

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 179/MP/2019

Subject : Petition under Section 79 of the Electricity Act, 2003 read Article 13 of the Power Purchase Agreement dated 22.4.2007 seeking appropriate directions from this Commission for adequately compensating Coastal Gujarat Power Limited (by adjustment in tariff or by prescribing any other appropriate compensatory mechanism) on account of increased transportation cost of fuel due to occurrence of Change in Law events.

Date of Hearing : 23.7.2021

Coram : Shri P. K. Pujari, Chairperson
Shri I. S. Jha, Member
Shri Arun Goyal, Member
Shri P. K. Singh, Member

Petitioner : Coastal Gujarat Power Limited (CGPL)

Respondents : Gujarat Urja Vikas Nigam Limited (GUVNL) and 8 Ors.

Parties Present : Shri Amit Kapur, Advocate, CGPL
Shri Abhishek Munot, Advocate, CGPL
Shri Tushar Nagar, Advocate, CGPL
Shri M. G. Ramachandran, Sr. Advocate, GUVNL, Haryana and Rajasthan Utilities and PSPCL
Ms. Ranjitha Ramachandran, Advocate, GUVNL, Haryana and Rajasthan Utilities and PSPCL
Shri Shubham Arya, Advocate, GUVNL, Haryana and Rajasthan Utilities and PSPCL
Ms. Srishti Khindaria, Advocate, GUVNL, Haryana and Rajasthan Utilities and PSPCL
Shri Anup Jain, Advocate, MSEDCL
Shri Ajay Kapoor, CGPL
Shri Abhay Kumar, CGPL
Shri Prasad Bagade, CGPL
Shri Swapnil S Katkar, MSEDCL

Record of Proceedings

Case was called out for virtual hearing.

2. Learned counsel for the Petitioner submitted that the present Petition has been filed seeking adjustment in tariff on account of certain Change in Law events which have impacted the transportation cost of fuel due to coming into effect of MARPOL Annex VI (regulating the permissible sulphur content in bunker fuel) with effect from 1.1.2020. Subsequently, the Commission has also passed the order dated 15.1.2020 in Suo-Motu Petition No.11/SM/2019 determining and notifying the

methodology for computing escalation rate for transportation of imported coal on account of implementation of MARPOL Annex VI. Learned counsel further submitted that the said escalation index as notified by the Commission does not entirely compensate the Petitioner for the impact of Change in Law claims raised in the present Petition. He further added that since previous financial year (FY 2020-21) has come to an end with the audited financial numbers being close to finalisation, the Petitioner may be permitted four weeks' time to file additional submissions along with the necessary data/details.

3. Learned counsels for the Respondents, GUVNL, Rajasthan, Haryana Utilities, Punjab State Power Corporation Ltd. and Maharashtra State Electricity Distribution Company Limited requested for time to file their respective reply on the additional submissions to be filed by the Petitioner.

4. Considering the submissions of learned counsels for the parties, the Commission permitted the Petitioner to file its additional submissions by 25.8.2021 with advance copy to the Respondents, who may file their response thereon, if any, by 14.9.2021.

5. The Petition shall be listed for hearing in due course for which separate notice will be issued.

By order of the Commission

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