

MAHARASHTRA ELECTRICITY REGULATORY COMMISSION

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Maharashtra Electricity Regulatory Commission (Specific Conditions of Distribution Licence applicable to Jawaharlal Nehru Port Trust for SEZ at Jawaharlal Nehru Port, Taluka Uran, District Raigad) Regulations, 2018

STATEMENT OF REASONS

Date: 13 November, 2018

Vide Gazette Notification No. S.O. 2047 (E) dated 11 August, 2014, Jawaharlal Nehru Port Trust have been notified as the developer for the SEZ admeasuring 277.387 Hectares of land at JNPT along the Panvel Uran Road in the villages of Savarkahar, Karal, Soneri, and Jaskhar, Taluka Uran, District Raigad, Maharashtra by the Ministry of Commerce and Industry (Department of Commerce), Government of India.

The Electricity Act, 2003 has been amended through Notification dated 3 March, 2010 and as per the amendment, the SEZ developer is the deemed Distribution Licensee for the respective notified SEZ area.

On a Petition filed by Jawaharlal Nehru Port Trust, the Commission, vide its Order dated 14 June, 2018 in Case No. 47 of 2018, had taken on record its Deemed Distribution Licensee status in respect of the above SEZ in terms of the proviso to Section 14(b) of the Electricity Act, 2003, and stated that the process of specifying the Specific Conditions of Distribution Licence applicable to JNPT would be undertaken separately.

Accordingly, the Draft MERC (Specific Conditions of Distribution Licence applicable to Jawaharlal Nehru Port Trust for SEZ at Jawaharlal Nehru Port, Taluka Uran, District Raigad) Regulations, 2018 were prepared specifying the Licence Conditions applicable to JNPT such as the term of Licence, area of Licence and other conditions. A Public Notice inviting suggestions and objections on the draft Regulations was published in four daily newspapers (Times of India, Indian Express, Maharashtra Times and Loksatta) on 28 September, 2018, and the draft Regulations were made available on the Commission's websites. The last date for receipt of comments was 28 October, 2018.

In response to this, one suggestion has been received from Jawaharlal Nehru Port Trust (JNPT). JNPT, through its letter dated 31 October, 2018 has suggested following modification under clause no. 5 in the Draft Regulations.

Original clause no. 5 of the Draft Regulations, 2018:

“5. Term of Licence

Subject to the provisions of the Act, the Licence shall remain in force for a period of Twenty Five (25) years with effect from 11 August, 2014, (i.e. the date of the notification of the SEZ) till 10 August, 2039 or until and unless such licence is revoked whichever is earlier.”

JNPT has proposed the following modification in the Regulations:

“5. Term of Licence

Subject to the provisions of the Act, the Licence shall remain in force for a period of Twenty Five (25) years with effect from the date of publication of these Regulations in the Official Gazette or until and unless such licence is revoked whichever is earlier.”

The Commission notes that as per the proviso to Section 14(b) of the Electricity Act 2003, the SEZ developer is Deemed Distribution Licensee from the date of SEZ Notification. The relevant extract is given below:

“Provided that the Developer of a Special Economic Zone notified under sub-section (1) under Section 4 of the Special Economic Zones Act, 2005, shall be deemed to be a licensee for the purpose of this clause, with effect from the date of notification of such Special Economic Zone”.

Thus, the term of JNPT’s Licence has been stipulated in the draft Regulations in line with the above provision of the Act. Therefore, the modification suggested by JNPT has not been considered. Thus, no substantive change is required in the draft Regulations, and it has been finalised accordingly.

**Sd/-
(Mukesh Khullar)
Member**

**Sd/-
(I. M. Bohari)
Member**

**Sd/-
(Anand B. Kulkarni)
Chairperson**