

MADHYA PRADESH ELECTRICITY REGULATORY COMMISSION, BHOPAL

Sub :- In the matter of petition for incorporating Payment Security Mechanism in the Model Power Purchase Agreement for sale of electricity generated from Wind Electric Generators (WEGs) to M.P.Power Trading Co. Ltd.

ORDER

(Date of hearing 11th August, 2009)

M/s Indian Wind Energy Association,
PHD House, 3rd Floor, Opp Asian Games Village,
August Kranti Marg,
New Delhi

- Petitioner

V/s

M.P.Power Trading Co. Ltd.,
Shakti Bhawan, Vidyut Nagar,
Rampur, Jabalpur.

- Respondent

Shri Suresh Gehari appeared on behalf of the Petitioner.

Shri D.K.Ojha, Associated Consultant appeared on behalf of the Respondent.

2. The Petitioner has filed this petition for incorporating Payment Security Mechanism in the Model Power Purchase Agreement for sale of electricity generated from Wind Electric Generators (WEGs) to M.P.Power Trading Co. Ltd.

3. During the hearing, the representative of the Petitioner made a request to incorporate payment security mechanism in the form of Letter of Credit in the Model Power Purchase Agreement executed for sale of electricity from Wind Electric Generators (WEGs) to MP Power Trading Co. Ltd. (MPPTCL) on the ground that the MPPTCL is not making payment in time in terms of provisions made in Tariff Order dated 21.11.2007.

4. During the hearing, the representative of the Respondent made a submission that the bills are normally being paid timely. However, any change in payment security mechanism in the Model Power Purchase Agreement in terms of Tariff Order dated 21.11.2007 shall require review of the Tariff Order, which is now time barred.

5. On hearing both the Petitioner and the Respondent, the Commission has directed that the existing situation does not warrant to incorporate the condition of Letter of Credit in the Model Power Purchase Agreement framed in terms of Tariff Order dated 21.11.2007. The Commission has further directed the Respondent to comply with the provisions towards payment mechanism in the Tariff Order dated 21.11.2007.

7. With the above directions, the Petition No. 23/2009 stands disposed off.

Ordered accordingly,

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

(Dr. J.L. Bose)
Chairman