

BEFORE THE HARYANA ELECTRICITY REGULATORY COMMISSION AT PANCHKULA

Case No. HERC/Petition No. 13 of 2022

Date of Hearing : 13.04.2022
Date of Order : 13.04.2022

In the Matter of

Petition under Section 86(1) (b) and Section 62 of the Electricity Act, 2003 for approval of source by the Hon'ble Commission from 7.5 MW captive solar power plant of M/s Orbit Resorts Limited at Village Balasar, District Sirsa, Haryana on short term basis in terms of HERC RE Regulations in vogue.

Petitioner

Haryana Power Purchase Centre, Panchkula (HPPC)

Respondent

M/s. Orbit Resorts Limited

Present on behalf of the Petitioner through Video Conferencing

1. Er. Randeep Singh, Chief Engineer, HPPC
2. Er. Vikas Kadian, Xen, HPPC

Present on behalf of the Respondent through Video Conferencing

Nil

Quorum

Shri R.K. Pachnanda
Shri Naresh Sardana

Chairman
Member

ORDER

1. The present petition has been filed by HPPC, a joint forum of the distribution licensees in Haryana i.e. UHBVN and DHBVN, seeking approval for procurement of 7.5 MW solar power from M/s. Orbit Resorts on short term basis initially upto 31.03.2022, extendable further up to six months with mutual consent of both the parties @ Rs. 2.48/kWh, in order to comply with the RPO obligations.
2. The submissions of petitioner's are as under:-
 - i. That the HERC (Terms and Conditions for determination of Tariff from Renewable Energy Sources, Renewable Purchase Obligation and Renewable Energy Certificate) Regulations, 2021 ('HERC RE Regulations, 2021') notified on 30.04.2021, has provided the solar and non-solar RPO targets as under:

FY	RPO (%) as per HERC RE Regulations, 2021			
	Other Non Solar	Large Hydro	Total Non Solar	Solar
2021-22	3.00	0.00	3.00	8.00
2022-23	5.00	0.35	5.35	9.00
2023-24	6.00	0.66	6.66	10.00

2024-25	To be specified	1.08	To be specified	To be specified
2025-26		1.48		
2026-27		1.80		
2027-28		2.15		
2028-29		2.51		
2029-30		2.82		

- ii. That, the Hon'ble Commission in its ARR order dated 30.03.2021 had approved 1088.1 MUs and 2901.8 MUs from Non-solar and Solar sources for compliance of RPO for the FY 2021-22. Further, a backlog of 1259 MUs and 48 MUs in solar and non solar RPOs respectively for the FY 2020-21 has been worked out at the end of the FY 2020-21 and carried forward to the FY 2021-22.
- iii. That the existing solar power capacity available with Haryana Discoms through long term agreements is 546.55 MW besides solar rooftop having capacity of about 384 MW. Whereas, 587.07 MW is currently available from non-solar RE sources. The break up of current RE sources as on date i.e. 01.02.2022 is as under:-

Source	Contracted Capacity in MW
Small Hydro	73.20
Wind	397.5
Biomass	116.37
Solar Ground Mounted	546.55
Solar Rooftop	384
Total	1517.17

- iv. That in addition to above, following tie-ups are also made by HPPC for procurement of RE Power in order to fulfil the mandated RPOs: -
NON SOLAR

Sr.No	Name of the firm and or Scheme	Contracted Capacity (MW)	Date of Signing of PPA	Expected Commissioning of Project
Wind Power Projects				
1.	SECI, ISTS Wind T-II 1000 MW Scheme	150	13.12.2017	10 MW Commissioned. 140 MW expected by 01.04.2022
2.	SECI, ISTS Wind T-III 2000 MW Scheme	350	17.05.2018	Already commissioned 262.5 MW rest 87.5 MW expected by 01.04.2022
3.	SECI, ISTS Wind T-V 2000 MW Scheme	590	21.01.2019	115 MW by 05.09.2022 175 MW by 15.05.2022 300 MW by 19.08.2022
4.	SECI, ISTS Hybrid (Wind+Solar) T-I 1200 MW Scheme	110	11.07.2019	25 MW commissioned on 29.08.2021 under STOA, rest 85 MW by 01.04.2022
Waste to energy Projects				
5	Ecogreen Energy Gurgaon Faridabad	25	06.08.2020	15.07.2022

