

No. 45/2/2006-R&R
Government of India
Ministry of Power

Shram Shakti Bhawan, Rafi Marg,
New Delhi, 15th February, 2008

To

The Secretary,
Central Electricity Regulatory Commission,
Core-3, Scope Complex,
Lodhi Road, New Delhi.

Subject: Tariff Policy under Electricity Act, 2003 – Clarification.

Sir,

Please refer to the clarification issued by the Ministry of Power under the provisions of the para 5.1 of the Tariff Policy vide letter No. 45/2/2006-R&R dated 28.3.2006.

2. An issue had arisen recently as to what would be the status of those PPAs which stood legally concluded before the notification of the Tariff Policy on 6th January, 2006. The issue has been examined in consultation with the Department of Legal Affairs. It has been advised that the provisions of the Tariff Policy would not alter the legal enforceability of the already concluded contracts unless until it is mutually altered on agreeable terms and conditions.

Yours faithfully,



(Alok Kumar)

Director

Tel: 2371 4000