

SATURDAY | 29 OCTOBER 2022

Case Update



NTPC Ltd. v. Uttar Pradesh Power Corporation Limited & Ors., Petition No. 205/MP/2021

Judgment dated 28.10.2022 passed by the CERC



SKV Law Offices successfully represented NTPC Ltd. (“NTPC”) in the case of *NTPC Ltd. v. Uttar Pradesh Power Corporation Limited & Ors.*, Petition No. 205/MP/2021 (“Petition”) before the Central Electricity Regulatory Commission (“CERC”). NTPC had filed the Petition seeking recovery of additional expenditure of around Rs. 3100 Crores on account of ash transportation incurred by the NTPC and further reimbursement of the additional expenditure for ash transportation for the remaining period control period.

Notably, CERC vide Order dated 28.10.2022, while allowing the claim for additional expenditure incurred by the NTPC towards fly ash transportation cost for the period 2019-24, made a very categorical observation that the absence of a corresponding provision under the 2019 Tariff Regulations for allowing the additional revenue expenses of O&M nature under ‘change in law or compliance with the existing law’, cannot render the power of the CERC nugatory, as word ‘regulate’ employed by Section 79(1)(a) of the Electricity Act, 2003, is of wide import which vests the CERC with ample powers for granting any such additional expenses.

Further, CERC also permitted for the provisional billing at 90% of the fly ash transportation charges incurred by the NTPC, along with carrying cost, at the rate of interest as specified in the 2019 Tariff Regulations.

In the said Petition, NTPC was advised and represented by Mr. Shri Venkatesh, Managing Partner, Mr. Ashutosh Shrivastava, Senior Associate, Mr. Nihal Bhardwaj, Associate and Mr. Abhishek Nangia, Associate.

Order can be accessed [here](#).