



Petition No 953 of 2014

BEFORE

THE UTTAR PRADESH ELECTRICITY REGULATORY COMMISSION

LUCKNOW

Date of Order : 17.11.2014

PRESENT:

1. Hon'ble Sri Desh Deepak Verma, Chairman
2. Hon'ble Sri Indu Bhushan Pandey, Member

IN THE MATTER OF: Determination of tariff for supply of electricity from Waste Heat Energy based co-generating plant.

AND

IN THE MATTER OF

M/s SKI Carbon Black (India) Pvt. Ltd.
Aditya Birla Centre,
S.K. Ahire Marg, Worli,
Mumbai – 400030 (Maharashtra)

-----Petitioner

1. UP Power Corporation Limited,
(through its Managing Director)
7th floor, Shakti Bhawan,
14, Ashok Marg
Lucknow – 226001
2. Purvanchal Vidyut Vitran nigram Limited
(through its Managing Director),
P.O. DLW, Bhikharipur,
Varanasi (UP)
3. UP Power Corporation Limited,
(through Chief Engineer (PPA))
14th floor, Shakti Bhawan Extention,
14, Ashok Marg
Lucknow – 226001

-----Respondent

The following were present:

1. Sri S.P. Pandey, Ex C.E., UPPCL
2. Sri S.K. Sinha, S.E., UPPCL

Order

(Date of Hearing 11.11. 2014)

1. The petition has been filed by M/s SKI Carbon Black (India) Pvt. Ltd. to which carbon black business was transferred by M/s Hi-Tech Carbon on 1.9.2013.
2. A Power Purchase Agreement (PPA) was signed on 2.11.2007 with UPPCL by M/s Hi-Tech Carbon at the tariff as provided under the CNCE Regulations. Subsequently, M/s Hi-Tech Carbon filed petition no. 756 of 2011 for determination of tariff on Waste Heat based power which was disposed of by the Commission vide order dated 13.3.2013. M/s Hi-Tech Carbon preferred an appeal no. 93 of 2013 to Hon'ble Aptel against order of the Commission which was disposed on 2.4.2014 settling that the plant is not based on Non-conventional Energy Sources and therefore the tariff determined for such plants would not be applicable to this waste heat based cogeneration power plant. Hon'ble Aptel further directed this Commission to pass the consequential order within 3 months of the date of communication of the judgment. In another case, in appeal no. 53 of 2012 in the matter of Lloyds Metal & Energy Ltd. Vs. Maharashtra Electricity Regulatory Commission, Hon'ble Aptel has further observed that

“the State Commission shall facilitate arrangements for supply of electricity by a fossil fuel based co-generation to a Distribution Licensee and if the State Commission is approached to determine the price of electricity from such fossil fuel based co-generation to the Distribution Licensee it would determine the same under Section 62 of the Electricity Act, 2003”.

3. In compliance to Hon'ble Aptel's order, the Commission again heard the case and vide order dated 5.8.2014 decided as follows:

“In view of above, the Commission finds that the existing PPA is required to be modified for incorporating the changes as directed by Hon,ble APTEL. Hence, it is directed to both the parties to enter into an amended PPA in conjunction with the earlier PPA to facilitate the provisions of tariff determination for fossil fuel based cogeneration power plant, which is not based on Non-conventional Energy Sources, under section 62 of the Act considering the date of commencement of supply as the date of commissioning of the project.

Hence, in compliance to the directions of Hon'ble APTEL, the Commission decides to determine the tariff of the petitioner on case to case basis under section 62 of the Electricity Act, 2003. For taking up the process of determination of tariff under section 62, it is directed to the petitioner to file the tariff petition in prescribed formats following the provisions of the Act along with the amended PPA. Till the determination of tariff, the petitioner will be paid at the rate stipulated in the PPA subject to adjustment on final determination of tariff by the State Commission.”



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4. During the hearing UPPCL informed that they have not been approached by M/s Hi-Tech Carbon with the amended PPA till date instead the Company has transferred its carbon black business to M/s SKI Carbon Black (India) Pvt. Ltd. who is petitioner.
 5. The Commission categorically opined that in view of changed status, the new Company cannot be considered suo moto entitled.
 6. Hence, the petition is dismissed.

(Indu Bhushan Pandey)
Member

(Desh Deepak Verma)
Chairrman

Place : Lucknow
Dated: 17.11.2014