

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 18/SM/2015

Coram:

**ShriGireesh B. Pradhan, Chairperson
Shri A.K. Singhal, Member
Shri A.S. Bakshi, Member
Dr. M.K.Iyer, Member**

Date of Order: 30.12.2015

In the matter of

Declaration of commercial operation of Units 20 to 50 of the Mundra Ultra Mega Power Project developed by Coastal Gujarat Power Limited

And

In the matter of

1. Managing Director,
Coastal Gujarat Power Ltd.
34, SantTuka Ram Road, Carnac Bunder,
Mumbai-400 021
2. Managing Director,
Gujarat UrjaVikas Nigam Ltd.
Sardar Patel VidyutBhawan, Race Course,
Vadodara – 390 007, Gujarat
3. Managing Director,
Maharashtra State Electricity Distribution Company Ltd.
4th Floor, Prakashgad, Plot No. G-9,
Bandra (East), Mumbai-400051, Maharashtra
4. The Chairman and Managing Director,
Ajmer VidyutVitaran Nigam Ltd.
HathiBhata, Old Power House, Jaipur Road,
Ajmer-305001, Rajasthan
5. The Chairman and Managing Director,
Jaipur VidyutVitaran Nigam Ltd.
VidyutBhawan, Janpath,
Jaipur-302005, Rajasthan



6. The Chairman and Managing Director,
Jodhpur VidyutVitran Nigam Ltd.
New Power House, Industrial area,
Jodhpur-342003, Rajasthan
7. The Chairman and Managing Director,
Punjab State Power Corporation Ltd.
The Mall, Ablowal,
Patiala-147 001, Punjab
8. Managing Director,
Uttar Haryana Bijli Vitaran Nigam Ltd.
C-16, Vidyut Sadan, Sector-6, Room No. 329,
Panchkula-194 109, Haryana
9. Managing Director,
Dakshin Haryana Bijli Vitaran Nigam Ltd.
Vidyut Sadan, Vidyut Nagar, Hissar-125 005
10. General Manager,
Western Regional Load Despatch Centre (WRLDC)
Plot No. F-3, Central Road,
MIDC Area, Marol, Andheri (East), Mumbai-400093
11. M/s Black & Veatch Consulting Private Ltd.
Pride Parmar Galaxy,
10/10 + A 3rd Floor, Sadhu Vaswani Chowk,
Pune-411 001, Maharashtra

.....Respondents

12. Shri M.C. Bansal
Energy Consultant,
E-5/85, 1st Floor, Arera Colony
Bhopal-462016, Madhya Pradesh

....Proforma Respondent

ORDER

Sh. M.C. Bansal, Retired Engineer from MPElectricity Board and presently stated to be engaged as Energy Consultant, in his letters addressed to Secretary Ministry of Corporate Affairs and Shri Rajeev Kumar Agarwal, Whole Time Member (SEBI) has raised the issue of certain alleged irregularities in the commissioning of Units 20 to 50 of the 4000 MW Mundra Ultra Mega Power Project of Coastal Gujarat Power Ltd (CGPL).



The abovementioned letters have been forwarded by SEBI to the Commission for taking necessary action.

2. The Secretary of the Commission sought the comments of CGPL and Western Regional Load Despatch Centre (WRLDC) on the letter of Shri Bansal. The responses of CGPL and WRLDC have been received vide letters dated 27.07.2015 and 14.07.2015 respectively. The letter of Shri Bansal and the replies of TataPower Enterprises and WRLDC are enclosed as **Annexures 1 to 3** of this order.

3. Shri Bansal, has submitted that CGPL has declared the commercial operation of the Units 20, 30, 40 and 50 of Mundra UMPP without these units having demonstrated the tested capacity of 95% of the Contracted Capacity for continuous period of 72 hours as required under the provision of Article 6.3.1 read with Schedule 5 of the Power Purchase Agreement (PPA) dated 22.4.2007. After consideration of all documents available on record, the Commission is of the view that the matter needs to be examined in detail.

4. The Commission in exercise of its power under Regulation 24 of the Central Electricity Regulatory Commission (Conduct of Business) Regulations, 1999 (hereinafter "Conduct of Business Regulations") hereby initiates a suo-moto proceedings and directs issue of notices to CGPL, Distribution Companies of the Procurer States, Independent Engineer as well as WRLDC to explain the facts and circumstances leading to the declaration of commercial operation of Units 20 to 50 of the Mundra UMPP.

5. The Commission in exercise of its power under Regulation 74 (d) of the Conduct of Business Regulations directs all concerned, namely, CGPL, the Distribution



Companies of the Procurer States, M/s Black & Veatch (Independent Engineer) and WRLDC to place on record all the relevant documents relating to the Performance / Commissioning Test and the Commercial Operation of Units 20 to 50 of Mundra UMPP and scheduling of power from these units, and in particular, the following information:

- a) The procedure prepared by the Independent Engineer for conducting Performance / Commissioning Test.
- b) The performance of the Units 20 to 50 of Mundra UMPP during the Performance / Commissioning Test.
- c) The details alongwith a copy each of correspondence between CGPL and WRLDC regarding the Performance / Commissioning Test and declaration of COD.
- d) Observations / comments of the Procurer States on the performance of Units 20 to 50 of the Mundra UMPP during the Performance / Commissioning Tests and on the Final Test Certificate issued by Independent Engineer.
- e) The correspondence between CGPL and Procurer States with regard to the Performance / Commissioning Test, acceptance of the Final Test Certificate of the Independent Engineer and declaration of commercial operation of units 20 to 50 of Mundra UMPP.
- f) Details of the discussion held in the meeting under the aegis of CEA on 29.05.2015 and the outcome thereof, alongwith minutes of the meeting, if any.



g) Any other material or submission that the respondents intend to make which is of relevance to the issue under consideration in the present proceedings.

6. Sh. M. C. Bansal is granted liberty to participate in the proceeding and place the necessary material in support of the issues raised by him.

7. All the parties are required to submit the relevant information or affidavit, by 15th January 2016. The Commission will conduct a hearing to give opportunity to all the parties to present their views. The hearing of the present proceeding will take place on 28th January, 2016 at 1030 hrs.

-sd/-
(Dr. M.K.Iyer)
Member

-sd/-
(A.S.Bakshi)
Member

-sd/-
(A.K.Singhal)
Member

-sd/-
(Gireesh B. Pradhan)
Chairperson

