

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Coram

- 1. Dr. Pramod Deo, Chairperson**
- 2. Shri R.Krishnamoorthy, Member**
- 3. Shri S.Jayaraman, Member**
- 4. Shri V. S. Verma, Member**

**Petition No 88/2008
(Suo-motu)**

In the matter of

Non -compliance of provisions of the Central Electricity Regulatory Commission
(Fixation of Trading Margin) Regulations, 2006

And in the matter of

PTC India Ltd, New Delhi ... **Respondent**

ORDER

The Commission by order dated 19.12.2008 had directed the respondent to rectify the position for the future as regards charging of trading margin by entering into revised PPAs with the concerned utilities in Eastern Region for the electricity imported from Bhutan. Compliance of the direction was to be reported by the respondent by 31.12.2008.

2. The respondent filed an interlocutory application with a request for extension of time by 5 weeks from 29.12.2008 for furnishing the compliance

report. The request was allowed and time upto 5.2.2009 was granted for reporting compliance of the direction.

3. In the meantime, the respondent filed an appeal before the Appellate Tribunal for Electricity against the said order dated 19.12.2008. The appeal was dismissed by the Appellate Tribunal vide its order dated 18.2.2009. Thereupon, the respondent filed Civil Appeal No. 1331 of 2009 before the Hon'ble Supreme Court which was also dismissed.

4. Subsequently, the respondent vide its letter dated 31.3.2009 sought further four weeks time extension from the date of receipt of Commission's reply for revising the PPAs. When the above request was under consideration, the respondent vide its letter dated 2.4.2009 intimated that with effect from 1.4.2009, it would be charging trading margin as per the Central Electricity Regulatory Commission (Fixation of Trading Margin) Regulations, 2006. As regards the revision of PPAs, the respondent stated that revised PPAs were under legal vetting and could take some time before finalisation

5. Subsequently, the respondent was inter alia directed to submit by 31.5.2009, a completion report on the process of revision of PPAs. The time limit for submission of the revised PPAs was extended to 15.6.2009. The revised PPAs have not been received in the Commission so far.

6. From the above, its is seen that the directions of the Commission in its order dated 19.12.2009 have not yet been complied with, even though more than six months have elapsed.

7. Based on the above facts, it *prima facie* appears that the respondent is guilty of non-compliance of the direction of the Commission.

8. Accordingly, the respondent is hereby directed to show cause as to why it should not be held guilty of contravention of and non-compliance with the direction of the Commission and penalty under Section 142 of the Electricity Act, 2003 be not imposed on it. The reply be submitted latest by 20.7.2009.

9. We also make it clear that the above action is without prejudice to the powers of the Commission to proceed against the respondent under the relevant provisions of the Central Electricity Regulatory Commission (Procedure, Terms and Conditions for grant of trading licence and other related matters) Regulations, 2009.

10. List this petition for further directions on 27.7.2009

Sd/-	Sd/-	Sd/-	Sd/-
[V. S. VERMA]	[S. JAYARAMAN]	[R. KRISHNAMOORTHY]	[DR. PRAMOD DEO]
MEMBER	MEMBER	MEMBER	CHAIRPERSON

New Delhi, dated 2nd July 2009