CENTRAL ELECTRICITY REGULATORY COMMISSION **NEW DELHI**

Petition No.102/MP/2023

Subject : Petition under Section 79(1)(f) of the Electricity Act, 2003 read

with Rule 3 of the Electricity (Timely Recovery of Costs due to Change in Law) Rules, 2021 and Article 13 of the Power Purchase Agreement dated 07.08.2008 (as subsequently amended from time to time) with Haryana Discoms and Power Purchase Agreement dated 20.01.2009 (as subsequently amended from time to time) with Tata Power Trading Company Limited seeking declaration of change in law event and consequent relief on account of increase in compensation for acquisition of land for Jhajjar Power Limited's 1,320 MW Power

Project located in Haryana.

: 16.5.2023 Date of Hearing

Coram : Shri Jishnu Barua, Chairperson

> Shri I. S. Jha, Member Shri Arun Goyal, Member Shri P. K. Singh, Member

Petitioner : Jhajjar Power Limited (JPL)

Respondents : Uttar Haryana Bijli Vitran Nigam Limited and 3 Ors.

Parties Present : Shri Vishrov Mukerjee, Advocate, JPL

Shri Janmali Manikala, Advocate, JPL Shri Damodar Solanki, Advocate, JPL Shri Nishant Talwar, Advocate, TPDDL Shri Nitish Gupta, Advocate, TPDDL

Shri Suvin Kumaran, Advocate, Haryana Discoms Shri Aditya Singh, Advocate, Haryana Discoms Shri Adityavardhan Sharma, Advocate, TPTCL

Shri Jatin Ghuliani, Advocate, TPTCL

Record of Proceedings

Learned counsel for the Petitioner submitted that the present Petition has been filed seeking declaration that increase in compensation to be paid to the landowners for acquisition of land for the Petitioner's 1320 MW coal-fired Project located in Jhajjar, Haryana ('the Project') in terms of final order dated 20.10.2022 in Special Leave Petition (c) Nos. 18536-18541 of 2022 & batch titled 'Jaspal Singh & Ors. v. State of Haryana & Ors.' and consequential orders passed by the Hon'ble Court qualifies as Change in Law event under the Power Purchase Agreements (PPAs) dated 7.8.2008 and 20.1.2009 executed with Haryana Discoms (Haryana PPA) and Tata Power Trading Co. Ltd. (TPTCL PPA) respectively and the Electricity (Timely Recovery of Costs due to Change in Law) Rules, 2021 ('Change in Law Rules'). Learned counsel for the Petitioner further submitted as under:

- By the aforesaid final order dated 20.10.2022 and similar consequential orders, the Hon'ble Supreme Court has increased the compensation payable towards land acquired for the Project from Rs. 16 lakh per acre to Rs. 22 lakh per acre along with all statutory benefits, including interest, which may be available under the Land Acquisition Act, 1894.
- (b) In terms of Article 13.1.1 (d) of Haryana PPA and TPTCL PPA, 'any change in the Declared Price of Land for the Project' after the cut-off date of 3.3.2008 for the purpose of Haryana PPA and the cut-off date of 20.1.2009 for the purpose of TPTCL PPA qualifies as an event of Change in Law. The term 'Declared Price of Land for the Project' has been defined as 'the amount as mentioned in the RfP, at which identified land for the site will be transferred to the Seller". Clause 2.4(ii) of the RfP detailed the cost of acquiring land as approximately Rs. 300 crore which was subsequently increased to Rs. 320 crore vide a subsequent clarification. Against this, the Petitioner at the relevant time had paid the total compensation of Rs. 330 crore in terms of compensation awarded by the District Revenue Officer-cum-Land Acquisition Collectors (DRO/LAC) under the Land Acquisition Act, 1894.
- (c) Basis the final order dated 20.10.2022 and the consequential orders passed by the Hon'ble Supreme Court in respect of the other landowners who had approached the Hon'ble Court for enhancement of compensation, the DRO/LAC has already raised an additional demand of Rs. 145 crore (which corresponds to 536 acres out of total 1248 acres) on the Petitioner and the Petitioner has made the payment of entire amount as demanded on 29.3.2023. The said amount is likely to be further increased as the landowners of remaining land parcels may also take the steps to claim the enhanced compensation.
- The Petitioner also issued the notice of the aforesaid Change in Law (d) event to Haryana Discoms and TPTCL under Rule 3 of the Change in Law Rules. While the Haryana Discoms asked the Petitioner to approach the Appropriate Commission for adjustment of the amount of the impact in monthly tariff or charges as per Change in Law Rules after receiving the exact amount from the State Authorities, TPTCL, on the other hand, has refused to consider the aforesaid event as Change in Law event.
- 2. Learned counsel for the Respondents accepted the notice and sought time to file reply to the Petition.
- 3. After hearing the learned counsel for the parties, the Commission ordered as under:
 - Admit. (a)
 - The Petitioner to serve copy of the Petition on the Respondents and the Respondents to file their reply, if any, within four weeks with copy to the Petitioner who may file its rejoinder, within four weeks thereafter.
 - Parties to comply with the above directions within the specified timeline and no extension of time shall be granted.

The Petition be listed for hearing on 8.9.2023. 4.

> By order of the Commission Sd/-(T.D. Pant) Joint Chief (Law)