

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No.406/MP/2019

Coram:

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

Date of Order: 19th December, 2019

In the matter of

Petition for execution of Power Purchase Agreements and directions for payment of tariff by the allocated beneficiaries and/or Procurers of electricity from the two Generating units of 150 MW each of the 600 MW (4 x 150 MW) Kameng Hydro Electric Project scheduled for commissioning in November, 2019

And

In the matter of

North Eastern Electric Power Corporation Ltd
Brookland Compound, Lower New Colony,
Shillong- 793003

.....Petitioner

Vs

1. Assam Power Distribution Company Limited
Bijulee Bhawan, Paltan Bazar,
Guwahati - 781001

2. Department of Power
Government of Arunachal Pradesh,
Bidyut Bhawan, Itanagar - 791111.

3. Department of Power,
Government of Nagaland, Kohima - 797001

4. Meghalaya Energy Corporation Limited
Short Round Road, Lumjingshai,
Shillong - 793001

5. Manipur Power Distribution Company Ltd
Government of Manipur,
Keishampet, Imphal - 795001

6. Tripura State Electricity Corporation Limited
Bidyut Bhawan, North Banamalipur,
Agartala - 799001



7. Power & Electricity Department
Govt. of Mizoram,
New Secretariat Complex, Kawlpetha,
Aizawl - 796005
8. Haryana Power Purchase Centre
2nd Floor, Shakti Bhawan, Sector -VI,
Panchkula, Haryana-134016
9. Punjab State Power Corporation Limited
The Mall, Patiala- 147001
10. Rajasthan Urja Vikas Nigam Limited
Vidhan Sabha Road, Janpath,
Jyothi Nagar, Lal Kothi,
Jaipur- 302005
11. Uttar Pradesh Power Corporation Ltd
Shakti Bhawan, 14, Ashok Marg,
Lucknow- 226001
12. BSES Yamuna Power Limited
Shakti Kiran Building,
Karkardooma,
Delhi- 110092
13. BSES Rajdhani Power Limited
BSES Bhawan, Nehru Place,
New Delhi- 110019
14. Tata Power Delhi Distribution Ltd
33 kV Substation, Hudson Line,
Kingsway Camp, Delhi-110009
15. Union Territory of Chandigarh
Sector- 9D, UT Secretariat,
Chandigarh
16. Chhatisgarh State Power Distribution Company Limited
Vidyut Sewa Bhawan, Dangania,
Raipur- 492013
17. Gujarat Urja Vikas Nigam Limited
Sardar Patel Vidyut Bhawan,
Race Course, Vadodara- 390007
18. Madhya Pradesh Power Management Company Limited
Shakti Bhawan, Vidyut Nagar,
Rampur, Jabalpur- 482008
19. Maharashtra State Electricity Distribution Company Limited
Prakashgad, Bandra (East),
Mumbai- 400051



20. Electricity Department
Department of Goa,
Vidyut Bhawan, Panaji- 403001

21. North Eastern Regional Power Committee
NERPC Complex, Dong Parmaw,
Lapalang, Shilling- 793006

22. North Eastern Regional Load Despatch Centre
Dongteih, Lower Nongrah,
Lapalang, Shilling- 793006

.....Respondents

Parties Present:

Ms. Poorva Saigal, Advocate, NEEPCO
Ms. Ranjitha Ramachandran, Advocate, NEEPCO
Ms. Elizabeth Pyrbot, NEEPCO
Ms. Devapriya Choudhury, NEEPCO

ORDER

The Petitioner, NEEPCO has filed this petition with the following prayers:

“(a) Direct the Respondent - Beneficiaries Nos. 6, 7, 9, 10, 12, 13, 14, 17-19 who have not signed the Power Purchase Agreement so far to immediately execute the Power Purchase Agreement and declare that in case of non-execution of the Power Purchase Agreement, the concerned Respondent - beneficiaries shall be deemed to have entered into the Power Purchase Agreement on the same terms and conditions in the Power Purchase Agreement attached as Annexures B, C and D

