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

Coram

Dr. V.K. Garg, Chairperson Sh. S.K.Chaturvedi, Member

Petition No. 88/2012

In the matter of

Application for approval of draft power purchase agreement proposed to be entered into by Electricity Wing of Engineering Department, UT Chandigarh with NTPC for supply of unallocated power from NTPC Stations.

And in the matter of

Electricity Department, UT Chandigarh

..... Petitioner

ORDER

Date 26.12.2012

The petitioner–Electricity wing of energy department UT Chandigarh through Shri S.K. Chadha Chief Engineer, Electricity Department UT Chandigarh has filed the present petition under Regulation 60 (c) of JERC (Conduct of Business) Regulations, 2009 for approval of Power Purchase Agreement (PPA) Annexure –"A" to be entered into between the petitioner and NTPC for supply of unallocated power from NTPC stations to Electricity Department UT Chandigarh.

NTPC in pursuance of letter no. 31/2011- OM dated 12.04.2011 of Ministry of Power, Govt. of India sent letter no. 01:CD:NR dated 23.03.2012 to the Secretary (Finance), UT Chandigarh stating that:-

"As you are aware that while making allocation of power from NTPC stations. Ministry of Power (MOP), Govt. of India keeps 15% of power as unallocated power. The unallocated power is allocated by MOP from time to time based on the prevalent need of the states. GOI had been allocating such power from unallocated quota from various NTPC stations to UT Chandigarh in the past also. Since there were firm allocations from those stations to UTC, the such sale of power was covered by the respective PPAs already signed with UTC for those stations.

Now, GOI has allocated power to UT Chandigarh from unallocated share of NCTPS-II, Dadri station of NTPC. In order to cover this sale of power from NCTPS-II

Dadri from unallocated share given to Chandigarh by GOI, and in line with MOP letter no. 31/2011 dated 12.04.2012, there is a need for signing of the subject PPA as there is no earlier allocation from NCPTS-II Dadri to UTC. As the unallocated share is allocated to states from time to time, it has been considered appropriate to cover all the future allocations from unallocated shares of various NTPC stations to UTC under a composite PPA, instead of frequently signing station specific PPAs every time such allocations are made by GOI to UTC. Other states like Punjab, Haryana, Himachal Pradesh and Rajasthan discoms etc. have already signed the same PPA for unallocated Power.

It is to bring to your notice that despite repeated follow up with electricity department of UTC, the subject PPA has not been signed. In case, UTC is not interested in getting share of power from unallocated quota, the same may please be communicated to us, so that the same may be communicated to GOI for not making such unallocated power available to UTC".

Hence the present petition for approval of Power Purchase Agreement (PPA) Annexure "A" to be entered into between the petitioner and NTPC for supply of unallocated power from NTPC stations to Electricity Department UT Chandigarh.

The Commission heard representative of the petitioner at length, gone through the petition and Power Purchase Agreement to be executed between the petitioner and NTPC carefully and thoroughly and examined the PPA.

The Commission found the PPA generally in order and the same is hereby approved.

Sd/-

(S.K.Chaturvedi) Member Sd/-

(Dr. V.K. Garg) Chairperson

Certified Copy

(R.K. Malik)

Secretary Secretary

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