

MINUTES OF THE SPECIAL MEETING OF FORUM OF REGULATORS

Date : 18th October 2024
Venue : 7th Floor Conference Hall, CERC, New Delhi
List of Participants: Appendix-I

In his opening remarks, Chairperson FOR/CERC welcomed all members to the special meeting of the Forum. He acknowledged that this is the first special meeting of FOR in the current financial year and expressed his appreciation for the strong participation. Following this, the agenda items were taken up for discussion.

AGENDA ITEM 1: GST ISSUES OF SERCS AND CERC

1. Joint Chief (RA), CERC briefed the Forum Members on the ongoing GST-related issues concerning the members of FOR and CERC. It was noted that, till date, nine SERCs, viz. Assam, Kerala, Chhattisgarh, Odisha, Tamil Nadu, Punjab, Uttar Pradesh, Haryana, as well as CERC have received notices from the GST Department. The Forum was further informed that CERC's plea had been rejected by the Adjudicatory Board, and preparations for an appeal to higher GST authorities were underway. Additionally, the Hon'ble Supreme Court, in a judgment related to the Airports Economic Regulatory Authority (AERA), ruled that fees levied by AERA are statutory in nature and exempt from GST, which could provide a relevant precedent for CERC's case.
2. It was suggested that a few Forum Members should consider meeting the Hon'ble Finance Minister. Secretary, FOR/CERC also highlighted that point no. 2 of Schedule III of the GST Act ("Activities or Transactions Neither Considered as a Supply of Goods nor a Supply of Services") states that "Services by any court or Tribunal established under any law for the time being in force" are exempt. A clarification from the GST Department has been sought to determine whether this applies to CERC's services.
3. The discussion concluded with the Members agreeing to review recent judgments passed by various Courts in order to reach a common consensus on the issue so as to address the issues when further hearings at various Courts are taken up.

**AGENDA ITEM 2: IMPACT OF DELAYED COMMISSIONING OF ISTS
CONNECTED RE PROJECTS - REFERENCE FROM BERC**

4. The Forum was apprised about the reference received from BERC on the impact of delayed commissioning of ISTS-connected RE projects. Chairperson, BERC informed that the Standard Bidding Guidelines state that the damages/dues recovered by the Intermediary Procurer by encashing the PBG, upon the default of the generator under the PPA, shall be credited to the Payment Security Fund maintained by the Intermediary Procurer. Whenever the penalty clause of the PPA is invoked, the buyers are not compensated in terms of liquidated damages by the trader, citing the aforesaid provision of the MNRE Guidelines. However, in case of delay in commissioning or termination of RE projects, the end procurer, i.e., the Discom, bears the loss of energy and shortfall in RPO compliance by way of penalties, which creates a financial burden and ultimately impacts consumers through higher tariffs. He suggested that sharing the liquidated damages with Discoms could help offset these losses.

5. After detailed discussion, the Forum acknowledged that the intermediary procurer typically retains the liquidated damages or diverts them into a fund without providing relief to Discoms. The Forum agreed that the issue raised by BERC be highlighted and decided that a letter be sent to the MOP and MNRE, recommending reconsideration of the particular clause in the bidding guideline so as to provide relief to Discoms.

**AGENDA ITEM 3: BEST PRACTICES ON RPO COMPLIANCE AND SUBSIDY
ACCOUNTING -PRESENTATION BY CONSULTANT**

6. Due to time constraints, this agenda item could not be discussed. It was decided that the item will be taken up in the next meeting.

CONCLUSION

7. Chairperson, MPERC, Shri S.P.S Parihar, in his farewell speech, reflected on his satisfying experience working with the Forum by way of knowledge enrichment and sharing of

experiences and also commended the manner in which the FOR conducted its meetings. He expressed heartfelt gratitude to the Chairperson, FOR/CERC, for his leadership in the Forum, and the FOR Secretariat, especially acknowledging the support provided by the Secretary, FOR/CERC, Chief (RA), and Joint Chief (RA). Shri Parihar also reflected on his 41 years of government service, including his long tenure as a regulator, and emphasized the crucial role that the Regulators play in the overall development of the power sector.

8. In conclusion, the Secretary, FOR /CERC, proposed a vote of thanks to the Forum members for joining this special meeting to discuss crucial issues such as the GST cases. He thanked the Chairperson - FOR/CERC for his guidance throughout the meeting. He also acknowledged the contribution made by Shri S P S Parihar in various FOR meetings and the WG meetings and wished him well for his future endeavors after superannuation. Secretary FOR also thanked the FOR Secretariat for their support in organizing this meeting.

Appendix -I

**LIST OF PARTICIPANTS FOR SPECIAL MEETING OF THE FORUM OF
REGULATORS HELD ON 18-10-2024**

S.No.	Name & Designation	ERCs
MEMBERS		
1	Sh. Jishnu Barua, Chairperson	CERC/FOR
2	Sh. R.K. Joshi, Chairperson	APSERC
3	Sh. Kumar Sanjay Krishna, Chairperson	AERC
4	Sh. Amir Subhani, Chairperson	BERC
5	Sh. Hemant Verma, Chairperson	CSERC
6	Sh. Nand Lal Sharma, Chairperson	HERC
7	Sh. Alok Tandon, Chairperson	JERC Goa & UTs
8	Sh. P. Ravi Kumar, Chairperson	KERC
9	Sh. S.P.S. Parihar, Chairperson	MPERC
10	Sh. Sanjay Kumar, Chairperson	MERC
11	Sh. K.B. Kunwar, Chairperson	SSERC
12	Sh. Arvind Kumar, Chairperson	UPERC
13	Sh. Rafi Andrabi, Officiating Chairperson	JERC (J&K and L)
14	Sh. Gajendra Mohapatra, Officiating Chairperson	OERC
15	Sh. Madan Lal Prasad, Officiating Chairperson	UERC
16	Sh. Mehul M. Gandhi, Member	GERC
17	Sh. Shashi Kant Joshi, Member	HPERC
18	Sh. B. Pradeep, Member	KSERC
19	Sh. Paramjeet Singh, Member	PSERC
20	Sh. K. Venkatesan, Member	TNERC
21	Ms. M. Guha Roy, Secretary	WBERC
22	Sh. Harpreet Singh Pruthi, Secretary	CERC/FOR
23	Dr. Sushanta K. Chatterjee, Chief (RA)	CERC
SPECIAL INVITEE		
24	Sh. V. Ramesh Babu, Member	CERC
25	Sh. Harish Dudani, member	CERC
26	Sh. Awdhesh Kumar Yadav, Chief (Engg.)	CERC
27	Sh. Rajeev Pushkarna, Chief (Fin.)	CERC
28	Ms. Yogita S. Mehra, Chief (Eco)	CERC
FOR SECTERIAT		
29	Ms. Rashmi S. Nair, Joint Chief (RA)	CERC
30	Ms. Sukanya Mandal, Asst. Chief (RA)	CERC
31	Sh. Pankaj Rana, AS(FOR)	FOR
32	Ms. Jijnasa Behera, RO	FOR
33	Sh. M.M. Prasad, SAO	CERC
34	Sh. Nilesh Diwan, AO	CERC
35	Sh. Sushil Kumar Arora, Admin. Officer	CERC
36	Sh. Davender Kumar, T.O. (IT Cell)	CERC
37	Sh. Anirudh, SE (IT Cell)	CERC