

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Coram

- 1. Dr. Pramod Deo, Chairperson**
- 2. Shri R.Krishnamoorthy, Member**
- 3. Shri V.S.Verma, Member**

**Petition No. 88/2008
(Suo-motu)**

In the matter of

Non-compliance of the provisions of Central Electricity Regulatory Commission
(Fixation of Trading Margin) Regulations, 2006.

And in the matter of

PTC India Ltd., New Delhi

..Respondent

Following was present:

Shri Rakesh Kumar, PTC

**ORDER
(DATE OF HEARING: 27.8.2009)**

It was noted by the Commission that the respondent was charging trading margin @ 5 paise/kWh for re-sale of electricity purchased by it from Chukha HEP and Kurichhu HEP in Bhutan.

2. The Commission by order dated 19.12.2008 had directed the respondent to rectify the position for the future as regards charging of trading margin by entering into revised PPAs with the concerned utilities in Eastern Region. A compliance of the direction was to be reported by the respondent by 31.12.2008.

3. In the meantime, the respondent filed an appeal before the Appellate Tribunal for Electricity against the said order dated 19.12.2008. The appeal was dismissed by the Appellate Tribunal vide its order dated 18.2.2009. Thereupon, the respondent filed Civil Appeal No. 1331 of 2009 before the Hon`ble Supreme Court which was also dismissed.

4. Subsequently, the respondent was *inter alia* directed to submit by 31.5.2009, compliance report on the process of revision of PPAs. The time limit for submission of the revised PPAs was extended to 15.6.2009. However, the revised PPAs were not submitted.

5. By order dated 2.7.2009, the respondent was directed to show cause as to why it should not be held guilty of contravention and non-compliance of the direction of the Commission and penalty under Section 142 of the Electricity Act, 2003 be not imposed on it.

6. The respondent under its affidavit dated 20.7.2009 submitted the reply of show cause notice dated 2.7.2009. The respondent in its reply stated that the concerned State utilities had been approached for signing of the revised PPAs and finalization of the revised PPAs would take time. It was further stated that the copies of the revised PPAs would be filed after finalization of formalities. The respondent requested for time up to 15.8.2009 for submission of the revised PPAs. Accordingly, the respondent was allowed extension of time for submission of the revised PPAs.

7. The respondent vide its affidavit dated 26.8.2009 has submitted the revised PPAs dated 14.8.2009 in respect of Chukha HEP and Kurichhu HEP. This was reiterated by Shri Rakesh Kumar, the representative of the respondent, at the hearing.

8. In view of the compliance of the Commission's direction by the respondent, the proceedings initiated under Section 142 of the Act, in terms of the show cause notice issued under order dated 2.7.2009 are hereby dropped.

Sd/-
(V.S.VERMA)
MEMBER

New Delhi dated the 27th August 2009

sd/-
(R.KRISHNAMOORTHY)
MEMBER

sd/-
(DR. PRAMOD DEO)
CHAIRPERSON