

ORDER OF THE

WEST BENGAL ELECTRICITY REGULATORY COMMISSION

IN CASE NO. PPA- 107/21-22

IN REGARD TO THE APPLICATION SUBMITTED BY WEST BENGAL STATE ELECTRICITY DISTRIBUTION COMPANY LIMITED (WBSEDCL) FOR APPROVAL OF POWER SALE AGREEMENT EXECUTED ON 16.06.2021 BY AND BETWEEN WBSEDCL AND SOLAR ENERGY CORPORATION OF INDIA LIMITED (SECI) FOR PURCHASE OF ROUND THE CLOCK WIND SOLAR HYBRID POWER OF 100 MW IN TERMS OF REGULATION 7.4.1 OF THE WEST BENGAL ELECTRICITY REGULATORY COMMISSION (TERMS AND CONDITIONS OF TARIFF) REGULATIONS, 2011 AS AMENDED

PRESENT:

SRI SUTIRTHA BHATTACHARYA, CHAIRPERSON SRI PULAK KUMAR TEWARI, MEMBER

DATE: 30.05.2022



In regard to the application submitted by West Bengal State Electricity Distribution Company Limited (WBSEDCL) for approval of Power Sale Agreement executed on 16.06.2021 by and between WBSEDCL and Solar Energy Corporation of India Limited (SECI) for purchase of Round the Clock Wind Solar Hybrid power of 100 MW in terms of regulation 7.4.1 of the West Bengal Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2011 as amended



Facts in brief:

- 1.0 The West Bengal State Electricity Distribution Company Limited (WBSEDCL) submitted an application vide letter dated 29.07.2021 for approval of Power Sale Agreement (PSA) executed on 30.06.2021 by and between Solar Energy Corporation of India Limited (SECI) and WBSEDCL for purchase of Round the Clock Wind Solar Hybrid power of 100 MW for a period of 25 years. Further, WBSEDCL vide letter dated 15.09.2021 has submitted additional information on their application. The Commission admitted the application in Case No. PPA 107/21-22. Subsequently, on 12.04.2022, WBSEDCL submitted a copy of Central Electricity Regulatory Commission (CERC) order related to confirming the competitive bidding procedure under section 63 of the Electricity Act 2003 and adopting the tariff.
- 2.0 The application of WBSEDCL read with the Power Sale Agreement dated 30.06.2021 and additional information inter-alia state the following:
- 2.1 SECI has been identified by the Government of India (GOI) as the nodal agency for implementation of the scheme for setting up of 'ISTS connected Wind, Solar and Wind-Solar Hybrid Power Projects' issued by the Ministry of New and Renewable Energy, GOI and shall be acting as an 'Intermediary Procurer'. Accordingly, SECI has implemented a scheme to procure 400 MW renewable energy under the provisions of Request for Selection (RfS) dated 18.10.2019 on a long-term basis from the selected Hybrid Power Developers (RPD) and has signed a Power Purchase Agreement with the project company.

WBSEDCL vide letter dated 15.09.2021 submitted that at the backyard, the project is of 1300 MW which consists of Solar and Wind plants in different states of Rajasthan, Maharashtra and Karnataka. Therefore, Round the Clock (RTC) power of 400 MW comes with the backing of 1300 MW. WBSEDCL also submitted that the selection of bidders for the project is was done through competitive bidding conducted under Section 63 of the Electricity Act, 2003 as per the Conformity Certificate issued by SECI on 24.08.2021.

2.2 WBSEDCL has agreed to purchase 100 MW RE Solar Wind Hybrid Power on RTC basis from SECI and has accordingly signed a Power Sale Agreement with them on 30.06.2021 for a period of 25 years from the scheduled commissioning date of the project.



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- 2.3 The tariff for procurement of the 100 MW RE Solar Wind Hybrid Power on RTC basis is Rs. 2.90 per kWh for the first year with yearly escalation of 3% for 15 years and no further escalation after 15 years. In addition to this, a trading margin of Rs. 0.07 per kWh is payable to SECI for the entire term of the agreement.
- 2.4 The power shall be delivered by the power developer at its interconnection point with Inter State Transmission System.
- 2.5 WBSEDCL submitted that the Wind-Solar Hybrid renewable energy power shall help them to meet the solar and non-solar Renewable Purchase Obligation requirement.
- 2.6 In view of above, WBSEDCL has prayed before the Commission to approve the said PSA dated 30.06.2021.
- 3.0 The Commission had directed WBSEDCL to publish the gist of their application as approved by the Commission in terms of paragraph 8.12 of Tariff Order dated 04.07.2018 of WBSEDCL. WBSEDCL, accordingly had published the gist of the petition in (i) the "Bartaman", (ii) the "The Telegraph", (iii) the "Ananda Bazar Patrika" and (iv) the "Sanmarg" on 21.01.2022 inviting suggestions and objections on their petition to be submitted within 14 (fourteen) days of publication of the gist. No suggestion and objection were received by the Commission within the stipulated time-period.
- 4.0 Subsequently, WBSEDCL vide letter dated 12.04.2022 has submitted that the Central Electricity Regulatory Commission has adopted the tariff in respect of the RE Solar Wind Hybrid Power vide order dated 08.04.2022 in Petition No. 258/AT/2021 and forwarded a copy of the order.

Point of determination:

5.0 Clause (b) of sub-section (1) of section 86 of the Electricity Act 2003 inter-alia specifies that, while discharging its function, the State Commission shall regulate electricity purchase and procurement process of distribution licensees including the price at which electricity shall be procured from the generating companies or licensees or from other sources through agreements for purchase of power for distribution and supply within the State. Further, in terms of Regulation 7.4.1 of the Tariff Regulations, prior approval of the Commission is