Name: **Enrolment No:**	UPES UNIVERSITY WITH A PURPOSE

UNIVERSITY OF PETROLEUM AND ENERGY STUDIES
End Semester Examination, May-June 2021

Program: LLM Energy Law | **Semester – II nd**
Subject (Course): Energy Law & Policy (Power) | **Max. Marks: 100**
Course Code : CLEL 7003P | **Duration: 3 hrs**
No. of page/s: 3

SECTION A

1. Each Question will carry 5 Marks
2. Attempt all Questions

		Marks	CO
Q 1	Complete the Abbreviations 1. CERC 2. CEA 3. SERC 4. APTEL 5. JERC	**5**	**CO1**
Q2	Name Chairman of CERC and APTEL.	**5**	**CO1**
Q3	Give five main points of Indian Electricity Act 1910.	**5**	**CO1**
Q4	What is major feature of 1948 Electricity (Supply) Act 1948? Explain	**5**	**CO1**
Q5	What is REC? Explain.	**5**	**CO2**
Q6	Differentiate Cross Subsidy from Subsidy.	**5**	**CO2**

SECTION B

1. Each question will carry 10 marks
2. Instruction: Write short / brief notes

Q7	Explain salient features of the Electricity Act 2003.	**10**	**CO2**
Q8	Explain the major points of the Draft National Energy Policy from NITI Aayog.	**10**	**CO2**
Q9	Explain and analyze the National Electricity Policy.	**10**	**CO3**
Q10	Explain the Energy Conservation Act 2001 with key features.	**10**	**CO3**
Q11	Critically evaluate the National Tariff Policy 2006 with its amendment in 2016.	**10**	**CO3**

<table>
<tr><td colspan="4">SECTION-D
Question carries 20 Marks.</td></tr>
<tr><td>Q12</td><td>SECTION – D 20 Marks CASE STUDY</td><td rowspan="2">20</td><td rowspan="2">CO4</td></tr>
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Case Study: CERC moots compensatory tariff for Mundra UMPP
The Central Electricity Regulatory Commission (CERC) in its path-breaking order has asked Tata Power promoted Coastal Gujarat Power Limited (CGPL) and procurers to set down a consultative process to find out an acceptable solution in the form of compensatory tariff over and above the tariff decided under the power purchase agreement (PPA) to the Mundra ultra mega power project (UMPP).
This is to mitigate the hardship arising out of the need to import coal at benchmark price on account of Indonesian Regulations.
CERC delivered order on Tata Power's petition filed under sections 61, 63 and 79 of the Electricity Act, 2003 for establishing an appropriate mechanism to offset in tariff the adverse impact of the unforeseen, uncontrollable and unprecedented escalation in the imported coal price due to enactment of new coal pricing Regulation by Indonesian Government and other factors in the matter of Mundra UMPP.
The respondents include Gujarat Urja Vikas Nigam Limited, Maharastra State Electricity Distribution Company Limited (MSEDCL), Ajmer Vidyut Vitaran Nigam Limited, Jaipur Vidyut Vitaran Nigam Limited, Jodhpur Vidyut Vitaran Nigam Limited, Punjab State Power Corporation Limited, Haryana Power Generation Corporation Limited and the Ministry of Power.
Tata Power had argued that in view of Indonesian Regulations and escalation in international coal prices, it was supplying power to the procurers by purchasing coal at a higher price that what was agreed in the Coal Supply Agreements without any adjustment of tariff and is consequently stated to suffer a loss of Rs 1873 crores per annum and Rs 47,500 crores over a period of 25 years.
CERC in its order asked Tata Power and respondents to constitute a committee within one week from the date of order consisting of the representatives of the Principal Secretary (power/managing directors of the distribution companies) of the procurer states.
Besides, the committee would also comprise of the Tata Power chairman or his nominee, an independent financial analyst of repute and an eminent banker dealing and conversant with infrastructure sector. The nominees of financial analysts and banker be selected on mutual consent basis.
CERC said the committee would go into the impact of the price escalation of the Indonesian coal on the project viability and obtain all the actual data required with due authentication from independent auditors to ascertain the cost of import of coal from Indonesia and suggest a
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	package for compensatory tariff which can be allowed to the Tata Power over and above the tariff in the PPAs. The committee while recommending the compensatory tariff would consider the net profit less government taxes and cess earned by the petitioner's company from the coal mines in Indonesia on account of the benchmark price due to Indonesian Regulation corresponding to the quantity of the coal being supplied to the Mundra UMPP be factored in full to pass on the same to the beneficiaries in the compensatory tariff. Moreover, the possibility of sharing the revenue due to sale of power beyond the target availability of Mundra UMPP to the third parties may be explored.		
	Attempt question :- (20 marks) 12. Critically analyze the above case and state the reasons for which Tata needs to hike its tariff?		