	Pvt. Ltd			
Biomass Based Projects				
6.	Small Biomass projects (10 Nos)	60.3	2018 & 2019	30 MW Commissioned upto 15.02.2022 2021-22 & 2022-23
	Total Expected Capacity (in MW)	957.73		

SOLAR

S.No.	Name of the firm	Contracted Capacity (MW)	Date of Signing of PPA	Expected Commissioning of Project
1.	SECI, ISTS Solar T-II 3000 MW Scheme.	400	28.05.2019	18.05.2022
2.	SECI (ISTS Hybrid (Wind+Solar) T-I 1200 MW Scheme)	330	11.07.2019	75 MW commenced on 29.08.2021 under STOA, rest by 31.03.2022
3.	SECI (ISTS Solar T-IV 1200 MW Scheme)	250	19.3.2020	12.05.2022
4.	NIT-77 (241 MW on long term basis) (240 MW from Avaada and 1 MW from Geotech Power Pvt. Ltd.)	241	06.07.2020 (240 MW) 19.06.2020 (1 MW)	125.3 MW out of 240 MW commissioned and rest 114.7 MW is expected by 22.03.2022. August-22 (1 MW) 1 MW by the end of August-22.
5.	PM KUSUM	10.57	01.07.2020 (2 MW) under UHBVN, 8.57 MW on dated 21.08.2020 under DHBVN	01.04.2022
	Total	1030.27		

Further, 50 MW to 100 MW per year is expected to be added every year through solar rooftop.

- v. That, with the above arrangements/tie-ups, the total installed capacity to the tune of 2050 MW (including about 450 MW from rooftop solar under net metering) solar and 1565 MW non-solar (including 1300 MW wind generation) respectively is expected to be available with Haryana Discoms by the end of the FY 2022. However, the existing solar power capacity available with Haryana DISCOMs through long term agreements is 370.8 MW and 384 MW through solar rooftop.
- vi. With the available sources/tie-ups, in usual scenario, 1800 MUs and 1900 MUs of solar and non-solar RE power are expected during the FY 2021-22 against the target of 2901.8MUs and 1088.2 MUs respectively. As such, non-solar RPO targets including backlog are expected to be achieved whereas; shortfall of yearly solar RPOs to the tune of 1100 MUs is expected during the FY 2021-22.

- vii. That the shortfall to the extent of 2359 MUs in yearly Solar RPOs for the FY 2021-22 including backlog of the FY 2020-21 shall be met through short term purchases, purchase of RECs and leveraging the allowable inter-changeability of non solar RPOs.
- viii. That the shortfall in Solar RPOs, is preliminarily attributed to the delay in commissioning of RE projects on account of COVID/force majeure situation. Besides above, long gestation period of Renewable Energy projects (about three years) also made it difficult to align the arrangements/tie-ups with the RPO trajectory. It may be noted that the Renewable projects are mainly set up after securing a firm PPA and accordingly, limited renewable power is only available on short term basis for sale in energy exchanges.
- ix. That, HPPC is continuously striving to purchase solar power on short term basis through competitive bidding. NIT for procurement of 700 MW and 800 MW solar power basis has also been floated on 02.06.2021 and 22.10.2021 respectively, on short term basis to meet the backlog/shortfall in solar RPOs. However, even after repeated extensions, both NITs failed to attract any bidder and thus dropped. HPPC again floated NIT on 27.01.2022 for procurement of 800 MW solar power basis on short term basis to meet the backlog/shortfall in solar RPOs but date has to be extended again up to 21.02.2022 due to non participation of bidder.
- x. That, HERC in its order dated 01.06.2020 on true-up for the FY 2018-19, annual (mid-year) performance reviewed for the FY 2019-20, aggregate revenue requirement of UHBVNL and DHBVNL for the MYT control period 2020-21 to FY 2024-2025 and distribution and retail supply tariff for the FY 2020-21 has directed the Discoms to make every possible endeavor to meet the RPO targets as has been given to them by the Commission in a timely manner, in true letter and spirit.
- xi. That M/s Orbit Resorts Limited, having a 7.5 MW Solar Power Plant at Sirsa, vide letter dated 19.10.2021 has offered sale of Solar Power from its captive plant.
- xii. That M/s Orbit Resorts Limited vide communication dated 14.02.2022, in response to HPPC e-mails dated 17.11.2021 and 12.02.2022, has consented to supply 7.5 MW solar power at a tariff of Rs. 2.48 per unit at following conditions:-
 - a) The energy will be metered at DISCOM's substation.
 - b) The Supplier shall not claim any compensation for generation loss on account of non availability of transmission line/evacuation facility.
 - c) All open access charges, transmission charges and losses, scheduling charges, operating charges shall be borne by HPPC/Procurer. Application fee of SLDC shall however be borne by the Seller.

