



In regard to the application submitted by India Power Corporation Limited (IPCL) for approval of power sale agreement executed on 15.01.2020 by and between IPCL and Solar Energy Corporation of India Limited (SECI) for purchase of 100 MW hybrid power by IPCL for a period of 25 (twenty-five) years from the date of commercial operation.



- (g) Adherence to Purchase of power from any source, other than those mentioned from (a) to (e) above in pursuance to different provisions of these regulations;
- (h) Need to promote cogeneration and generation of electricity from renewable sources of energy."

Observations of the Commission:

8.0 Requirement of power procurement:

- 8.1 IPCL has presented a Load Generation Balance Report (LGBR) from 2019 – 2020 along with their application. The LGBR has been prepared considering the average demand of IPCL and the source wise availability of power both in terms of power (MW) and energy (MU). From the LGBR it is observed that the power from SECI will not only help IPCL to meetup their balance requirement from 2021-22 onwards, but also there will be a surplus during initial two years (surplus of 31 MW in 2021-22 and 17 MW in 2022-23).
- 8.2 IPCL vide letter dated 06.11.2020 claimed that the load drawal pattern at J K Nagar 220 kV substation for a said day and projected hybrid RE generation curve from a typical generation profile of the solar wind power will complement each other. Further, IPCL assured that any deviation under DSM will be within acceptable limit as per the provisions of applicable regulations and grid code by way of proper scheduling. IPCL also proposed to mitigate any deviation from schedule through Real Time Market.
- 8.3 From paragraph 8.1 and 8.2 above, it is inferred that the power purchase is prima-facie found to be beneficial for IPCL to meet their demand as well as it will help IPCL to meet their Solar RPO and Non-Solar RPO for the ensuing years.

9.0 Price of power purchase:

- 9.1 The Commission observes that as per the Power Sale Agreement, IPCL will purchase 100 MW Wind-Solar Hybrid power from SECI at Rs. 2.69 per kWh for 25 years with effect from August, 2021. The Tariff has been discovered through competitive bidding and is well below the average power purchase cost of IPCL approved in the Tariff Order of 2016 – 17.





In regard to the application submitted by India Power Corporation Limited (IPCL) for approval of power sale agreement executed on 15.01.2020 by and between IPCL and Solar Energy Corporation of India Limited (SECI) for purchase of 100 MW hybrid power by IPCL for a period of 25 (twenty-five) years from the date of commercial operation.



- 9.2 It is also noted that, CERC in its order in petition no. 307/AT/2020 dated 21.05.2020 had examined the adherence of SECI to the competitive bidding guideline issued by MNRE, Government of India under section 63 of the Act and found it in affirmative.
- 9.3 In view of the paragraph 9.1 and 9.2 above, the Commission observes that the tariff as mentioned in the Power Sale Agreement is discovered following the competitive bidding guidelines issued by Government of India under section 63. Further, the discovered price is also beneficial for the end consumer. Thus, the tariff is admitted by the Commission.
- 9.4 From the application read with the Power Sale Agreement, the Commission noted that IPCL and SECI have agreed to a trading margin of 7 paise/ kWh over and above the price discovered under competitive bidding. Regulation 8 (1) (d) of the Central Electricity Regulatory Commission (Procedure, Terms and Conditions for grant of trading license and other related matters) Regulations, 2020 (in short 'CERC Trading License Regulations') states that the trading margin shall be as mutually decided between the Trading Licensee & the seller for transaction under long-term contracts. The Commission observes that the trading margin as agreed by both IPCL and SECI in this PSA is within the limit of Trading margin allowed by CERC for short-term contracts.
- 10.0 The Commission also notes that existing capacity at 220 kV J K Nagar substation is sufficient for drawal of 100 MW Hybrid Power on long term basis thus availability of adequate capacity in the Intra State Transmission System for supply of the power in terms of clause (g) of regulation 7.4.2 of the Tariff Regulations is confirmed.

Order:

- 11.0 The Commission after considering the above facts and in order to promote Renewable source of energy in terms of clause (e) of sub-section (1) of section 86 of the Act approves the Power Sale Agreement dated 15.01.2020 executed by and between IPCL and SECI for purchase of 100 MW power by IPCL from SECI for a period of 25 (twenty-five) years at a tariff determined through the reverse auction process conducted by SECI which is Rs. 2.69/kWh along with trading margin of 7 paise/kWh in terms of regulation 7.4.1





In regard to the application submitted by India Power Corporation Limited (IPCL) for approval of power sale agreement executed on 15.01.2020 by and between IPCL and Solar Energy Corporation of India Limited (SECI) for purchase of 100 MW hybrid power by IPCL for a period of 25 (twenty-five) years from the date of commercial operation.



of the West Bengal Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2011 as amended.

12.0 The Commission also directs IPCL to comply with the provisions of applicable law regarding scheduling as per the provisions of intra-state ABT, State Grid Code, etc. IPCL shall ensure the any deviation shall be within the acceptable limits under DSM.

13.0 The petition is thus disposed of. Let a copy of the order be served upon IPCL.

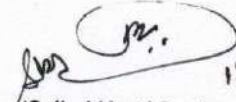
sd/-
(PULAK KUMAR TEWARI)
MEMBER

sd/-
(DURGADAS GOSWAMI)
MEMBER

sd/-
(SUTIRTHA BHATTACHARYA)
CHAIRPERSON

Dated: 18.01.2021

Certified true Copy


(Saibal Kanti Das)
Secretary

