

BEFORE THE GUJARAT ELECTRICITY REGULATORY COMMISSION
GANDHINAGAR

Petition No. 1943 of 2021.

In the matter of:

Petition in accordance with the GERC (Conduct of Business) Regulations, 2004 for approval and necessary direction of the Commission with regards to the RPO Compliance for the Financial Year 2019-20 by the Petitioner.

Petitioner : GIFT Power Company Limited

Represented by : Shri Arvind Kumar Rajput, Shri Prashant Dadheech
and Shri Rakesh Inala

CORAM:

Mehul M. Gandhi, Member

S.R. Pandey, Member

Date: 30.06.2021

DAILY ORDER

1. The present matter was listed for hearing on 29.06.2021 through virtual hearing by Video Conferencing on account of prevailing COVID 19 pandemic.
2. Heard Shri Rakesh Inala for the Petitioner. He submitted that the Petitioner has filed the present petition seeking revision in RPO targets and exempt the Petitioner for FY 2019-20. The Commission has notified the RPO Regulations wherein the RPO percentage target specified by the Commission for each financial year and accordingly, the Commission has fixed the Wind RPO of 8.05%, Solar as 5.50% and 0.75% for others (including Biomass, Bagasse, MSW and Hydro) totalling to 14.30% for FY 2019-20.

- 2.1. He submitted that the Petitioner being distribution licensee has initiated power procurement through open access during FY 2019-20. The Petitioner has sourcing the power from UGVCL under HTP-1 category up to May 2020 and therefore the RPO is not applicable to the Petitioner till May 2020.
 - 2.2. He submitted that as the Petitioner was at a nascent stage of power procurement and due to small consumers base/demand, the Petitioner has sourcing the power from UGVCL as a distribution licensee as it was difficult for Petitioner to source the power through renewables sources. He submitted that the Petitioner also made sincere efforts to purchase the RECs from Power Exchange but the same was unsuccessful because during the FY 2019-20 demand of RECs was more than supply and purchase of RECs on forbearance price would have increased the financial burden of the Petitioner and increase the overall cost of power procurement.
 - 2.3. He further submitted that there are distributed Solar PV plants operationalised in its licensee area out of which few are owned by the Petitioner itself and some are owned by consumers under Net Metering Arrangement. He submitted that total units generated from these plants during FY 2019-20 has accounted as 1.34 lakhs units (kWh). Therefore, the energy generated from Solar PV Plants has been taken into consideration towards submitting the details of RPO compliance during FY 2019-20. He also submitted that the wind energy is not suitable to them due to demand curve of its licensee area because the wind energy generally starts generated in late evening to early morning and during this hours the Petitioner have base load of it.
 - 2.4. Based on the above, he requested that as per Clause 4.2 of Principal Regulations, the Commission may revise the RPO percentage target and exempt the Petitioner from RPO compliance of FY 2019-20
3. We have considered the submissions of the Petitioner. We note that the Petitioner has filed the present petition seeking revision in the RPO compliance for FY 2019-20 under the GERC (Procurement of Energy from Renewable Sources) Regulations, 2010 and its subsequent Amendments thereto. The Petitioner has prayed for revisions in RPO targets and exempt the Petitioner for RPO compliance during FY

2019-20. The aforesaid issues are associated with the GERC (Procurement of Energy from Renewable Sources) Regulations, 2010 as amended from time to time and accordingly, the Commission has the jurisdiction to decide the issues raised in the present Petition. We, therefore, decide to admit the Petition.

- 3.1. We note that the Hon'ble APTEL in its judgement dated 25.04.2014 in Appeal No. 24 of 2013 and IA No. 39 of 2013 directed the State Commission that after completion of the financial year, the State Commission has to review the actual performance in respect of RPO and pass necessary directions as per the Regulations either Suo-motu or on a petition filed by an obligated entity. Such review should be subject to public notice to invite suggestions and objections from all the stakeholders. Thus, for annual review of RPO or otherwise by the State Commission either Suo-motu or on application from an obligated entity, the suggestions and objections of the public are required to be invited.

- 3.2. According to the Hon'ble APTEL's directions, it is necessary to issue a public notice and invite suggestions/objections from all the stakeholders in the matter pertaining to compliance of RPO by the obligated entities. We note that the Petitioner has filed the present petition seeking revision in the RPO compliance for FY 2019-20 under the GERC (Procurement of Energy from Renewable Sources) Regulations, 2010 and its subsequent Amendments thereto. We, therefore, deem that it is necessary to conduct a public hearing to take into consideration the stakeholders' views before deciding the matter. The Petitioner is, therefore, directed to issue a public notice in two daily Gujarati Newspapers and one English Newspaper having wide circulation in the State and invite comments/suggestions from the stakeholders stating the subject matter of the petition and relief sought. The Petitioner is also directed to upload the present petition with all the relevant documents on its website and invite comments and suggestions from the stakeholders on the petition on affidavit within 21 days from the date of issue of public notice. The Petitioner shall also state in the public notice that the stakeholders/objectors shall file their objections/suggestions in the petition to the Secretary, Gujarat Electricity Regulatory Commission, 6th Floor, GIFT ONE, Road 5C, Zone 5, GIFT City, Gandhinagar - 382355 in five copies along with affidavit in support of their

submissions with a copy to the Petitioner. The staff of the Commission is also directed to upload the petition along with all the relevant documents on the website of the Commission after the public notice is issued and a copy thereof provided to this office by the Petitioner for inviting comments/suggestions from the stakeholders.

- 3.3. We also note the submissions of the Petitioner that the Petitioner has generated total 1.34 lakhs units (kWh) from Distributed Solar PV Plants during FY 2019-20 and consider these energy towards submitting the details of RPO compliance during FY 2019-20. Hence, we direct the Petitioner to give details of consumption of such energy during the FY 2019-20, within 7 days from the date of this Order.
4. The next date of hearing will be intimated separately.
5. We order accordingly.

Sd/-
[S. R. Pandey]
Member

Sd/-
[Mehul M. Gandhi]
Member

Place: Gandhinagar.

Date: 30/06/2021.