

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 62/MP/2014

Sub: Revision of the mechanism for calculating the escalation rates for domestic coal published by the Hon'ble Central Electricity Regulatory Commission for the purposes of tariff payment in a PPA under Case-I bidding process.

Petitioner : Indiabulls Power Limited

Petition No. 50/MP/2015

Sub: Revision of the mechanism for computing the escalation rates for domestic coal (payment) published by the Hon'ble Central Electricity Regulatory Commission under clause 5.6 (vi) of the Competitive Bidding Guidelines dated 19.1.2015.

Petitioner : MB (Power) Madhya Pradesh) Limited

Date of hearing : 4.2.2016

Coram : Shri A.K. Singhal, Member
Shri A.S. Bakshi, Member
Dr. M.K. Iyer, Member

Parties present : Shri Sanjay Sen, Senior Advocate, IBPL
Shri Anurag Sharma, Advocate, IBPL
Shri Tushar Jain, IBPL
Ms. Puja Priyadarshini, Advocate, MB Power Ltd.

Record of Proceedings

The Commission observed that the Ministry of Commerce and Industry has not still released new series of Wholesale Price Index (WPI) and is expected to be released in the month of June, 2016. In response, learned senior counsel submitted that there is no reason why the Commission should not take the data regarding coal price from CIL for developing the escalation index for purposes of payment to generators who are based on linkage coal. He further submitted that in case of escalation of gas, WPI index prepared by the Ministry of Consumer Affairs is not used, instead the administered price of gas as notified by the Ministry of Petroleum and Natural Gas (MoP&NG) is taken into consideration. For transportation cost escalation, the railway freight as notified by the Railways from time to time is considered. However, for coal instead of taking the CIL price, the Commission is taking into consideration the WPI for non-coking coal notified by the Ministry of Consumer Affairs.

2. Learned Senior Counsel submitted that the name of M/s Indiabulls Ltd. has been changed to M/s Rattan Power Ltd. and in this regard, necessary affidavit has already been filed before the Commission.

3. Learned senior counsel requested for time to file written submission. Request was allowed by the Commission.

4. The Commission observed that new series of WPI expected to be released by Ministry of Commerce and Industry in the month of June 2016 would be an important input for determining the escalable index and therefore, the Commission is not inclined to keep these petitions pending till the WPI is released by Ministry of Commerce and Industry. The Commission further observed that the petitioners are at liberty to put their points of view on record through the written submissions based on which the Commission will take a view and pass orders as may be considered appropriate.

5. The Commission directed the petitioners to file their written submissions by 19.2.2016. The Commission directed that due date of filing the written submissions should be strictly complied with failing which the petition will be disposed on the basis of the documents already on record.

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

By order of the Commission

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