

**BEFORE THE HARYANA ELECTRICITY REGULATORY COMMISSION
BAYS No. 33-36, SECTOR-4, PANCHKULA- 134112, HARYANA**

Case No. HERC/PETITION NO. – 53 of 2022

**Date of Hearing : 01.02.2023
Date of Order : 01.02.2023**

IN THE MATTER OF:

Petition seeking approval of source as well as the approval of the Power Purchase Agreement (PPA) to be executed with M/s Greenyana Solar Pvt. Ltd. for purchase of solar power for 25 years from 10.72 MW project located at District Sirsa, Haryana at a tariff to be determined by the Commission under section 62 of the Electricity Act, 2003

Petitioner

Haryana Power Purchase Centre, Panchkula (HPPC)

Respondent

M/s. Greenyana Solar Private limited

Present on behalf of the Petitioner

1. Ms. Sonia Madan, Advocate

Present On behalf of the Respondent

1. Sh. Animesh Sharma, Advocate

Quorum

**Shri R.K. Pachnanda
Shri Naresh Sardana**

**Chairman
Member**

ORDER

Brief Background of the case

1. The present petition has been filed by HPPC seeking approval to procure 10.72 MW solar power, for 25 years, at the tariff to be determined by the Commission under Section 62 of the Electricity Act, 2003, in terms of the HERC RE Regulations in vogue.
2. HPPC has submitted as under: -
 - 2.1 That the Generator has offered 10.72 MW solar power for 25 year to HPPC from grid connected solar power project at District Sirsa at a tariff to be determined by the Commission under Section 62 of The Electricity Act, 2003.
 - 2.2 That HPPC had earlier filed a petition bearing no. 14 of 2022 before this Hon'ble Commission seeking approval of source and draft PPA to be executed with the Generator. The Commission, vide its order dated 20.04.2022, decided that HPPC has not taken necessary action as required under Regulation 7(e) of the HERC RE Regulations, 2021. Hence, HPPC may float NIT for procurement of solar power through competitive bidding as per the provisions of Regulation 6 (3) of HERC RE Regulations, 2021. However, the parties were granted liberty to approach this Commission again, in case a consensus between the

parties emerges on the ceiling tariff aligned to the prevailing market conditions and HPPC is in a position to submit the requisite documents as provided under Regulation 7(e) of the HERC RE Regulations, 2021.

- 2.3 That a consensus has been reached between HPPC and the Generator regarding the proposed ceiling tariff.
- 2.4 That rationale for opting project specific tariff instead of competitive bidding lies in the fact that plant is already energized and shall be able to immediately contribute towards the RPO achievement.
- 2.5 That the Steering Committee of Power Planning (hereinafter referred to as “SCPP”) in the 66th meeting dated 28.07.2022 deliberated on the Offer of 10.72 MW solar power by the Generator, Haryana with ceiling tariff of Rs. 2.75 per unit and had approved the same.
- 2.6 That the comparative details showing the competitiveness of the tariff in the instant case vis-à-vis tariff discovered through competitive bidding/ tariff prevalent in the market is as under :-

S N	Name of Generating Station	Installed capacity/ Haryana Share	PPA Date	HERC Approval Date	Tariff (in Rs/kWh, including trading margin + transmission losses)	Proposed Ceiling tariff (Rs/kWh)
1	M/s LR Energy Pvt Ltd	20	30.10.2020	14.10.2020	2.58	2.75
2	ISTS Solar T-IV 1200 MW scheme	250	19.03.2020	18.02.2020	2.696	
3	ISTS Solar T-II 3000 MW scheme	400	28.05.2019	27.02.2019	2.596	
4	Avaada GreenHN	50	20.11.2020	03.11.2020	2.86	
5	M/s Amplus	50	28.09.2020	14.09.2020	2.48	
6	M/s Avaada RJHN	240	06.07.2020	04.04.2019	2.73	
7	M/s Giotech	1	19.06.2020	04.04.2019	2.99	

Thus, the proposed ceiling tariff is competitive with the prevalent market tariff. The plant was commissioned in 2020 and supplied solar power under STOA arrangement to HPPC/Discoms from the project during the period 11.11.2020 to 20.09.2021 @ Rs 2.70 per kWh in terms of APTEL Interim Order dated 17.07.2020.

- 2.7 That the instant project is not connected to ISTS network and is therefore, immune to the proposed POC transmission charges on the power through ISTS network. Further, since the Project has been set up in Sirsa, near the load centre, there shall be a reduction of power distribution losses.
- 2.8 Following prayers have been made:
 - a. Grant the Approval of source of power be procured from M/s Greenyana Solar Pvt. Ltd. on long terms basis for useful life of the project i.e. 25 years from 10.72 MW grid

- interactive solar PV based power project located at Village Kurangawali District Sirsa;
and
- b. Grant approval of the Power Purchase Agreement to be executed between HPPC and the Generator; and/ or
 - c. Pass any other order(s) and or direction(s), which the Hon'ble Commission may deem fit and proper in the facts and circumstances of the case.

Proceedings in the Case

3. During the hearing held on 22.12.2022, Ms. Sonia Madan, the learned counsel for the petitioner (HPPC), was asked to clarify the reason for not incorporating the ceiling clause of Rs. 2.75/kwh in the draft PPA. Further, HPPC has not filed any affidavit from the generator agreeing to the ceiling tariff of Rs. 2.75/kwh. The Commission observed that it is an important clause and should form part of the duly executed PPA. Ms. Madan submitted that the draft PPA, duly incorporating the ceiling tariff of Rs. 2.75/kWh, shall be submitted in the Commission within one week. The Commission, further observed that recently a lot of disputes are cropping up in various forums either by HPPC or by the generator, on the issue of tariff determined by the Commission under Section 62 of the Electricity Act, 2003. In order to address this issue, the Commission directed both the parties to explore the possibility of agreeing to an 'exit clause' wherein both the HPPC and M/s. Greenyana Solar Private Limited (Generator) will have the right to terminate this Agreement (PPA) within 45 days of the order regarding determination of tariff by the Commission under Section 62 of the Electricity Act, 2003 pursuant to the tariff petition filed by the Generator under HERC RE Regulations, if the tariff so determined by the Commission is not acceptable. The Commission granted time of one week to submit a draft PPA incorporating the mutually agreed clauses on ceiling tariff and exit clause (in case so agreed).

Commission's Order

4. The case was heard on 01.01.2023, wherein Ms. Sonia Madan, the learned counsel for the petitioner submitted that clause no. 4.2 of the draft PPA has been suitably amended by incorporating the ceiling tariff, with the mutual consent between the parties. Ms. Madan further informed that the management of the petitioner has decided that the issue of 'exit clause' may not be incorporated in the PPA. The respondent has also agreed to the proposal of the petitioner regarding non-incorporation of the 'exit clause' in the PPA.
5. The representative of the respondent, present at the time of hearing gave acquiescence to the submissions of the petitioner.

6. In view of the above, the Commission has considered the request of the petitioner and grant approvals sought in the petition.

In terms of the above order, the present petition is disposed of.

This order is signed, dated and issued by the Haryana Electricity Regulatory Commission on 01.02.2023.

Date: 01.02.2023
Place: Panchkula

(Naresh Sardana)
Member

(R.K. Pachnanda)
Chairman

HEERC