

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 8/RP/2016

Subject : Petition seeking review of the order dated 30.12.2015 in Petition No. 118/MP/2015.

Date of hearing : 4.5.2016

Coram : Shri Gireesh B. Pradhan, Chairperson
Shri A.K. Singhal, Member
Shri A.S. Bakshi, Member
Dr. M.K. Iyer, Member

Petitioner : M.P. Power Management Company Limited

Respondents : Sasan Power Limited and others

Parties present : Shri G. Umapathy, Advocate, MPPMCL
Shri Vishrov Mukherjee, Advocate, SPL
Shri Janmali M, Advocate, SPL
Shri Rohit Venkat, SPL
Shri Alok Shankar, Advocate, TPDDL
Shri Mayank Sharma, PSPCL
Shri Tarun Ahuja, Rajasthan Discom
Shri B.L. Sharma, Rajasthan Discom
Shri Rajiv Srivastava, Advocate, UPPCL

Record of Proceedings

Learned counsel for the review petitioner submitted he is not pressing for first prayer of the review petition. Learned counsel for the petitioner further submitted as under:

- (a) The Commission vide order dated 30.12.2015 directed Sasan Power Limited (SPL) to refund Rs. 22 crore to the beneficiaries in proportion to their shares in the contracted capacity with effect from 1.8.2014.
- (b) The amount of Rs. 22 crore which is being reimbursed by SPL to all the procurers shall be reimbursed to MPPCL alone as the saving has been accrued on account of withdrawal of electricity duty on sale of power to the State of Madhya Pradesh.

(c) At the time of submission of bid, SPL had factored the electricity duty levied by the Government of Madhya Pradesh at the rate of 2 paisa/ kwh which was part of the quoted tariff of the generating station.

2. Learned counsel for SPL submitted that the Government of Madhya Pradesh vide its notification dated 1.8.2014 abolished the electricity duty payable in the State of Madhya Pradesh which led to a reduction in annual cost for SPL. The amount to be passed on by SPL to procurers is not a fixed amount of Rs. 22 crore p.a but the same shall be passed on as per actual i.e. Rs. 0.02/KWh on sale of power to Madhya Pradesh.

3. The Commission desired to know from the learned counsel for SPL whether electricity duty @ 2 paise/kWh was factored in the bid or was being recovered from Madhya Pradesh over and above the tariff proportionate to MP's share in Sasan UMPP. Learned counsel for SPL clarified that the electricity duty was factored in the bid quoted by SPL.

4. Learned counsel for the review petitioner submitted that since entire burden of increase of energy development cess on sale of power to MP has been passed on to MPPCL only, the benefit of reduction of electricity duty on sale of power to the State of MP shall be passed on to MPPCL. Therefore, compensation/ refund on any change or abolition of electricity duty shall be on State of Madhya Pradesh account only. Other procurers are not concerned with the duty applicable for sale of power to State of Madhya Pradesh.

5. The Commission directed the learned counsels for the review petitioner and SPL to file their written submissions by 13.5.2016 failing which order would be passed based on documents available on record.

6. Subject to above, the Commission reserved order in the petition.

By order of the Commission

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