CENTRAL ELECTRICITY REGULATORY COMMISSION NEW DELHI

Petition No. 16/MP/2016

Subject: Petition under section 79 of the Electricity Act, 2003 read with

statutory framework governing procurement of power through competitive bidding and Article 13.2 (b) 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: 12.4.2016

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 Vishrav Mukerjee, Advocate, SPL

Shri Rohit Venkat, Advocate, SPL

Shri Mayank Gupta, SPL

Shri Anand K. Ganesan, Advocate, Rajasthan Discoms

Shri Sandeep Rajpurohit, Rajasthan Discoms

Ms. Neha Garg, Rajasthan Discoms

Shri Mayank Sharma, PSPCL

Shri Alok Shankar, Advocate, TPDDL

Shri M.G. Ramachandran, Advocate, HPPCL Ms. Ranjitha Ramachandran, Advocate, HPPCL

Ms. Poorva Saigal, Advocate, HPPCL Ms. Anushree Bardhan, Advocate, HPPCL Shri G. Umapathy, Advocate, MPPMCL

Shri Navin Kohli, MPPMCL

Record of Proceedings

Learned counsel for MPPMCL requested for time to file reply to the petition. Learned counsel for the petitioner had objection in this regard.

- 2. Learned counsel for the petitioner submitted that similar statutory levies such as royalty, clean energy cess and excise duty have already allowed by the Commission vide orders dated 30.3.2015 19.2.2016 in Petition Nos. 6/MP/2013 and 153/MP2015 respectively and requested the Commission to permit the petitioner to provisionally recover 90% of amount paid towards royalty to the District Mineral Foundation (DMF) and National Mineral Exploration Trust (NMET) till disposal of the petition.
- 2. Learned counsel for the Haryana submitted that the impact of amendment to the Mines and Mineral (Development and Regulation) Act, 1957 (MMDR Act) has to be considered as against the existing obligations of the leaseholder to contribute for interest and benefit of persons and areas affected by mining related operations, etc. The leaseholders have obligations for rehabilitation and resettlement of the displaced persons as well as for protective rehabilitation. He further submitted that actual payments should be duly audited and certified by the statutory auditor and any penalty or interest imposed by the authorities ought not to be passed on the procurers and therefore the consumers at large.
- 3. The Commission directed the MPPMCL to file its reply by 22.4.2016 with an advance copy to the petitioner who may file its rejoinder, if any, by 29.4.2016.
- 4. The Commission directed the petitioner to file an affidavit by 22.4.2016 stating that the claim under rehabilitation and resettlement scheme is not additional to the scheme under MMDR Act. The Commission directed that due date of filing the information, reply and rejoinder should be strictly complied with. No extension shall be granted on that account.
- 5. The Commission directed to list the petition for hearing on 4.5.2016.

By order of the Commission Sd/-(T. Rout) Chief (Law)