

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No.262/Suo-Motu/2012

Coram:

- 1. Dr. Pramod Deo, Chairperson**
- 2. Shri S.Jayaraman, Member**
- 3. Shri V.S.Verma, Member**
- 4. Shri M.Deena Dayalan, Member**

Date of Order: 15.2.2013

In the matter of

Commencement of operations of National Power Exchange Limited.

And

In the matter of

National Power Exchange Limited, New Delhi

Order

In our order dated 11.12.2012, we had directed as under:

"2.It is observed that even after lapse of three years since the in principle approval for setting up and operating a power exchange was granted and nearly six months since the Rules, By-laws and Business Rules were approved, there is no perceptible progress for setting up and commencement of operation of the power exchange. We direct the NPEX to place on record the progress made so far for setting up of the Power Exchange and definite action plan indicating the firm date of operation of the Power Exchange. If NPEX is no more interested to set up the power exchange, the same should be indicated with reasons so that necessary action to withdraw the permission will be taken ."

2. NPEX vide its affidavit dated 24.12.2012 has enumerated the progress made till date for setting up of the Power Exchange. With regards the status of operation, NPEX has submitted that promoters of NPEX are cautiously examining the impact of

short term market dynamics in the power sector along with regulatory impact on the business proposition for setting-up the exchange in the sector. The promoters are also examining various options through mutual discussion and interaction to evolve a prudent decision.

3. NPEX has also submitted that since, the issue is of high significance for business viability, extensive consultations and deliberations would be called for and sought six months time for informing the Commission about its final decision regarding setting up of Power Exchange.

4. We have considered the submission of NEPX. The Commission had accorded the permission for setting up the Power Exchange on 1.7.2009. Even after three years, NPEX is yet to decide whether to go in for the Power Exchange or not and has sought six months time to intimate about its decision to the Commission.

5. NPEX is directed to take up the matter in its Board and intimate a firm plan for setting up the Power Exchange to the Commission by 15.3.2013. It is also clarified that if NEPX fails to set up the Power Exchange within six months from the date of this order, the permission accorded vide order dated 1.7.2009 in Petition No. 91/2007 is liable to be withdrawn.

Sd/-
(M.DEENA DAYALAN)
MEMBER

sd/-
(V.S.VERMA)
MEMBER

sd/-
(S.JAYARAMAN)
MEMBER

sd/-
(Dr. PRAMOD DEO)
CHAIRPERSON