

MADHYA PRADESH ELECTRICITY REGULATORY COMMISSION, BHOPAL

Sub : In the matter of non-compliance of certain provision of “Notification dated 17.10.2006 published in MP Rajpatra, an incentive policy to encourage electricity generation from non-conventional energy sources.”

Petition No. 40 of 2010

ORDER

(Date of Hearing : 7th July, 2010)

(Date of Order : 19th July, 2010)

Electricity Consumers Society
C/o All India Manufacturers Association
(M.P.State Board)
Industrial Estate, Pologround,
Indore.

- Petitioner

Shri P.L.Nene, President, Electricity Consumers Society appeared on behalf of the Petitioner.

2. The petition is in the matter of non-compliance of certain provision of Notification dated 17.10.2006 published in MP Rajpatra, an incentive policy to encourage electricity generation from non-conventional energy sources.

3. The Petitioner has submitted that the State Government, Energy Department of GoMP has notified the incentive policy for generation of energy from non-conventional energy sources in MP Gazette on 17.10.2006 and the Commission has accepted the same and incorporated it in the tariff orders issued for wind energy, biomass generation, bagasse based co-generation and others. However, the methodology for the following two clauses have not been prescribed.

- (i) Banking as per clause 23 of the policy.
- (ii) Reduction in contract demand as per Clause 14.

4. The Commission had directed to issue notice to the Petitioner for motion hearing on 07.07.2010.

5. During the motion hearing on 07.07.2010, the Petitioner submitted that Clause 12.27 of the Wind Power Tariff issued in November 2007 contains directives to the Distribution Licensee to submit a proposal to the Commission on method of banking within 3 months. In spite of such directives, the methodology is not yet finalized.

6. The Petitioner submitted that the Clause for reduction in contract demand needs a clarification as according to the petitioner, reduction means offset of demand due to supply of

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power. The Petitioner has further submitted that the Tamil Nadu Electricity Regulatory Commission vide Order dated 20.03.2009 has allowed the above provisions. The Petitioner has also submitted that there was an omission on the part of the Petitioner that MP Power Trading Co. Ltd. could not be made as Respondent, which is regretted.

7. The Commission during the hearing informed that MP Power Trading Company has submitted proposal for Banking Policy to the Commission which is under its active consideration.

8. The Commission, after considering the issues submitted by the Petitioner has directed that the above issues alongwith other aspects of renewable energy including renewal purchase obligation be reviewed. As this issue is being reviewed by the Commission in its entity, the petition need not be pursued further. The Petitioner agreed with the Commission’s views.

9. With the above direction, the Petition No. 40 of 2010 stands disposed off.

Ordered accordingly,

(C.S.Sharma)
Member (Eco.)

(K.K.Garg)
Member (Engg.)