

## ORDER OF THE

## WEST BENGAL ELECTRICITY REGULATORY COMMISSION IN CASE NO. PPA-124 /22-23

IN REGARD TO THE APPLICATION SUBMITTED BY THE CESC LIMITED FOR APPROVAL OF POWER SALE AGREEMENT EXECUTED ON 11.01.2023 BY AND BETWEEN SOLAR ENERGY CORPORATION OF INDIA LIMITED (SECI) AND CESC LIMITED FOR PURCHASE OF 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 AND REGULATION 3.4 OF THE WEST BENGAL ELECTRICITY REGULATORY COMMISSION (COGENERATION AND GENERATION OF ELECTRICITY FROM RENEWABLE SOURCES OF ENERGY) REGULATIONS, 2013.

## PRESENT:

SRI MALLELA VENKATESWARA RAO, CHAIRPERSON SRI PULAK KUMAR TEWARI, MEMBER

DATE: 15.05.2023



Approval of Power Sale Agreement executed by and between Solar Energy Corporation of India Limited (SECI) and CESC Limited for purchase of 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 and regulation 3.4 of the West Bengal Electricity Regulatory Commission (Cogeneration and Generation of Electricity from Renewable Sources of Energy) Regulations, 2013.



## Facts in brief:

- 1.0 CESC Limited submitted an application dated 08.03.2023 for approval of Power Sale Agreement (PSA) executed on 11.01.2023 by and between Solar Energy Corporation of India Limited (SECI) and CESC Limited (CESC) for purchase of 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 and regulation 3.4 of the West Bengal Electricity Regulatory Commission (Cogeneration and Generation of Electricity from Renewable Sources of Energy) Regulations, 2013. The Commission has admitted the application in Case No. PPA 124/22-23 on 23.03.2023.
- 2.0 The application of CESC read with the Power Sale Agreement dated 11.01.2023 and additional information inter-alia state the following:
- 2.1 SECI has been instrumental for developing and facilitating the establishment of the Grid connected Wind-Solar Hybrid Power capacity in India. Accordingly, SECI had initiated a Tariff Based Competitive Bidding process for procurement of 1200 MW of power generated from the ISTS-connected Wind-Solar Hybrid Power Projects (Tranche-V) under the provisions of Request for Selection ("RfS") dated 22.10.2021. Pursuant to the bid process, Wind-Solar Hybrid Power Developers ("HPD") have been selected by SECI for setting up and implementing Wind-Solar Hybrid Power Projects for an aggregate capacity of 1170 MW.
- 2.2 CESC has agreed to purchase 100 MW Wind-Solar Hybrid Power from SECI under the proposed 1170 MW Wind-Solar Hybrid Power Project. Accordingly, CESC has signed a Power Sale Agreement (PSA) with SECI on 11.01.2023 for purchase of 100 MW Wind-Solar Hybrid power for a period of 25 years from the 'Scheduled Commissioning Date' (SCD) of the project. In terms of Clause 1.2 of the PSA and Clause 2.1.1 of the PPA, 'Scheduled Commissioning Date' is 10.01.2025 (24 months from Effective Date of the PPA i.e 11.01.2023).



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The 100 MW Wind-Solar Hybrid Power consists of 51 MW from TP Saurya Limited, Karnataka (HPD 1), 10 MW is from AMP Energy Green Private Limited, Rajasthan (HPD 2) and 39 MW is from NTPC Renewable Energy Limited, Gujarat (HPD 3) and Power Purchase Agreements (PPA) have been signed with the HPDs on a long-term basis.

- 2.3 The tariff for procurement of the 100 MW Wind-Solar Hybrid Power is fixed tariff of Rs. 2.53 per kWh plus a trading margin of Rs. 0.07 per kWh for the entire term of the PSA (25 years from COD).
- 2.4 The power shall be delivered by the power developer at its interconnection point with Inter State Transmission System at single point or multiple points at 220 KV or above ISTS substation. All charges and losses upto the Delivery Point shall be borne by the HPDs.
- 2.5 It is submitted that the Wind-Solar Hybrid Power with long term agreement will reduce the dependency on power exchanges to meet the Renewable Purchase Obligation (RPO).
- 2.6 All the PPAs signed between SECI and HPDs have been submitted by CESC vide communication dated 08.03.2023 and 06.04.2023 and it is stated in the petition that SECI will approach the Hon'ble CERC for adoption of tariff.
- 2.7 CESC has stated that in terms of Order No. 23/12/2016-R&R dated 23.11.2021 of the Ministry of Power, ISTS Charges will not be applicable for renewable energy projects, including solar, wind etc. commissioned up to 30.06.2025. However, as per Clause 2.1.3 and 2.1.4 of the PPA between SECI and HPDs, in case of tariff adoption and/ or approval of the PSA by the Commission gets delayed beyond 120 days from the effective date of the PPA (which is 11.01.2023), the scheduled financial closure and scheduled Commissioning Date of the Projects will also get extended by equal number of days.
- 2.8 In view of the above, CESC has prayed to approve the petition dated 11.01.2023 within 11.05.2023 in consumer interest.