

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Suo Motu Petition No. 123 of 2011

**Coram: Dr. Pramod Deo, Chairperson
Shri S.Jayaraman, Member
Shri V.S.Verma, Member
Shri M.Deena Dayalan, Member**

Date of Order: 10-6-2011

In the matter of:

Compliance with the provisions of Central Electricity Regulatory Commission
(Power Market) Regulations, 2010

And

In the matter of:

Manikaran Power Limited, Kolkata

.....Respondent

INTERIM ORDER

The Respondent, Manikaran Power Limited, was directed by our order dated 5.5.2011 to submit among others the details of all transactions carried on the power exchange for its clients on 5.9.2010, 6.9.2010, 7.9.2010 and 8.9.2010 including the details of hourly power price discovered on exchange in the Day ahead market, member service charge charged to these clients for each of these transactions, in absolute value and as a % of hourly power price. Indian Energy Exchange was also directed to submit the hourly power prices in day ahead market and the transactions of its professional member, Manikaran Power Limited, for the above mentioned dates.

2. The Respondent has filed the information vide its affidavit dated 16.5.2011 and Indian Energy Exchange vide affidavit dated 13.5.2011.

3. The Respondent in its affidavit has submitted that the contracts between the Respondent and the clients are based on flat charges solely because the clients of the professional members do not want to pay higher professional membership charges when the transaction values in the market are very high. Most clients being small/medium size industry want to freeze the service charges and not make the same a variable component of tariff. It has been further submitted that the contracts executed by the Respondent are subject to a maximum ceiling of 0.75% of the transaction value and the excess amount is adjusted in the future transactions so as to ensure that the agreed rate is within the specified permissible limit. As regards the transactions on 5.9.2010, 6.9.2010, 7.9.2010 and 8.9.2010, it has been submitted that rates on these days in the exchange were the lowest in the year 2010 and therefore, the flat rates charged by the Respondent have exceeded 0.75% and adjustments are taking place during the course of settlement of accounts.

4. In view of the above submissions, we direct the Respondent to submit the following information on affidavit:

(a) Sample copies of Client Agreements having provisions for ceiling of 0.75% as member service charge and periodic settlement of accounts subject to such ceiling;

(b) Documents to demonstrate that amounts in excess of 0.75% have been adjusted in respect of the transactions made between 5.9.2010 and 8.9.2010;

(c) Excess amounts charged in respect of all clients have been adjusted till 31.3.2011 i.e. account finalization of the respondent.

5. The above information shall be submitted on affidavit by 20.6.2011.

Sd/-

(M.Deena Dayalan)
Member

sd/-

(V.S.Verma)
Member

sd/-

(S.Jayaraman)
Member

sd/-

(Dr. Pramod Deo)
Chairperson