

CENTRAL ELECTRICITY REGULATORY COMMISSION

RECORD OF PROCEEDINGS

Petition No. 108/2006

Subject: Petition for 'in principle' approval of the estimated project cost and financing plan of 1000 MW (gross) power project being set up by Visa Power Ltd in Orissa.

Coram: Dr. Pramod Deo, Chairperson
Shri R.Krishnamoorthy, Member
Shri V.S.Verma, Member

Petitioner: Visa Power Limited

Respondents: Grid Corporation of Orissa Ltd, Visa Steel Ltd and PTC India Ltd.

Date of hearing: **26.2.2009**

Parties present: Shri J.K.Pahwa, Visa Power Ltd
Shri R.K.Mehta, Advocate, GRIDCO
Shri Mragark Sharma, Advocate, GRIDCO
Shri K.C. Agrawal, PTC (I) Ltd.

The petitioner has made this application under Section 79 (1) (b) of the Electricity Act, 2003 (the Act) read with the proviso to Regulation 17 of the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2004, as amended, for 'in principle' approval of the estimated project cost and financing plan of 1000 MW (gross) power project.

2. The petitioner submitted that it had acquired 140 acres of land from the Govt of Orissa and was in the process of acquiring some private lands after the notification by the Govt of Orissa. The petitioner also submitted that it had not received any coal linkage or coal block on account of which financial closure and finalization of EPC contract could not be achieved and as a consequence the

tendering process with the equipment manufacturer could not be finalized. The petitioner further submitted that orders could not be placed for want of coal linkage and hence data as required by the Commission in its order dated 27.6.2007 could not be submitted.

3. In response to the query of the Commission as to the status of PPAs and as to how the tariff was to be determined in terms of the relevant provisions of the tariff policy, the petitioner submitted that it had not signed the PPAs. The petitioner, however, did not make any submissions as regards the determination of tariff in terms of the tariff policy.

4. Learned counsel for the respondent, GRIDCO submitted that the project had not taken shape except for the PPA was executed by GRIDCO with the petitioner. Learned counsel also submitted that he had no information on the relevant clauses in the PPA regarding the tariff for purchase of power but pointed out that certain suggestions had been made by it on the project, to the petitioner.

5. The Commission directed the parties to provide all relevant information in writing, including their submission on the maintainability of the petition for determination of tariff under Section 62 of the Act in the light of the provisions of the Tariff Policy notified by the Central Government, within two weeks.

6. Subject to the above, order in the petition was reserved.

Sd/-
(K.S.Dhingra)
Chief (Legal)