

SKV Law Offices Secures CERC Order Enforcing SCED Compensation Compliance and Time-Value Restitution



The Central Electricity Regulatory Commission (**CERC**), vide its order dated 09.01.2026 in Petition No. 67/MP/2024, has passed an important ruling adjudicating the disputes relating to non-compliance by Eastern Regional Power Committee (**ERPC**) of CERC's earlier directions dated 12.01.2023 in Petition No. 221/MP/2021 concerning:

1. Issuance of revised Security Constrained Economic Dispatch (**SCED**) compensation statements consequent to revision of operating parameters; and
2. Entitlement of Maithon Power Limited to carrying cost on delayed recovery of part-load compensation from the beneficiaries,

In the present dispute concerning Maithon Power Limited, the CERC held that the ERPC had failed to comply with CERC's binding directions issued earlier on 12.01.2023 in Petition 221/MP/2021, by excluding SCED-related compensation while revising beneficiary-wise part-load compensation statements pursuant to the downward revision of Station Heat Rate (**SHR**).

In the aforesaid backdrop, CERC has directed ERPC to issue the revised SCED compensation statement for FY 2019-20 strictly in terms of the Order dated 12.01.2023 and further directed ERPC to make payment of SCED compensation amounting to Rs. 13.58 Crore to Maithon Power Limited from the SCED pool within 30 days from the date of the Order.

CERC further directed that the SCED compensation shall be paid along with simple interest at the bank rate prevailing as on 1st April of each year of delay, until the date of actual payment. The Commission held that Maithon Power Limited is entitled to recover carrying cost aggregating to Rs. 17.49 crore from the beneficiaries/Respondents at simple interest equal to the bank rate.

The order reaffirms the importance of regulatory certainty, strict enforceability of grid-related compensation frameworks, and the principle of restitution under electricity law ensuring that efficiency objectives remain firmly anchored within the statutory and tariff architecture.

Click [here](#) to read the order.

Maithon Power Limited was represented by Ashutosh Srivastava (Partner), Aniket Kanhaua (Associate) & Ananya Dutta (Associate) of the SKV Law Offices team.