based on recommendations of CEA. Some times the SLC (ST) MoC curtails the requirement of coal despite recommended by CEA looking to the production of coal and availability of railway rakes and its movement.</p> <p>In such cases MPPGCL represents the matter strongly for enhancement of coal linkages commensurate with the coal requirement of its Thermal Power Stations as per the generation targets.</p> <p>In this context, it is to mention that during SLC meeting held at New Delhi on dated 20.3.08 coal linkage for the first quarter of FY 08-09 (i.e. April'08 to June'08) for all the TPS of MPPGCL have been drastically curtailed, as against requirement submitted by MPPGCL and recommended by CEA. The matter for enhancement of coal linkages was taken up by MPPGCL in the Sub Group Meeting held on 24.3.2008 at New Delhi also, however, the linkages have not been enhanced. Subsequently, the matter for enhancement of coal linkages was taken up at CMD level, energy Secretary level & Chief Secretary level also. Though the linkages were not enhanced but the coal supplies has been normalized upto large extent.</p> <p>It is evident from above that it is continuous process and all possible efforts are being made to materialize 100% coal linkage allocated to respective Thermal Power Stations of MPPGCL & to get good quality of coal, with all concerned at all levels.</p>
16	5.2.6	<p>Assumptions for CV:- The Generating Company is also directed to file from the next filing full details of the assumptions made for determining price and calorific value of the coal for each of its power stations. The Company for this purpose shall provide full details of the last 12 months of actual data available with it for CV at the loading point, unloading point at its premises and at the time of firing it in the boiler. This detail shall be provided for all grades of coal received by it. Details shall be also provided for UHV of the coal received and the corresponding price paid. The Generating Company shall indicate if there are any deviations in the prices paid from the declared prices by the Coal Companies for the corresponding UHV, the fuel supply agreement and the linkages granted to it. (Paragraph 5.46 of Generation Tariff Order for FY06)</p>	<p>The desired information is being collected from respective Thermal power stations and shall be submitted along with the VCA petition.</p>

17	5.2.7	<p>Details of Loan:- The Generating Company is directed to establish the full details of date of contracting the loan and the purpose for which these have been contracted together with terms and conditions and intimate the same to the Commission. Henceforth, the Commission will insist on closely monitoring the borrowings of the regulated entities and necessary reporting mechanism for this purpose shall be notified separately by the Commission. (Paragraph 6.44 of Generation Tariff Order for FY06)</p>	Complied.
18	5.2.8	<p>Finalization of PPA:- It is directed that the Generating Company and MPSEB/Distribution Licensees may accordingly sign a PPA very soon and file it with the Commission before the end of current tariff validity period. The terms and conditions of the agreement must incorporate various terms and conditions of the tariff made applicable by the Commission through this tariff order. (Paragraph 7.7 of Generation Tariff Order for FY06)</p>	Complied
19	5.2.9	<p>Detailed Capital Expenditure Plan:- The Commission directs that the Capital expenditure plan along with the financing plan for the tariff period commencing from FY07 may be submitted before the Commission for its approval. The Commission in the event of the Company not complying with this direction shall disallow additional depreciation and interest on loan borrowed for funding the capital expenditure. (Paragraph 7.8 of Generation Tariff Order for FY06)</p>	The compliance of the directive has been submitted to MPERC vide MPPGCL letter no.368 dt. 28.07.2006. The draft copy of Capex Plan already circulated amongst various offices, suggestions/ corrections being incorporated. As discussed in CMD level meeting on 16-05-08, this plan shall be submitted by 31 st July, 2008.
20	5.2.10	<p>Power Station wise Accounting Statements:- The Company is advised to treat each power station as a strategic business unit and should prepare a separate Balance Sheet and profit and loss account for all its SBUs. The Commission also directs MPPGCL to pay attention to strengthening its accounting functions by coding its accounting policies and inducting trained accounting professionals. The accounting function needs to be fully computerized so that the requirements of the Companies Act of publishing half yearly accounting reports and finalising the financial statements within six months of the close of the financial year can be met. (Paragraph 7.9 of Generation Tariff Order for FY06)</p>	<p>The present status of compliance has been reported to MPERC vide MPPGCL l. no. 295 dt 15-06-2006. The Company is in primary stage of developing the accounting frame work. The preparation of separate balance sheet and profit and loss account for each Power Station (SBU) is a difficult task to achieve without full computerization of Accounting functions. The Company is in the process of taking up a broad based MIS project, which may take up to two years time for implementation.</p> <p>On insistence by Hon'ble Commission during CMD level meeting held on 16-05-08, the status was further examined and the utility is of the view that the directive can be complied only after implementation of MIS Project.</p> <p>Regarding publishing of half yearly accounts, it is submitted that there is no such requirement in Companies Act to publish half yearly accounts. The requirement is applicable to those Companies whose shares are listed in the stock exchanges as per the listing agreement with the stock exchange under SEBI Act.</p>

21	5.2.11	<p>Fixed Asset Register:- The Generating Company has till date not provided the Commission with the Fixed Asset Registers. The Company is directed to prepare its fixed asset registers and codify all its assets by October 2006. If the Generating Company fails to comply with this direction no depreciation shall be provided for FY08 when the ARR proposal shall be scrutinised in November – December 2006. (Paragraph 7.10 of Generation Tariff Order for FY06)</p>	Complied.
22	5.2.12	<p>Station wise Cost Identification :- The Commission directs the Company that in future all tariff petitions must have station wise cost identification and segregation based on their individual Balance Sheet and Profit & Loss account. Each petition must have subsections devoted to each of its stations. The Company must provide detailed reasons for these projections and segregations especially for cost item like interest liability. In the absence of these details the Commission shall draw adverse inference and the costs may be accordingly reduced. (Paragraph 7.11 of Generation Tariff Order for FY06)</p>	As detailed against Sl. No. 20, clause no. 5.2.10
23	5.2.13	<p>Filling up of Vacancies in the MPPGCL Board:- The Company is advised to fill up the post of Directors as required under its Memorandum and Articles of Association and also advised to appoint fulltime Director (Operations) and Director (Finance) to have better operational control, transparency and professional governance of the Company. The Commission feels concerned that a company handling business in excess of Rs. 2000 crores per annum does not have the benefit and support of the full time services of professional managers in the field of finance and plant management. The company should also explore the possibility of utilizing opportunity of third party audit of technical processes and efficiency. (Paragraph 7.12 of Generation Tariff Order for FY06)</p>	The issue was discussed in the CMD level meeting held on 16-05-2008 at Commission's office at Bhopal. The provision of memorandum and article of associations have already been complied with MPPGCL.
24	5.2.14	<p>Setting up Coal Washeries System:-The generation company shall explore the possibility of setting up of Coal Washeries System for their Thermal power stations. The cost benefit analysis in this regard shall be submitted to the Commission before October 2006 failing which the Commission shall consider revising the SHR and other performance parameters to bring these to the prevailing level of similar stations where washeries and beneficiation has resulted in improved performance. (Paragraph 7.13 of Generation Tariff Order for FY06)</p>	The status of compliance reported to MPERC vide MPPGCL letter No. 542 dated 28.10.2006. In a follow up action, BoD of MPPGCL in its meeting held on 19.5.07 have 28.10.2007. decided that a senior level Committee be formed by CMD to study cost 28.10.2008. benefit analysis based on the report of washed coal being used in NTP 28.10.2009. C/MAHA.-GENCO and submit the report to BoD within 45 days. The said 28.10.2010. committee has submitted its report which is under scrutiny at present.