Before the MAHARASHTRA ELECTRICITY REGULATORY COMMISSION World Trade Centre, Centre No.1, 13th Floor, Cuffe Parade, Mumbai 400005 Tel. 022 22163964/65/69 Fax 22163976 Email: mercindia@merc.gov.in Website: www.mercindia.org.in/www.merc.gov.in

<u>Case No. 37 of 2016 and</u> MA No. 5 of 2016 in Case No. 37 of 2016

Date: 13 October, 2016

<u>CORAM:</u> Shri. Azeez M. Khan, Member Shri. Deepak Lad, Member

In the matter of Petition filed by The Tata Power Company Limited - Distribution (TPC-D) for seeking abeyance of Power Purchase Agreement between TPC- D and Ideal Energy Projects Limited (IEPL) approved in-principle by the Commission.

The Tata Power Company Limited (TPC-D)	Petitioner
Ideal Energy Projects Ltd. (IEPL)	Respondent
Power Trading Company India Limited. (PTCIL)	Applicant
Advocates for the Petitioner:	Adv. Deepa Chawan
Advocates for the Respondent:	Adv. H. G. Ramchandran
Advocates for PTC of India (PTCIL):	Adv. Ashish Bernard

Daily Order

Heard the Advocates of TPC-D, IEPL and PTCIL.

Advocate of TPC-D, submitted that the power requirement scenario for TPC-D has changed post approval of the PPA with IEPL. The demand is reduced due to Railways going out of its system and due to increased Open Access. Hence TPC-D has filed this Petition for keeping in abeyance the PPA approved by the Commission. She also suggested that the matter be postponed, and taken up after the MYT order for the 3rd control period is issued, since it would also enable TPC-D to update its assessment of future power requirement.

Further, she submitted that PTCIL is not a necessary party to this Petition and should not be allowed to intervene.

Advocate of IEPL stated that it is supporting the PPA abeyance and opposed the intervention of PTCIL. He further stated that IEPL had issued a termination notice to PTCIL in February 2015, but PTCIL has not challenged it before any appropriate forum. Moreover, as per MoP Guidelines, Traders cannot have long term PPAs. PTCIL cannot go on intervening and objecting to any transaction of IEPL's power without resorting to any legal remedy for the alleged dispute PTCIL is purported to have with IEPL.

Advocate of PTCIL submitted that it had already filed, a Petition for review of the Commission's Order dated 6 November, 2015 in Case No. 65 of 2015, which is registered as Case No. 8 of 2016. The Commission has heard the review matter and Order is reserved.

Advocate of TPC-D submitted that the ground cited by PTC regarding Share Purchase Agreement for sale of 100% shareholding and management control to TPC-D is not related to the current proceeding and cannot be a reason for intervention in this matter. PTCIL cannot contend that IEPL is injuncted from the phrase injunction in regards to selling the contracted capacity to TPC-D since there has been no such ruling by any adjudicatory body.

The Commission questioned PTCIL as to how its intervention application in the instant matter has any relevance or / locus particularly when its review Petition in Case No. 8 of 2016 is pending with the Commission and reserved for Order.

In view of the above, the Commission rejects the Miscellaneous Application filed by PTCIL. PTCIL in its Review Petition in Case No. 8 of 2016 has already raised certain issues in that matter, the outcome of which maybe awaited.

Next date of hearing shall be communicated by the Secretariat of the Commission.

(Deepak Lad) Member

(Azeez M. Khan) Member