

**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.

Date of Hearing : 9.5.2013

Coram : Dr. Pramod Deo. Chairperson
Shri V. S. Verma, Member
Shri M. Deena Dayalan, Member
Shri A. S. Bakshi, Member (E.O.)

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 M.G. Ramachandran, Advocate, HPGCL
Shri Chirag Kher, Advocate, HPGCL
Shri G. Umamathy, Advocate, MPPMCL
Shri Daleep Dhayani Advocate, UPPCL
Shri B.Parida, UPPCL
Shri R.S.Johri, MPPMCL
Shri Haridas Maity, BYPL
Shri T.P.S. Bawa, PSPCL
Shri Sandeep Somistty,

Record of Proceedings

Learned counsel for the petitioner submitted that the present petition has been filed to claim compensation on account of the changes in law during operating period. Learned counsel submitted that unit-3 of the project was commissioned on 31.3.2013

for a constrained load of 101 MW due to load restrictions and thereafter on 4.5.2013 it has also been operated to demonstrate super-critical parameters (605 MW). He further submitted that in the period between submission of the bid by the Reliance Power Limited and the COD, there have occurred a number of changes in law which will affect the cost and /or revenues of the project and for which petitioner and/or the procurers will have to be compensated. Learned counsel submitted that vide letter dated 8.1.2013, changes in law have been communicated to the procurers and notice dated 8.1.2013 is a consolidated notice of change in law for changes in law occurring before the operating period which will affect the cost/revenues of the projected during the operating period.

2. The Commission observed that vide ROP dated 16.4.2013, the petitioner was directed to carry out another test at super-critical parameters at the earliest after giving advance notice of one week. In response, learned counsel for the respondents submitted that they had not received any intimation about testing of the unit at super-critical parameters and therefore the present petition is premature. Learned counsel for the respondents requested for grant of time to file reply to the petition.

3. Learned counsel for the petitioner submitted that the Commission has to decide the quantum of compensation and the time from which the compensation has to be granted. He also clarified that the petitioner is only seeking an adjudication on the claims and that any compensation awarded under the petition will only be payable from the date decided by the Commission. He requested the Commission to expedite the proceedings so that the petitioner does not suffer any financial loss.

4. The respondents, who have not filed their replies, were directed to file their replies on or before 20.5.2013, with an advance copy to the petitioner. The petitioner may file its rejoinder, if any, by 22.5.2013

5. The petition shall be listed for hearing on 23.5.2013.

By order of the Commission

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