

**CENTRAL ELECTRICITY REGULATORY COMMISSION  
NEW DELHI**

**Petition No. 6/MP/2013**

**Sub:** Petition under Section 79 of the Electricity Act, 2003 read with statutory framework governing procurement of power through competitive bidding and Article 13.2 (b) of the power Purchase Agreement dated 7.8.2007 executed between Sasan Power Limited and the Procurers for compensation due to Change in Law impacting revenues and costs during the Operating period.

**Petition No. 14/MP/2013**

**Sub:** Petition under Section 79 of the Electricity Act, 2003 read with statutory framework governing procurement of power through competitive bidding and Articles 12 and 17 of the Power Purchase Agreement dated 07.08.2007 executed between Sasan Power Limited and the procurers for compensation due to unprecedented, unforeseen and uncontrollable depreciation of the Indian Rupee.

**Petition No. 21/MP/2013**

**Sub:** Petition under Section 79 of the Electricity Act, 2003 read with statutory framework governing procurement of power through competitive bidding and articles 13 and 17 of the Power Purchase Agreement dated 7.8.2007 executed between Sasan Power Limited and the Procurers for compensation due to change in Law during the Construction Period.

**Petition No. 75/MP/2013**

**Sub:** Petition under Section 79 of the Electricity Act, 2003 read with statutory framework governing procurement of power through competitive bidding and articles 13 and 17 of the Power Purchase Agreement dated 7.8.2007 executed between Sasan Power Limited and the Procurers for compensation due to change in Law impacting revenues and costs during the operating Period

Date of Hearing : 18.7.2013

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

Petitioner : Sasan Power Limited, Mumbai

Respondents: : MP Power Management Company Ltd. & Others

Parties present : Shri Amit Kapur, Advocate SPL  
Shri Vishrov Mukherjee, Advocate SPL  
Shri P.Venkatarao, SPL  
Shri N. K. Deo, SPL  
Shri Raj Verma, SPL  
Shri Sandeep Somisetty, SPL  
Shri Arun Dhillon, SPL  
Shri Mayank Gupta, SPL  
Shri R.S.Johri, RPL  
Shri Padamjit Singh, PSPCL  
Shri T.P.S.Bawa, PSPCL  
Shri R.K.Saini, PSPCL  
Shri Rajesh Gupta, PSPCL  
Shri Navin Kohli, MPPMCL

### **Record of Proceedings**

Learned proxy counsel for HPPC submitted that the arguing counsel in the matters is not available due to personal difficulty and accordingly requested to adjourn the matter to 25.7.2013 or any other suitable date.

2. Learned counsel for the petitioner submitted that a performance re-test had been carried out on 10th and 12th June, 2013 and handed over the copy of the results of the same for information of the Commission. Learned counsel submitted that the lead procurer, MP Power Management Company Ltd carried out load shedding of 3500 MW generation capacity to facilitate the commissioning test. However, despite prior intimation and shedding of capacity by the lead procurer, WRLDC did not permit the petitioner to operate at full load for the entire 72 hours. Learned counsel submitted that the unit operated at permitted loads as and when permission was granted. He requested to take note of the same and pass suitable orders.

3. The representative of PSPCL objected to the submission of the petitioner that the unit has been commissioned. He submitted that the Independent Engineer (IE) had adopted hourly average method and it should adopt the 15 minutes basis for determination of 95% generation. The representative of PSPCL requested the Commission to direct the petitioner to clarify whether petitioner has implemented the Restricted Free Governor Mode of Operation (RGMO) in its generating station as required under Regulation 5.2 (f), (h) and (k) of the Central Electricity Regulatory Commission (Indian Electricity Grid Code) Regulations, 2010. The representative of the PSPCL submitted that Independent Engineer certificate does not state whether the conditions laid down thereunder have been fulfilled. He further submitted that the unit has failed to demonstrate operation at 95% capacity for 72 hours continuously. The IE

Certificate did not mention the type of fuel used for the test. The representative of the PSPCL also submitted that PFC and Ministry of power should be impleaded as respondents to the petition.

4. In response, learned counsel for the petitioner submitted that the test certificate was in accordance with the PPA and that the issues raised by PSPCL were devoid of merit. Learned counsel submitted that prior notice had been issued by the petitioner and the Procurers had agreed to the re-test.

5. The representative of PSPCL further submitted that as per clause 6.2.5 of the PPA, the sellers shall provide the procurers details of commissioning test results within 5 days of commissioning either in the form of final test certificate or the reason for non-issue of final test results. He also submitted that the certificate of Independent Engineer is not a final test certificate and neither COD has been certified. The representative of PSPCL also submitted that the certificate of the Independent Engineer states that the full load has been on designated fuel and the certificate should state that it meets the requirement of GOI O&M.

6. The Commission directed WRLDC to furnish the following information/clarification, with documentary proofs,, on affidavit, with an advance copy to the petitioner, on or before 31.7.2013:

(a) Detailed report on scheduling and despatch from the different stations of Western Region and the overdrawal by the constituents of Western Region including MP Power Management Company Limited during 10.6.2013 to 12.6.2013.

(b) Why the unit-3 was not allowed to generate 95% and above of its installed capacity/rated capacity for 72 hours when MP had backed down its generation.

7. The Commission further directed the lead procurer, MP Power Management Company Limited to explain, on affidavit, the reason for backing down generation by 3500 MW, when there was a requirement of reduction of generation by 260 MW only (660 MW -400 MW) for facilitating performance testing at full load, with an advance copy to the petitioner, by 31.7.2013

8. The Commission directed the petitioner to submit a certificate from Independent Engineer to the affect that the full load testing was conducted as per the provisions of Grid Code, relevant CERC Regulations and provisions of the PPA.

9. The Commission directed the petitioner to confirm that UMPP is being operated under Restricted/Free Governor Mode of Operation (RGMO/FGMO). The machine should be taken as commissioned only when all the parameters are achieved and complied with the requirements of the Grid Code.

10. The petitioner was also directed to quantify the claim in Petition Nos. 14/MP/2013 and 21/MP/2012 under different heads to enable the Commission to take a view on the claims.

11. The petitions shall be listed for hearing on 27.8.2013.

**By order of the Commission**

**Sd/-  
(T. Rout)  
Joint Chief Legal**