

केन्द्रीय विद्युत विनियामक आयोग Central Electricity Regulatory Commission



नई दिल्ली New Delhi

याचिका संख्या./ Petition No. 269/MP/2021

कोरम/ Coram:

श्री आई. एस. झा, सदस्य/ Shri I. S. Jha, Member श्री अरुण गोयल, सदस्य/ Shri Arun Goyal, Member श्री पी. के. सिंह, सदस्य / Shri P. K. Singh, Member

आदेश दिनांक/ Date Of Order: 28th of June, 2022

IN THE MATTER OF:

Petition under section 79(1) (b), (c) and (k) of the Electricity Act, 2003 seeking approval of the terms of the Tripartite Power Sale Agreement dated 01.12.2021 between SECI, APDISCOMS and GoAP, for purchase of 7000 MW Solar Power with an annual ceiling quantum of 17000 MU for 25 years.

AND IN THE MATTER OF:

- Southern Power Distribution Company of Andhra Pradesh Limited Besides Srinivasa Kalyanamandapam, Tiruchanur Road, Tirupathi – 517501
- 2. Eastern Power Distribution Company of Andhra Pradesh Limited P&T Colony, Seethammadhara, Vishakhapatnam – 530 020
- **3.** Andhra Pradesh Central Power Distribution Corporation Limited YSR Vidyut Bhavan, ITI-Road, Vijayawada- Andhra Pradesh

4. Government of Andhra Pradesh

Through Deputy Secretary, Energy Department

2nd Block AP Secretariat Velagapudi – Guntur District Andhra Pradesh.

...Petitioners

Versus

 Solar Energy Corporation of India Limited 6th Floor, Plate-B NBCC Office Block Tower-2 East Kidwai Nagar, New Delhi-110023

2. Ministry of Power

Through Secretary Shram Shakti Bhawan Rafi Marg, New Delhi-110001

3. Andhra Pradesh Green Energy Corporation Limited Renamed as 'AP Rural Agriculture Power Supply Company Limited' C/O APGENCO, 3rd Floor Vidyut Soudha,

Gunadala, Vijayawada, Krishna District, Andhra Pradesh 520004

...Respondents

Parties Present : Shri Sidhant Kumar, Advocate, AP Discoms Ms. Manya Chandok, Advocate, AP Discoms Shri M. G. Ramachandran, Sr. Advocate, SECI Ms. Tanya Sareen, Advocate, SECI Ms. Neha Singh, SECI Shri Atulya Kumar Naik, SECI Shri Shibasish Das, SECI Shri Mudit Jain, SECI

<u> आदेश/ ORDER</u>

The Petitioners, Southern Power Distribution Company of Andhra Pradesh Limited, Eastern Power Distribution Company of Andhra Pradesh Limited and Andhra Pradesh Central Power Distribution Corporation Limited are distribution licensees of Andhra Pradesh (collectively referred to as 'APDISCOMS'). APDISCOMS are the Buying Entities, along with Andhra Pradesh Rural Power Supply Company Limited under the Tripartite Power Sale Agreement (PSA). The Petitioner No. 4 is the Government of Andhra Pradesh (GoAP), represented through Deputy Secretary, Energy Department. The Petitioners have filed the petition under Section 79(1)(b), (c) and (k) of the Electricity Act, 2003 (the Act) seeking approval of the terms of the Tripartite Power Sale Agreement (Tripartite PSA) dated 01.12.2021 executed between Solar Energy Corporation of India (SECI), Andhra Pradesh Green Energy Corporation Limited (renamed as AP Rural Agriculture Power Supply Company Limited) and the Petitioners, for procurement of 7000 MW Solar Power from SECI with an annual ceiling limit of 17000 MU under II, III and IV tranches of the 9000MW Project.

- 2. The Respondent No.1, Solar Energy Corporation of India (SECI), is a nodal agency for implementation of the MNRE Scheme for ISTS Connected Solar PV Projects (for an aggregate capacity upto 6 GW) linked with setting up of Solar Manufacturing Plant (for an aggregate capacity of 2GW) in India on "Build Own Operate" basis (Manufacturing linked Solar Scheme). SECI is the Buyer under the Tripartite PSA and acts as the Intermediary Procurer under the Guidelines for Tariff Based Competitive Bidding Process for Procurement of Power from Grid Connected Solar PV Power Projects issued by the Ministry of Power.
- 3. The Respondent No.3, AP Rural Agriculture Power Supply Company Limited, is a public undertaking under the complete control of GoAP, specifically established upon the directions of Petitioner No. 4, *vide* Order No. 152 dated 03.11.2021, by renaming Andhra Pradesh Green Energy Corporation Ltd. specifically for the purpose of supplying uninterrupted 9 hours daytime power supply to the farming community on a sustainable basis under the Tripartite PSA. At present, Respondent No.3 does not hold a distribution license. However, once it becomes operational as a distribution licensee, Respondent No.3 shall act as the Buying Entity in place of the APDSICOMS and shall be taking over the function of supply and distribution of power under the Tripartite PSA.
- 4. The Petitioner has made the following prayers:
 - *a)* Allow the present Petition;
 - b) Grant approval of the terms of the Tripartite Power Sale Agreement dated 01.02.2021 executed between the Petitioners and Respondent No.s 1 and 3;
 - *c)* Pass any other or further order(s) as this Hon'ble Commission may deem fit and proper in the interest of justice.

