

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 28/MP/2018

Subject : Petition under Section 61, 63 and 79 of the Electricity Act, 2003 read with the statutory framework and Article 12 of the Transmission Service Agreement dated 10.8.2009 executed between East North Interconnection Company Limited and its Long-term Transmission Customers for claiming compensation due to Change in Law.
And
Evolving a mechanism for grant of an appropriate adjustment/compensation to offset financial/commercial impact of Change in Law Events during Construction Period.

Date of Hearing : 19.4.2018

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

Petitioner : East North Interconnection Company Limited

Respondents : Jodhpur Vidyut Vitran Nigam Limited and Others

Parties present : Shri Sitesh Mukherjee, Advocate, ENICL
Shri Divyanshu Bhatt, Advocate, ENICL
Ms. Anisha Chopra, ENICL

Record of Proceedings

Learned counsel for the Petitioner submitted that the present petition has been filed *inter-alia* for seeking adjustment in the tariff to compensate the Petitioner and to offset the financial/ commercial impact of Change in Law events during the construction period. Learned counsel for the Petitioner further submitted that Change in Excise Duty and Change in Service Tax have increased the cost of the project during the construction period.

2. After hearing the learned counsel for the Petitioner, the Commission admitted the petition and directed to issue notice to the respondents.

3. The Commission directed the Petitioner to serve the copy of the Petition on the respondents immediately, if not served already. The Commission directed the respondents to file their replies, by 24.5.2018, with an advance copy to the Petitioner, who may file its rejoinder, if any, by 21.6.2018.

4. The Commission directed the Petitioner to submit the following information/clarification on an affidavit, on or before 17.5.2018:

(a) Effective date and SCoD for the project in terms of TSA and actual CoD of both the elements;

(b) Original cost estimates and actual cost incurred for the project upto SCoD and from SCoD to actual SCoD;

(c) Computation for the increase in tax separately for Service Tax and Excise Duty worked out on the original estimated cost after deducting the estimated exclusions for which the Service Tax and Excise Duty are not applicable, duly certified by the Auditor;

(d) Break-up of the claim of ₹13.57 crore as increase in tax for the period upto SCoD and from SCoD to actual CoD in case the project has been commissioned after SCoD. Provide the documentary proof for payment of actual taxes;

(e) Whether there is any reduction in rate of other taxes which results into reduction in capital cost during construction period; and

(f) Details of services in which Service Tax has been imposed.

5. The Commission directed that due date of filing the information, replies and rejoinder should be strictly complied with. No extension shall be granted on that account.

6. The Petition shall be listed for hearing on 5.7.2018.

By order of the Commission

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