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## Madhya Pradesh Electricity Regulatory Commission

5<sup>th</sup> Floor, Metro Plaza, Arera Colony, Bittan Market, Bhopal 462 016

Dated: 24th July, 2007

SUB: PETITION U/S. 86(1)(a) OF THE ELECTRICITY ACT, 2003 FOR GRANT OF PERMISSION FOR RENEWAL OF THE ORIGINAL PPA ON THE SAME TERMS.

M/s. Cepco Industries Pvt. Ltd., - Petitioner 82, Mahaveer Nagar, Kanadia Road, Indore

**V/s.** 

The CMD - Respondent

M.P. Paschim Kshetra Vidyut Vitaran Co. Ltd., Indore

ORDER Petition No. 25 of 2007 (As passed on this day of 24<sup>th</sup> July, 2007)

Shri P.L. Nene, Consultant and Shri U.K. Sahasrabuddhe, Authorized Representative appear on behalf of the Petitioner.

Shri D.K. Ojha, S.E. (Commercial) appears on behalf of the Respondent.

The petitioner M/s. Cepco Industries Pvt. Ltd, Indore has filed this petition under section 86(1)(a) of the Electricity Act, 2003 for grant of permission for renewal of original PPA on the same terms.

- 2. It has been submitted by the petitioner that the Commission vide order dated 27/08/2003 and vide amended order dated 01/03/2004 granted permission for sale of electricity from the petitioner's WEG at location 44 to MPSEB for a period of five years from 15/04/2001. Likewise, permission for sale of electricity from his WEG at location 62 to MPSEB was also granted for a period of five years from 15/04/2001.
- 3. It is further submitted by the petitioner that the initial period of original agreement for these two locations expired on 14/04/2006. The Commission vide its Wind Power Tariff order dated 01/03/2006 has stipulated that owners of WEGs in old projects selling electricity to the licensee shall be paid @ Rs. 2.87 per unit w.e.f. the date of expiry of initial period of the original PPA. Therefore, the petitioner prays to the Commission that the petitioner may be allowed to extend the PPA with the modified rate of Rs. 2.87 per unit for a further period of five years. The Petitioner also prays to the Commission for deviation from the new draft agreement.
- 4. Shri D.K. Ojha, SE today has submitted the reply on behalf of the respondent. It is submitted by the respondent that as per the order dated 01/03/2006 of the Commission, the rate of Rs. 2.25 per unit may be allowed till the agreement period of existing agreement expires. The rate of Rs. 2.87 may not be allowed till 14/04/2011. It is also submitted by the Respondent that so far as the submission of the petitioner in Para 7 of the petition for continuation of the original PPA on the same terms and conditions as that of original PPA is concerned, if it is considered then the rate of sale of power to the Utility may also not be changed.
- Today, the Commission heard both the parties. Having heard the parties the Commission is of the view that as per the Commission's order dated 18/04/2006, the Commission granted permission to Cepco Industries Pvt. Ltd., for sale of electricity generated from WEG installed at location No. 44 and 62 at Jamgodrani, Dist. Dewas, to MPSEB w.e.f. 15/04/2006 for five years @ Rs. 2.25 per unit or at the rate applicable as recently determined by the MPERC subject to conditions. Therefore, it is clear that after expiry of original PPA i.e. after 14/04/2006 the petitioner is entitled to charge Rs. 2.87 per unit for the power generated from its above two WEGs from the respondent. The Commission also directs both the parties to execute an agreement on the existing terms and conditions.
- 6. With the directions as above, the Commission decides to close the case.

Ordered accordingly.

Sd/(R.Natarajan) (D.Roybardhan)
Member (Econ.) Member (Engg.)

Sd/-(Dr. J.L.Bose) Chairman