5. The present matter came up for hearing before this Commission on 24.05.2022. As per Record of Proceedings dated 24.05.2022, it was held as under:

"2. Learned counsel for the Petitioners submitted that the present matter is squarely covered by the decision of the Commission dated 2.4.2022 in Petition No. 286/AT/2021 (SECI v. Azure Power India Pvt. Ltd. and Ors.) and accordingly, the Commission may pass an appropriate order in terms of the said order.

3. Learned senior counsel for the Respondent, SECI submitted that the Commission may dispose of the present matter in terms its order dated 2.4.2022 in Petition No. 286/AT/2021, wherein the Commission has already adopted the tariff under the Power Purchase Agreements (PPAs) entered into between SECI and the Solar Developers on the basis of the Power Supply Agreements (PSAs) entered into between the SECI and the Distribution licensees including the Petitioners herein. Therefore, the present Petition is redundant at this stage. Learned senior counsel further submitted that the PSA between the Petitioners and SECI has already been approved by the Andhra Pradesh State Electricity Regulatory Commission and this has also been recorded by the Commission in its order dated 2.4.2022"

6. We observe that as per Order dated 02.04.2022 in Petition no. 286/AT/2021, the Commission held as under:

"47. As regards Package-II, Package-III and Package-IV, Adani Green and Azure Power vide their respective undertakings dated 3.11.2021 reduced the quoted tariff to Rs.2.42/kwh for these packages. Till date, SECI has signed PSAs with the following buying utilities/distribution companies for Packages II to IV:

Sr. No.	STATE	Buying Utilities	Date of PSA signing	Capacity of Project (MW)	Applicable Tariff to Buying Utility (Rs./kWh)
1.	Andhra Pradesh	 (1) Andhra Pradesh Central Power Distribution Corporation Limited (2) Andhra Pradesh Southern Power Distribution Company Limited (3) Andhra Pradesh Eastern Power Distribution Company Limited (4) AP Rural Agriculture Power Supply Company Limited [Permitted successor of (1), (2), (3)] (5) Government of Andhra Pradesh 	01.12.2021	7000	Rs.2.42/kWh (Tariff payable to Developer) + Rs.0.07/kWh (Trading Margin)

48. On the basis of above PSAs, PPAs have been signed with the following successful bidders/ Project Company formed by the successful bidder:

Sr. No.	Package II: Name of the Successful Bidder	Project Company formed by the successful bidder for executing the PPA	Date of PPA signing	Capacity of Project (MW)	Applicable Tariff (Rs./kWh)
1.		Adani Green Energy Twenty Four A Limited	14.12.2021	250	2.42
2.	_	Adani Green Energy Twenty Four A Limited	14.12.2021	250	2.42
3.	Adani Green	Adani Green Energy Twenty Four B Limited	14.12.2021	250	2.42
4.	Energy Four Limited		14.12.2021	250	2.42
5.		Adani Green Energy Twenty Four Limited	14.12.2021	250	2.42
6.		Adani Green Energy Twenty Four Limited	14.12.2021	250	2.42
7.		Adani Green Energy Twenty Five Limited	14.12.2021	250	2.42
8.		Adani Green Energy Twenty Five Limited	14.12.2021	250	2.42
9.		Azure Power Fifty Three Private Limited	16.12.2021	125	2.42
10.		Azure Power Fifty Three Private Limited	16.12.2021	125	2.42
11.		Azure Power Fifty Three Private Limited	16.12.2021	125	2.42
12.	Azure Power India Private	Azure Power Fifty Three	16.12.2021	125	2.42
13.	Limited	Azure Power Fifty Four Private Limited	16.12.2021	125	2.42
14.		Azure Power Fifty Four Private Limited	16.12.2021	125	2.42
15.		Azure Power Fifty Four Private Limited	16.12.2021	125	2.42
16.		Azure Power Fifty Four Private Limited	16.12.2021	125	2.42
	Total			3000	

PACKAGE III:

Sr.	Name o		Project Company formed by	Date of	1 2 3	Applicable
No.	Successj	ful	the successful bidder for	PPA	Project	Tariff
	Bidder		executing the PPA	signing	(MW)	(Rs./kWh)
1.	Adani	Green	Adani Green Energy Twenty	14.12.2021		2.42
	Energy	Four	Five C Limited		250	
2.	Limited		Adani Green Energy Twenty	14.12.2021		2.42
			Five C Limited		250	
3.			Adani Green Energy Twenty	14.12.2021		2.42
			Five B Limited		250	
4.			Adani Green Energy	14.12.2021		2.42
			Twenty Five B Limited		250	
5.			Adani Green Energy Twenty	14.12.2021		2.42
			Five A Limited		250	

