# PUNJAB STATE ELECTRICITY REGULATORY COMMISSION SITE NO. 3, BLOCK B, SECTOR 18-A MADHYA MARG, CHANDIGARH

Petition No. 28 of 2018
Date of hearing: 21.08.2019
Date of Order: 02.09.2019

In the matter of:

Petition filed under Section 86(1)(b), Section 86(1)(f), Section 94(1)(g) of the Electricity Act, 2003 read with Regulation 69 of the PSERC (Conduct of Business) Regulations, 2005 seeking the post facto approval of the Commission for the quantum of 3.55 Lakh MT of coal procured by NPL from alternate sources in the absence of the meeting of the Standing Committee on NPL Project, and for the complete pass through of the additional cost incurred by NPL thereto, in terms with the order of the Hon'ble Tribunal dated 16.03.2016 in Appeal No. 68 of 2013.

In the matter of:

Nabha Power Limited, Aspire Tower, 4<sup>th</sup> Floor, Plot No. 55, Industrial and Business Park, Phase-1, Chandigarh-160 002.

...Petitioner

#### Versus

Punjab State Power Corporation Limited, Through its Engineer-in-Chief, Thermal Designs, PSPCL, Shed No. T-2, Thermal Design Complex, Patiala. -147001

...Respondent

Present: Ms. Kusumjit Sidhu, Chairperson

Sh. S.S. Sarna, Member Ms. Anjuli Chandra, Member

For Petitioner: Sh. Aniket Prasoon, Advocate

Sh. Pratik Das, Advocate

Sh. Amar Nair, Advocate

Sh. Balram Verma Sh. Sushil Kumar Sh. Manish Kumar

For PSPCL: Sh. Anand K Ganesan, Advocate

Sh. VPS Kailay, SE/TR-5 Sh. Mukesh Kumar, ASE/TR-5, Sh. Loveleen Garg, AEE/TR-5 Sh. Krishan Kumar, Sr. Xen/Fuel

### ORDER

During the hearing, the Learned counsel for PSPCL requested permission to submit revised calculations in view of the Order dated 07.08.2019 passed by the Hon'ble Supreme Court of India in Contempt Petition (Civil) Nos. 1766-1767 of 2018 in Civil Appeal Nos. 10525-10526 of 2017. This was allowed.

During the hearing, the Commission sought the following information/ clarifications from NPL and PSPCL:

## **NPL**

- 1. Whether the matter of less receipt of coal was taken up with the coal company, to supply the shortfall in the monthly contracted quantity of coal and details of such correspondence and remedial action taken in terms of the FSA.
- 2. Details of the penalty amount received from the coal company, if any, for short supply of coal, in terms of the FSA.

## **PSPCL**

- 3. PSPCL in its reply had intimated that it scheduled the electricity from NPL based on the basis of merit order prepared with domestic coal prices. During the hearing NPL has informed that PSPCL was kept well apprised in advance regarding use of imported coal. PSPCL admitted during the hearing that this was in their knowledge. Accordingly it may be explained by PSPCL as to why the merit order was not prepared with imported coal prices.
- 4. In the reply, PSPCL for the period from September 2017 to March 2018 (Annexure-B) has filed the statement of details of coal receipt on daily basis from various sources, wherein it is shown that only 26137 MT of alternative coal was required instead of 3.55 Lakh MT. PSPCL needs to explain the same in the revised calculations now to be submitted as requested by the counsel of PSPCL during the hearing.
- 5. PSPCL to explain the addition of 315 kCal/kg in the GCV (TM) for billing calculations.

6. In the submissions dated 05.02.2019, PSPCL had enclosed a copy of minutes of Standing Committee Meeting on NPL project held on 28.12.2018. In the minutes PSPCL while giving reference of the Commission's Order dated 11.06.2015 in petition no. 04 of 2015 recorded that it has already paid energy charges of the units generated by NPL from November, 2017 to March, 2018 using imported coal by considering coal of lower value based on the above mentioned Order of PSERC. As the facts and circumstances in the said Order/petition were specific for the period from April, 2014 to October, 2014, it may be explained by PSPCL as to how the same was made applicable for making payment of energy charges for the units generated by NPL using imported coal for the project for the period mentioned in the instant petition.

The above information is required to be filed by 06.09.2019 with a copy to each other (through hard copy and soft copy). The parties may also file the written arguments.

The petition shall be taken up for hearing on 11.09.2019 at 11:00 A.M.

Sd/-	Sd/-	Sd/-
(Anjuli Chandra)	(S.S. Sarna)	(Kusumjit Sidhu)
Member	Member	Chairperson

Chandigarh

Dated: 02.09.2019