

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 118/MP/2015

Subject : Petition under Section 79 of the Electricity Act, 2003 read with statutory framework governing procurement of power through competitive bidding and Article 13 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 : 9.6.2015

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

Petitioner : Sasan Power Limited

Respondents : MP Power Management Company Limited and others

Parties present : Shri Vishrov Mukherjee, Advocate, SPL
Shri Janmali Manikala, Advocate, SPL
Shri N.K. Deo, SPL
Shri Prashant Agrawal, BYPL
Shri Rajiv Srivastava, Advocate, UPPCL
Shri M.G. Ramachandran, Advocate, HPPC
Ms. Anushree Bardhan, Advocate, HPPC
Ms. Poorva Saigal, Advocate, HPPC
Ms. Swapna Seshadri, Advocate, PSPCL

Record of Proceedings

Learned counsel for the petitioner submitted that the present petition has been filed invoking Article 13.2 of the PPA read with Section 79 (1) (b) of the Electricity Act, 2003 seeking following reliefs due to Change in Law events during the operating period of the project:

- (a) Increase in electricity duty on sale of power to State of Madhya Pradesh;
- (b) Increase in rate of electricity duty on auxiliary power consumption;
- (c) Imposition of Energy Development Cess on sale of power to the State of Madhya Pradesh and auxiliary power consumed by Sasan UMPP.

2. Learned counsel for the Haryana Power Purchase Centre submitted that the very efficacy of levying electricity duty on auxiliary consumption is being contested. He further submitted that the electricity duty and quantum of electricity supplied to State of Haryana will not be subject to electricity duty.

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

4. The Commission further directed the petitioner to serve copy of the petition on the respondents by 19.6.2015. The respondents were directed to file their replies by 17.7.2015 with an advance copy to the petitioner who may file its rejoinder if any, by 31.7.2015.

5. The Commission directed the petitioner to submit on affidavit by 17.7.2015 the following information/clarification:

(a) Whether Sasan Power Ltd. has factored the electricity duty on auxiliary consumption at the time of bidding and if so, the details thereof;

(b) Whether Sasan Power Limited is paying the enhanced electricity duty to the Government of Madhya Pradesh and if so, submit the proof of payment;

(c) Whether the efficacy of levying electricity duty on auxiliary consumption has been being contested by the petitioner in the appropriate forum;

(d) Whether Sasan Power Limited has billed the procurers for the enhanced charges; and

(e) Claim on the basis of actual additional cost incurred under specific heads duly audited by statutory auditors in terms of Article 13 of PPA.

6. The petition shall be listed for hearing on 11.8.2015.

By order of the Commission

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