

**BEFORE THE GUJARAT ELECTRICITY REGULATORY COMMISSION
AT GANDHINAGAR**

PETITION NO. 2004 OF 2021

In the matter of:

Petition under Sections 86 (1)(b) and 86(1)(f) of the Electricity Act, 2003 for approval of amendments to the PPA between Gujarat Urja Vikas Nigam Ltd. (GUVNL) and Essar Power Gujarat Ltd. (EPGL) by way of Supplemental PPA dated 12.08.2021 pursuant to the Order dated 27.04.2020 of the Commission and Government of Gujarat GR and Letter dated 12.06.2020 and Government of Gujarat GR dated 05.06.2021.

Petitioner : Gujarat Urja Vikas Nigam Limited,
Sardar Patel Vidyut Bhawan,
Race Course, Vadodara – 390007.

Represented by : Shri K.P. Jangid, Shri Sanjay Mathur
and Shri K.N. Chudasama

v/s

Respondent No. 1 : Essar Power Gujarat Ltd.,
44 KM Milestone, Jamnagar - Okha Highway,
P.O. Box No. 07, Khambhalia P.O.,
Dist. Devbhumi Dwarka - 361 305.

Represented by : Sr. Adv. Shri Mihir Thakor, Adv. Shri Nisarg Desai
and Shri Pankaj Naik

Respondent No. 2 : Energy Watchdog,
B 5/51, Paschim Vihar,
New Delhi.

Represented by : Nobody was present

Respondent No. 3 : Prayas (Energy Group),
Unit III A&B, Devgiri,
Joshi Railway Museum Lane,
Kothurd Industrial Area,
Kothurd, Pune - 411 038

Represented by : Nobody was present

CORAM:
Mehul M Gandhi, Member
S. R. Pandey, Member

Date: 29/09/2021

DAILY ORDER

1. The matter was heard on 23.09.2021. Learned Senior Advocate Shri Mihir Thakor, on behalf of the Respondent No. 1, submitted that the Respondent No. 1 has received Rejoinder-in-Reply only yesterday i.e. on 22.09.2021 and the Respondent No. 1 has not gone through the Reply. Hence, he requested to adjourn the matter and grant some time to file the Sur-Rejoinder, if any, to the submissions dated 22.09.2021 filed by the Petitioner.
2. Shri K.P. Jangid, on behalf of the Petitioner, submitted that the present petition has been filed by the Petitioner for approval of the Supplemental PPA dated 12.08.2021 signed by the Petitioner and the Respondent No. 1 after incorporating modifications / alteration as per the decision of the Commission dated 27.04.2020 in Petition No. 1807 of 2019 and Government of Gujarat GR No. CGP-12-2018-166-K, Letter dated 12.06.2020 and GR No. EPG-12-2019-15-K dated 05.06.2021. The modifications / alteration in the Supplemental PPA are with regard to following subjects:
 - (i) Effective date of Supplemental PPA being the date on which the Commission approves the Supplemental PPA.
 - (ii) Untied power offered by Respondent No. 1, i.e. Essar Power Gujarat Ltd. to the Petitioner, i.e. GUVNL to be increased from 100 MW to 122 MW.
- 2.1. He submitted that the Respondent No. 1 in its reply raised new issue than the earlier decision of the Commission as well as the decision of the Government of Gujarat in the aforesaid GRs after agreeing with the terms of the Supplemental PPA and signing the same and thereafter filing the same before the Commission for approval by way of present petition.
- 2.2. He further submitted that the aforesaid issue has been raised with regard to ceiling of the imported coal HBA Index price by the Respondent No. 1 and the Respondent No. 1 once again wants modification in the said ceiling of the imported coal HBA Index price after agreeing to the Supplemental PPA which was allowed as a rehabilitation measure and implemented by the Government of Gujarat and allowed by the Commission in its aforesaid Order. He further submitted that although the said ceiling of imported coal HBA Index price is a separate issue and to be dealt with separately for which approval of the Government of Gujarat as well as the Commission is to be obtained. He submitted

that the Petitioner needs power and hence, the Supplemental PPA may be approved by the Commission at the earliest.

