

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

**Petition No.54/MP/2019
Alongwith IA No.27/2019**

Subject :Petition under Section 79 (1)(f) of the Electricity Act, 2003 for seeking various reliefs against the Respondents in terms of PPA dated 25.7.2013.

Petitioner : TRN Energy Private Limited

Respondents : PTC India Ltd. and Others

Date of Hearing : 8.3.2019

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

Parties present :Shri Sourav Roay, Advcoate, TRN Energy
Shri Gaurav Majumdar, Advocate, TRN Energy
Shri Harsh Anand, Advocate, TRN Energy

Record of Proceedings

Learned counsel for the Petitioner submitted that the present Petition has been filed inter-alia for seeking declaration that the PPA entered into with PTC is without consideration as the PTC is not performing its obligations towards the Petitioner under the PPA while at the same time, PTC is receiving a hefty amount from the Petitioner each month. Learned counsel further submitted as under:

(a) The Petitioner has entered into LTA Agreement dated 11.4.2011 and Supplementary LTA Agreements dated 11.11.2016 and 24.3.2017 with PGCIL towards long term open access for supply of 390 MW under the PTC-PPA. In terms of the LTA Agreement, the Petitioner had opened Letter of Credit (LC) of ₹25.14 crore as Payment Security Mechanism towards payment of transmission/PoC Charges to PGCIL.

(b) On 25.7.2013, PTC entered into a PPA with the Petitioner for back-to-back sale of power to UP Discoms. As per Article 4.4.1 of the Schedule 4 of the PPA, the Petitioner is required to pay transmission charges to PGCIL which in turn are to be reimbursed by PTC. Therefore, the Petitioner is required to make the payment of monthly transmission charges to PGCIL and upon submission of request for reimbursement to PTC India alongwith the details of payment made to PGCIL, PTC is required to reimburse the transmission charges to the Petitioner.

(c) As a consequence of the failure on the part of the PTC in raising the bills on UPPCL for the payments made to the PGCIL and not making timely reimbursement to the Petitioner, PGCIL has issued a Notice for Regulation of Power Supply dated 24.12.2018 under Regulation 4 of the Central Electricity Regulation Commission (Regulation of Power Supply) Regulations, 2010 and has curtailed power supply to 290 MW instead of 390 MW of the Petitioner. Due to

imposition of regulation on power supply, the Petitioner has incurred additional financial losses.

2. Learned counsel for the Petitioner submitted that the Petitioner has filed IA No. 27/2019 for seeking stay of the notice of regulation of power issued by PGCIL and for direction by UPPCL for direct remittance of PoC charges to PGCIL. Learned counsel submitted that as on date, Rs. 60 crore is to be paid to PGCIL and the Petitioner would pay the outstanding amount in three installments.

3. The Commission declined to grant any interim relief in terms of the IA No. 27/2019. Accordingly, the IA was disposed of. However, the Commission observed that the Petitioner may approach PGCIL with a request for staggered payment of outstanding transmission charges and for withdrawing the notice on regulation of power supply. The Commission further directed that if the Petitioner approaches PGCIL with the above request, PGCIL shall take decision on the request of the Petitioner within one week of receipt of the request.

4. After hearing the learned counsel for the Petitioner, the Commission admitted the Petition and directed to issue notice to the Respondents.

5. The Commission directed the Petitioner to serve copy of the Petition on the Respondents immediately. The Respondents were directed to file their replies by 22.3.2019 with an advance copy to the Petitioner who may file its rejoinder, if any, by 12.4.2019. The Commission directed that due date of filing the replies and rejoinders should be strictly complied with. No extension shall be granted on that account.

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

By order of the Commission

**Sd/-
(T. Rout)
Chief (Law)**