10.		Limited	10.12.2021	123	2.42
16.		Azure Power Sixty Private	16.12.2021	125	2.42
15.		Azure Power Sixty Private Limited	16.12.2021	125	2.42
		Limited			
14.		Azure Power Sixty Private	16.12.2021	125	2.42
		Limited			
13.	Limited	Azure Power Sixty Private	16.12.2021	125	2.42
12.		Azure Power Fifty Nine Private Limited	16.12.2021	125	2.42
12	Azure Power	Private Limited	16 12 2021	125	2.42
11.		Azure Power Fifty Nine	16.12.2021	125	2.42
		Private Limited			
10.		Azure Power Fifty Nine	16.12.2021	125	2.42
		Private Limited			
9.		Azure Power Fifty Nine	16.12.2021	125	2.42
0.		Adani Green Energy Twenty Five A Limited	14.12.2021	230	2.42
8.		Four C Limited	14.12.2021	250 250	2.42
7.		Adani Green Energy Twenty	14.12.2021	250	2.42
		Twenty Four C Limited		250	
6.		Adani Green Energy	14.12.2021		2.42

PACKAGE IV:

Sr.	Name of the	Project Company formed by	Date of	Capacity of	Applicable	
No.	Successful	the successful bidder for	PPA	Project	Tariff	
	Bidder	executing the PPA	signing	(MW)	(Rs./kWh)	
1.	Adani Green	Adani Green Energy Twenty	14.12.2021		2.42	
	Energy Four	Seven A Limited		250		
2.	Limited	Adani Green Energy	14.12.2021		2.42	
		Twenty Seven A Limited		250		
3.		Adani Green Energy Twenty	14.12.2021		2.42	
		Six B Limited		167		
4.		Azure Power Sixty Two	16.12.2021	83	2.42	
	Azure Power	Private Limited				
5.	India Private	Azure Power Sixty Two	16.12.2021	125	2.42	
	Limited	Private Limited				
6.		Azure Power Sixty Two	16.12.2021	125	2.42	
		Private Limited				
	Total			1000		

49. <u>Andhra Pradesh Electricity Regulatory Commission vide Order dated 11.11.2021 granted</u> <u>approval for procurement of 7000 MW Solar Power in three Package-II, PackagIII &</u> <u>Package-IV under manufacturing linked tender to Andhra Pradesh Discoms and permitted</u> <u>execution of PSA.</u>

50. The Petitioner has submitted that it is still in the process of identifying and finalizing the PSAs in respect of remaining 2000 MW under Package IV."

70. It emerges that selection of the successful bidders has been done and the tariff of solar power projects has been discovered by the Petitioner, SECI through a transparent process of

competitive bidding in accordance with Guidelines dated 3.8.2017 issued by Ministry of Power and suitably modified vide communications dated 20.4.2018, 14.8.2019, 9.10.2019 and 22.5.2020. It is also noted that, in accordance with Clause 20 of the Guidelines dated 3.8.2017, all the modification letters were issued by Ministry of New & Renewable Energy with the approval of Minister of State (I/C) for Power & MNRE. Admittedly, the Petitioner has been able to enter into PPA for a total capacity of 8900 MW i.e. 1900 MW under Package-I and 7000 MW under Package-II to Package-IV. Since the Petitioner is still in the process of identifying and finalizing the PSAs for balance capacity of 3100 MW, we deem it appropriate to restrict adoption of tariff, as prayed for by the Petitioner, only with respect to the quantum for which PPA has been executed with solar power developers for supply of power to the identified distribution licensees through PSA with the Petitioner. Therefore, in terms of Section 63 of the Act, the Commission adopts the individual tariffs for the solar power projects, as agreed to by the successful bidder(s), and for which PPA has been entered into by SECI on the basis of the PSAs with the distribution licensees, which shall remain valid throughout the period covered in the PPA and PSAs as under ... ^{,,}

- 7. From the above, we note that Andhra Pradesh Electricity Regulatory Commission vide its Order dated 11.11.2021 has already granted approval for procurement of 7000 MW Solar Power in three packages viz. Package-II, Package III & Package-IV under manufacturing linked tender to Andhra Pradesh Discoms and permitted execution of Tripartite PSA. In compliance to the approval granted by APERC, the AP DISCOMS and GoAP have entered into the Tripartite PSA dated 01.12.2021 with SECI for purchase of 7000 MW solar power. Further, the learned counsel of the Petitioners and Respondents during the hearing held on 24.05.2022 have submitted that the Commission may dispose of the present matter in terms its order dated 2.4.2022 in Petition No. 286/AT/2021, wherein the Commission has already adopted the tariff under the PPAs on the basis of the PSAs and the present Petition is redundant at this stage.
- 8. In the light of the above, Petition No. 269/MP/2021 is hereby disposed of in terms of the discussion at para 7 of this Order.

Sd/ पी. के. सिंह (सदस्य) Sd/ अरुण गोयल (सदस्य)

Sd/ आई. एस. झा (सदस्य)