(b) Direct the Respondent beneficiaries that they shall be liable to pay the tariff (provisional and final) as and when approved by this Hon’ble Commission, in regard to their proportionate allocated capacity in the 2 x 150 MW (out of the 600 MW) Kameng Hydro Electric Project being commissioned by NEEPCO in the State of Arunachal Pradesh;

(c) Permit NEEPCO to offer the quantum of electricity which any of the Respondent - Procurers are not willing to take and pay the tariff in accordance with the amount approved by this Hon’ble Commission to (i) such of the other Respondent Procurers who may be willing to take the additional quantum on the same terms and conditions and/or (ii) to third parties including through power exchange or other bilateral transaction, without prejudice to the rights of NEEPCO against the defaulting Respondent - Procurers;

(d) pass such further order or orders as this Hon’ble Commission may deem just and proper in the circumstances of the case.”

2. The Petitioner is in the process of establishing and commissioning Kameng Hydroelectric Project (600 MW) in the State of Arunachal Pradesh. The Project comprises of 4 units of 150 MW each. The Ministry of Power, GOI has allocated the power from the Project to the aforesaid Respondents vide its letter dated 14.7.2009.



The Petitioner has submitted that in terms of the said letter, 50% of the power (including free power @ 12% and unallocated share @ 15%) equivalent to 300 MW is allocated to the North-eastern states and 25% each (equivalent to 150 MW each) of the power is allocated to the Northern region and Western Region. The Petitioner has also submitted that in pursuant to the aforesaid allocation, the Respondents 1 to 4 herein of the NER States have signed Power purchase Agreement (PPA) with the Petitioner. In respect of the Northern Region States, the Respondents 8 and 11 have signed PPA with the Petitioner. Similarly, with regard to Western Region states, only the Respondent No. 16 has entered into PPA and the PPA with the Respondent No. 20 is in the process of being signed. The Petitioner has accordingly submitted that the following Respondents have so far not signed the PPAs for the allocation made by the MOP, GOI with regard to the Project:

	Capacity allocated (MW)
NER States	
Manipur	14
Mizoram	9
Tripura	15
NR States	
Punjab	19
Rajasthan	28
Chandigarh	1
Delhi	34
WR States	
Gujarat	48
Madhya Pradesh	32
Maharashtra	55

3. The Petitioner has submitted that two units of the project are ready for undertaking the commissioning test and thereafter to be declared under commercial operation. Subsequent to the allocation of power in July 2009, the Respondents above have addressed letters to the MOP, GOI requesting de-allocation of the capacities allocated to them. Accordingly, the Petitioner has submitted that the Respondents have a binding obligation so long as there is an allocation by the Central Government



and even though they may not have executed the PPA with the Petitioner, the Procurer is a deemed beneficiary in terms of the provisions of the 2019 Tariff Regulations. The Petitioner has stated that till such time the alternative Procurer is identified by the Central Government and an order is issued for re-allocation of the allocated capacity proposed to be surrendered and the allocation of such capacity to an alternative Procurer, the Respondent procurers shall be bound to procure the allocated capacity and discharge the obligation of payment of tariff for the allocated capacity in accordance with the provisions of the 2019 Tariff Regulations.

4. The matter was heard on 11.12.2019 on 'admission'. During the hearing, the learned counsel for the Petitioner argued the matter at length and prayed that the Commission may issue directions to the Respondents who have not signed the PPAs, for execution of the PPA and for other consequential reliefs. The learned counsel pointed out that though the Central Government vide its letter dated 12.3.2018 had requested the aforesaid Respondents to consider the signing of the PPA for the allocated capacity from the Project, but the same is yet to materialize.

5. On a specific observation of this Commission as to whether it would be appropriate for the Petitioner to approach the Central Government to pursue the matter with the concerned States or to get the capacity re-allocated suitably, the learned counsel for the Petitioner submitted that it may be permitted to withdraw the Petition with liberty to approach the Central Government for necessary reliefs. Accordingly, the Petition is permitted to be withdrawn. Petition No. 406/MP/2019 is disposed of as withdrawn.

Sd/-
(I.S.Jha)
Member

Sd/-
(Dr. M.K.Iyer)
Member

Sd/-
(P. K. Pujari)
Chairperson

