

**CENTRAL ELECTRICITY REGULATORY COMMISSION  
NEW DELHI**

**Petition No. 20/MP/2019  
Alongwith IA No.35/2019**

Subject : Petition seeking urgent intervention of the Commission and issue of appropriate direction to Indian Energy Exchange (IEX) and Power trading Company of India Limited.

Petitioner : NHPC Limited

Respondents : Indian Energy Exchange (IEX) and Others

Date of Hearing : 9.5.2019

Coram : Shri P.K. Pujari, Chairperson  
Dr. M.K. Iyer, Member  
Shri I.S. Jha, Member

Parties present : Shri Sachin Datta, Senior Advocate, NHPC  
Shri S.K. Sarkar, Advocate, NHPC  
Shri Prashant Kaul, NHPC  
Shri Naresh Bansal, NHPC  
Shri A.K. Pandey, NHPC  
Shri S.P. Rathour  
Shri Anand K. Ganesan, Advocate, IEX  
Ms. Swapna Seshadri, Advocate, IEX  
Ms. Ritu Apurva, Advocate, IEX  
Shri Akhilesh Awasthy, IEX  
Shri Indranil Chatterjee, IEX  
Shri Amit Kapur, Advocate, PTC  
Shri Yashaswi Kant, Advocate, PTC

**Record of Proceedings**

At the outset, learned counsel for PTC submitted that PTC has filed an IA No.35/2019 for seeking modification of order dated 19.3.2019 and directions to IEX to not to allow Power Development Department, Jammu and Kashmir (JKPDD) to access the Power Exchange as a client in light of pending clearance of the outstanding dues payable to PTC for the services rendered to JKPDD. Learned counsel further submitted as under:

(a) The Commission's order dated 19.3.2019 is contrary to the Business Rules and Bye Laws of IEX. During the meeting held on 30.1.2019 in Ministry of Power, IEX had agreed to allow the Petitioner to trade on behalf of JKPDD without insisting on NoC from PTC. The decision taken in the said meeting without involving PTC violates the principles of natural justice.

(b) PTC being a Trader Member of IEX, has extended a line of credit to JKPDD for the contracts executed on the exchange and JKPDD ought not to be permitted to abandon its obligations, switch to another trader without clearing the dues of the existing trader and continue to benefit from trading on the exchange platform.

(c) Regulation 7 of the Central Electricity Regulatory Commission (Procedure, Terms and Conditions for grant of trading licence and other related matters) Regulations, 2009 provides for obligation of the licensee. Regulations 24, 26 and 28 of the Central Electricity Regulatory Commission (Power Market) Regulations, 2010 provides for functions of Power Exchange and Risk Management by Power Exchange. Therefore, in terms of the above Regulations, there was an obligation of creditworthiness which is to be maintained by IEX.

2. Learned counsel for IEX submitted that the main issue to consider in the present Petition is the correctness of the requirement of NoC which is to be obtained by the client for changing the member for operating on the IEX. Learned counsel submitted that subject to the provisions of the Power Market Regulations, Rules, Business Rules and Bye Laws of IEX, IEX has the power to specify the terms and conditions in the conduct of the members and clients, etc.

3. Learned senior counsel for the Petitioner submitted that the pleadings in the Petition have been completed. Learned senior counsel further submitted that the approach adopted by the IEX is promoting cartelisation and against the spirit of open competition. Learned senior counsel submitted that during the meeting held on 30.1.2019 with the Secretary, Ministry of Power, IEX agreed to allow the Petitioner to trade power of JKPDD without insisting NoC from the existing trader. Subsequently, the matter on the same issue was heard on 31.1.2019 and the Commission admitted the Petition. Thereafter, IEX vide its letter dated 4.2.2019 to Ministry of Power with copy to NHPC stated that since the matter is sub-judice, IEX cannot allow the trading to the Petitioner. Subsequently, after the direction of the Commission dated 19.3.2019, IEX allowed NHPC to trade power of JKPDD from 22.3.2019 which is continuing.

4. After hearing the learned senior counsel for the Petitioner, learned counsels for PTC and IEX, the Commission directed PTC to file the arrangement between PTC and IEX alongwith the written submission on an affidavit on or before 24.5.2019. The Commission directed the Petitioner and IEX to file their written submissions if any, on or before 24.5.2019.

5. Subject to above, the Commission reserved order in the Petition.

**By order of the Commission**

**Sd/-  
(T.D. Pant)  
Deputy Chief (Law)**