

JOINT ELECTRICITY REGULATORY COMMISSION FOR  
THE STATE OF GOA AND UNION TERRITORIES  
GURGAON

Coram  
Dr. V.K. Garg Chairperson  
Petition No.....71/2012

**In the matter of**

Petition for seeking approval for the Power Purchase Agreement to be entered into with  
M/S NTPC

**And in the matter of**

Electricity Department Chandigarh

... Petitioner

**Present**

1. Sh. MP Singh, Superintending Engineer
2. Sh. Pawan Sharma & others.

**ORDER**

**05.03.2012**

The Petition was heard at Institute of Engineers, Sector-19, Chandigarh, after the Public Hearing of ARR & Tariff Petition of UT of Chandigarh for FY 2012-13.

The matter relates to a petition submitted by Electricity Department Chandigarh (EDC) seeking the approval/ratification of the Commission under regulation 60 (a) of the JERC (Conduct of Business) regulations 2009, for the Power Purchase Agreement (PPA) entered into by the Electricity Department Chandigarh with M/S NTPC for their 261 MW Rupsiabagar Khasiyabara Hydro Electric Project at District Pithoragarh (Uttarakhand).

EDC has signed a PPA with NTPC for purchase of power from their proposed 261 MW Rupsiabagar Khasiyabara Hydro Electric Project at District Pithoragarh (Uttarakhand) for a requirement of Power as per allocation made by Ministry of Power Government of India.

The agreement has been signed dated 08.12.2010

- EDC has stated that in view of the urgency created by NTPC, they executed the PPA on 08.12.2010. Now they have requested the Commission to approve the said PPA under clause 60 (a) of the JERC (Conduct of Business) Regulations 2009.

Contd...

(2)

The Commission observes as under.

- a. EDC did not obtain prior approval of the Draft PPA from the Commission, before signing the PPA.
- b. EDC has not filed any reason for not obtaining prior approval of the Commission.

The Commission records their displeasure on the casual and lackadaisical approach.

The generation tariff shall be determined by CERC, through a transparent process. It is a long term agreement, therefore considered economical. No formal data is available regarding power requirement for the period during which the power is expected to flow to ascertain their requirement. However it is observed that availability of firm power through long term PPA will cover the uncertainties caused by unallocated shares and may reduce expensive power through UI/trading/exchange.

In terms of

- Section 86 (1) (b) of the Act, and
- Regulation 60 of JERC (Conduct of Business) Regulations 2009.

The Commission finds the PPA generally in order and is satisfied.

**Sd/-**  
**(Dr. V.K. Garg)**  
**Chairperson**