- d) The meter reading from the ABT meter at delivery point (substation side) will be accounted for generation claim. Else, if the same is recorded in the ABT meter will not be claimed.
 - e) The power will be delivered at delivery point on actual basis. Tentative schedule shall be intimated as per HERC (Forecasting, Scheduling and Deviation Settlement for Solar and Wind Generation) Regulations, 2019.
- xiii. That, the average variable cost of power determined by the Commission in its tariff order for the FY 2021-22 dated 30.03.2021 is Rs. 2.67/kWh. Whereas, the Commission has recently determined levelised tariff of Rs. 2.48/kWh for the solar power to be supplied by M/s Amplus Sun Solutions Pvt Ltd from its 50 MW project located at Bhiwani, Haryana. Solar RECs are being traded at a rate of Rs 2200 per MWh.
- xiv. That, the SCPP, in meeting dated 28.10.2021, has considered the proposal of M/s Orbit Resorts Limited and approved purchase of solar power on short term basis initially up to 31.03.2022 which can be extended further up to six months with mutual consent of both the parties @ Rs. 2.48/- per kWh at Discom's substation, subject to approval of the Hon'ble Commission.
- xv. That, the offered rate of solar power is less than the average variable cost of power determined by the Commission in its tariff order for the FY 2020-21 dated 30.03.2021 i.e. Rs. 2.67/kWh. The proposal of M/s Orbit Resorts Limited is reasonable and may be considered for fulfillment of current/backlog of solar RPOs for FY 2021-22 and 2022-23. The copy of draft PPA is enclosed.
- xvi. Following prayers have been made:-
- a) To approve procurement of 7.5 MW solar power from M/s Orbit Resorts Limited on short term basis from its 7.5 MW grid interactive solar power project at Sirsa, Haryana upto 31.03.2021 which can be extended further up to six months with mutual consent of both the parties @ Rs. 2.48/- per kWh and allow HPPC to issue LOI and signing of PPA;
 - b) Or pass such further order or order(s) as may be deemed necessary and fit in the circumstances of the case.

COMMISSION'S ANALYSIS:

3. The Commission has considered the submission and justification of the petitioner for procurement of 7.5 MW solar power, at fixed tariff of Rs. 2.48/kWh, for fulfilment of solar RPO. The Commission observes that the present proposal was received from M/s. Orbit on 19.10.2021 and was approved by the Steering Committee for Power Planning (SCPP)

on 28.10.2021, whereas, HPPC has filed the present petition seeking approval of the Commission as late as 14.03.2022, with the proposal to procure power up to 31.03.2022, despite already being in the midst of power shortage and defaults in the fulfillment of solar RPO. It shows its lackadaisical approach and indifference to the interest of the electricity consumers at large.

4. The Commission has taken a very serious view of the aforesaid casual approach and indifferent attitude of the petitioner in handling an urgent matter. Since power purchase is a sensitive matter and affects consumers. HPPC is directed to ensure that all such urgent matters are dealt expeditiously and are filed in the Commission promptly.
5. The representatives of the respondent were not present during the hearing. However, the petitioner assured that the offer to supply power at the rates mentioned in the petition, is still valid. Further, the rates are fixed and are not subject to any escalation. On being enquired, the Hon'ble Commission was informed that rates discovered through competitive bidding by Solar Energy Corporation of India Limited (SECI) are above Rs. 2.50/- per unit.
6. Considering the submissions of the petitioner, the Commission approves the procurement of 7.5 MW solar power from M/s Orbit Resorts Limited on short term basis @ Rs. 2.48/- per kWh, as prayed for, and allow HPPC to issue LOI and signing of PPA.
7. The present petition brought before the Commission is disposed of in terms of the above order.

This order is signed, dated and issued by the Haryana Electricity Regulatory Commission on 13.04.2022.

Date: 13.04.2022
Place: Panchkula

(Naresh Sardana)
Member

(R.K. Pachnanda)
Chairman