

**CENTRAL ELECTRICITY REGULATORY COMMISSION  
NEW DELHI**

**Petition No. 159/MP/2012**

**Coram :**  
**Shri V.S.Verma, Member**  
**Shri M. Deena Dayalan, Member**

**Date of hearing : 13.9.2013**

**Sub:** Petition under Sections 61, 63 and 79 of the Electricity Act, 2003 for establishing an appropriate mechanism to offset in tariff the adverse impact of the unforeseen, uncontrollable and unprecedented escalation in the imported coal price due to enactment of new coal pricing Regulation by Indonesian Government and other factors.

Petitioner : Coastal Gujarat Power Limited

Respondents : Gujarat Urja Vikas Nigam Limited and Others

Parties present : Shri Amit Kapur, Advocate, CGPL  
Shri Poonam Verma, Advocate, CGPL Shri  
Apoorva Mishra, Advocate, CGPL Shri Abhishek  
Monot, Advocate, CGPL Shri K. K. Sharma, CGPL  
Shri B. K. Mohanty, CGPL Shri Rahul Modi, CGPL  
Shri R. Saburamanyam, CGPL Shri Arun  
Srivastav, Tata Power Shri Farrukh Rustagi, Tata  
Power Shri Somesh Kumar, Tata Power Shri  
Saurabh Srivastava, Tata Power Ms Swapna  
Seshadri, Advocate, PSPCL Shri Anand K.  
Ganesan, Advocate, PSPCL Shri  
M.G.Ramachandran, Advocate, Rajasthan Ms.  
Anushree, Advocate, HPPL Shri Ravi Juneja,  
HPPL Shri Sahil Gupta, HPPL Shri A.S. Chawan,  
MSEDCL

Shri Samir Malik, Advocate, MSEDCL  
Shri Samiv Malik, Advocate, , MSEDCL  
Ms.Ashwini Chitnis, Prayas Shri Rajesh  
Gupta Shri Ashdreep Sethi, Shri TPS  
Bawa, PSPCL

### **Record of Proceedings**

Learned counsel for Coastal Gujarat Power Limited submitted that the Commission vide its order 15.4.2013 directed the petitioners and respondents to constitute a committee consisting of the representative of the Principal Secretary (Power) /Managing Directors of the Distribution Companies of the procurer States, Chairman of Tata Power Company Limited or his nominee, an independent financial analyst of repute and an eminent banker dealing and conversant with the infrastructure sector. Learned counsel for the petitioner further submitted that the Committee was mandated to go into the impact of the price escalation on the project viability and suggest a package for compensatory tariff which can be allowed to the petitioner over and above the tariffs in the PPA. The report of the Committee was received on 16.8.2013 with various annexures reflecting proceedings and deliberations, concluding with recommendations for due consideration and implementation by this Commission.

2. The Commission observed that since the Committee Report has not been signed by all members of the Committee, the Commission sought a signed copy of the report. Chairman of the Committee in the response dated 10.9.2013 has clarified that during the last Committee meeting, the issue of signing of the report by all members was deliberated and the representatives of procurer states felt that they would not be able to sign the report without obtaining the approval of the respective State Governments which might take some time. It was also decided in the meeting held on 30.7.2013 as under:

"All the procurers mentioned that their formal approval on Compensatory Tariff mechanism may be obtained only after the CERC order is issued after the submission of report. It was then decided that Committee would submit its final report to CERC after incorporating feedback/suggestion from the members."

It has been informed that considering all these factors, the Committee decided to submit the report without the signatures of the procurer States and the Developer.

3. Learned counsel appearing on behalf of Haryana and Gujarat submitted that GUVNL has filed its affidavit indicating in-principle consent to the Committee Report subject to certain modifications and approval of the Government of Gujarat in respect of the compensatory tariff to be paid. Learned counsel further submitted that he has been

instructed by Haryana and Gujarat to take 4 weeks time to file their responses on the Committee reports. Learned counsel further submitted that Rajasthan has also sought time to file its response.

4. Learned counsels for MSEDCL and PSPCL sought four weeks time to file their responses on the Committee report.

5. The representative of Prayas requested the Commission to allow it to present its views on the Committee report. The representative of Prayas requested that all relevant information/data pertaining to the report and compensatory tariff should be made available to general public. The representative of Prayas sought one week's time to submit a list of information/data it requires for framing its response in this case which was allowed.

6. Learned counsel for the petitioner submitted that if the respondents are taking time to file their submissions on the committee report, the Commission may grant interim relief to the petitioner as the situation has worsened since July 2012 when the petition was filed and the petitioner is suffering huge losses. Learned counsel submitted that if the interim relief is not granted, the petitioner will be forced to shut down its generating station.

7. After hearing the learned counsels for the petitioner and respondents, the Commission directed the respondents to file their responses on affidavit, with an advance copy to the petitioner by 7.10.2013. The petitioner may file their rejoinders if any, by 15.10.2013.

8. The petition shall be listed for hearing on 25.10.2013.

**By order of the Commission**

**Sd-(T.  
Rout) Chief  
(Law)**