- 2.3. On a query of the Commission, as to whether comments of the stakeholders are necessary on the approval sought by the Petitioner, he submitted that the Commission may decide it. However, period for the same may be kept as short.
- 2.4. The issue raised by the Respondent for hike in the ceiling of imported coal HBA Index price is already considered and decided by the Commission in earlier proceedings and the same has also been considered and consented in the aforesaid GRs. Any further hike in the said matter will be permitted only after following the due process in this regard. The present petition is filed by the Petitioner for approval of Supplemental PPA executed between the parties based on the Commission's Order and the aforesaid GRs. Any subsequent issues need to be decided separately.
3. We heard the parties. We note that the present petition has been filed by the Petitioner for approval of the Supplemental PPA dated 12.8.2021 signed by the Petitioner and the Respondent No. 1 after the order dated 27.4.2020 passed by the Commission in Petition No. 1807 of 2019 and Government of Gujarat GR No. CGP-12-2018-166-K and Letter dated 12.06.2020 and Government of Gujarat GR No. EPG-12-2019-15-K dated 05.06.2021 on the same subject matter. We note that the subject matter of the present petition is for approval of the Supplemental PPA executed between the Petitioner and the Respondent No. 1 in compliance of the Order dated 27.4.2020 passed by the Commission in Petition No. 1807 of 2019 which consists of allowing changes in the original PPA dated 26.2.2007 executed between the Petitioner and the Respondent No. 1. The subject matter is pertaining to power procurement of the Distribution Licensees on whose behalf the Petitioner has signed the PPA with the Respondent No. 1. The subject matter is under Section 86(1)(b) of the Electricity Act, 2003 which provides that the power procurement of the Distribution Licensees shall be regulated by the Commission consisting of quantum of power prescribed etc. Hence, it is necessary to hear the consumers / stakeholders prior to deciding the matter. Moreover, there are certain modifications also made in the Supplemental PPA signed by the Petitioner and the Respondent No. 1, as submitted by them. Therefore, also it is necessary to hear the consumers/stakeholders.
4. We, therefore, decide and direct the Petitioner to issue public notice in one daily Gujarati newspaper and one English newspaper having wide circulation in the State / National level in respect of its present Petition. The Petitioner is also directed to upload the present Petition on its website and invite comments and suggestions from the stakeholders on the Petition on affidavit within 15 days from the date of issuance of public notice. The Petitioner shall also state in the public notice that the stakeholders / objectors shall file their comments / suggestions in the Petition to the Secretary, Gujarat Electricity Regulatory Commission, 6th Floor, GIFT ONE, Road 5C, Zone 5, GIFT City, Gandhinagar – 382 355 in five copies along with affidavit in support of their submissions with a direct copy to the Petitioner.

- 4.1. The Petitioner is also directed to submit necessary affidavit in compliance of the aforesaid direction regarding publication of notice.
- 4.2. The staff of the Commission is directed to upload the Petition on the website of the Commission inviting comments and suggestions from the stakeholders within 15 days from the date of issuance of the public notice by the Petitioner and on receipt of compliance affidavit on it.
- 4.3. Upon receipt of the comments / views / objections / suggestions from the stakeholders, the Petitioner is at liberty to file its reply, if any, to the Commission.
- 4.4. We note that the Respondents No. 2 and 3 have neither remained present in the hearings nor filed their reply in the aforesaid Petition. Hence, we direct the Respondents No. 2 and 3 to file their reply, if any, within 15 days with a copy to the Petitioner and the Respondent No. 1. The Petitioner and the Respondent No. 1 are at liberty to file their Rejoinder-in-Reply, if any, to the Reply with a copy to the Respondents No. 2 and 3, within one week.
- 5 We order accordingly.
- 6 The next date of hearing will be intimated separately.

Sd/-

(S. R. PANDEY)
MEMBER

Sd/-

(MEHUL M. GANDHI)
MEMBER

Place: Gandhinagar

Date: 29/09/2021