



Petition No 1012 of 2015

BEFORE

THE UTTAR PRADESH ELECTRICITY REGULATORY COMMISSION

LUCKNOW

Date of Order: 14 .07.2015

PRESENT:

1. Hon'ble Sri Desh Deepak Verma, Chairman
2. Hon'ble Smt. Meenakshi Singh, Member
3. Hon'ble Sri Indu Bhushan Pandey, Member

IN THE MATTER OF: Approval of Power Purchase Agreement entered into between NPCL and Greater Noida Industrial Development Authority (GNIDA) for purchase of 1 MWp solar power.

AND

IN THE MATTER OF

NOIDA POWER COMPANY LIMITED
Commercial Complex, H – Block,
Alpha – II Sector,
Greater Noida.

-----Petitioner

The following were present:

1. Sri Rajiv Goyal, GM, NPCL
2. Sri Alok Sharma, Manager, NPCL
3. Sri A.K. Arora, Resident Manager, NPCL
4. Sri R.R.P.Singh, Manager, GNIDA.
5. Sri A.B. Sharma, AGM, GNIDA
6. Sri Anupam Tyagi, CM, GNIDA

Order

(Date of Hearing 14.05.2015)

1. The Petitioner, Noida Power Company Limited (hereinafter referred to as the Petitioner or NPCL, as the case may be), is a distribution licensee for



distribution and retail supply of electricity in the Greater Noida area. Being the Licensee, the Petitioner is also an “Obligated Entity” for procurement of renewable power (both Solar and Non-Solar) in accordance with UPERC (Promotion of Green Energy through Renewable Purchase Obligation) Regulations, 2010 required to procure 1% and 5% of its total consumption from solar energy sources and non-solar energy sources respectively to fulfill its Renewable Purchase Obligation (RPO) for FY 2012-13 onwards.

2. The Petitioner has submitted the energy requirement for their licensed area in FY 2013-14 and FY 2014-15 as 1451 MU and 1654 MU respectively. For fulfillment of RPO, the petitioner is required to purchase solar and non-solar power. The petition has been filed for approval of Power Purchase Agreement (PPA) dated 09.02.2015 for purchase of 1 MWp solar power. The PPA has been entered into between NPCL and Greater Noida Industrial Development Authority (GNIDA) for a period of 10 years. The power will be supplied at ex-bus of the Solar Power Station connected with its 33/11 kV Chi-IV Sub-station.
3. It is submitted that the Petitioner has made several attempts to procure renewable power to fulfil its RPO under the UPERC (Promotion of Green Energy through Renewable Purchase Obligation) Regulations, 2010. However due to various reasons such as non-submission of any bid or lack of sufficient valid bids, the procurement of power from renewable energy sources could not be finalized.
4. The petitioner has further referred the UPERC Tariff Order dated 01.10.2014 as follows:

“The Commission observes that in spite of the efforts being made by the Petitioner no actual renewable power is being procured by the Petitioner to fulfill its RPO obligation. The Petitioner should ensure that the RPO obligation is met in the future years. Petitioner is also directed to submit the source wise (generating source or REC) detailed action plan to fulfill its RPO Obligations in future years. For the purpose of



Truing up the Commission has approved the actual power procured through renewable sources.”

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“The Commission directs NPCL to initiate concrete steps to purchase power from renewable sources of energy so as to meet its Renewable Purchase Obligation under the UPERC (Promotion of Green Energy through Renewable Purchase Obligation) Regulations, 2010. Licensee further directed to submit the source wise (generating source or REC) detailed action plan to fulfill its RPO Obligations for FY 2014-15 and for future years within 1 month of this Order.”

The petitioner has submitted that in compliance to the Hon'ble Commission's above directions, they have entered into the Power Purchase Agreement (PPA) with Greater Noida Industrial Development Authority (GNIDA) for purchase of 1 MWp solar power on long term basis. The power shall be supplied at 11 kV Voltage level connected with nearest 33/11kV substation within NPCL's licensed area. The PPA has been entered into on 09.02.2015 for 10 years with scheduled commercial operation date as 01.03.2015. The PPA has indicative tariff of Rs. 8.00 per kWh subject to final decision of the Commission.

5. The Regulation 30 of the UPERC (Captive and Renewable Energy Generating Plants) Regulations, 2014 (CRE Regulations, 2014) provides as follows:

“All RE source based generating plants shall be allowed to sell power, to the Distribution Licensee in whose area the plant is located at the rate specified in Schedule II:

Provided that purchases under these Regulations, may be referred to as Renewable Purchase Obligation 'RPO', shall be restricted to quantum as specified under terms and conditions of the UPERC (Promotion of Green Energy through Renewable Purchase Obligation) Regulations 2010 as amended from time to time.

The Distribution Licensee on an offer made by the said plants for entering into a PPA, the same shall be signed by such Licensee. In case of any difficulty the Generating Company may approach the commission for suitable remedy.



Provided further that the plant shall be allowed to sell the power available after sale to the concerned Distribution Licensee to any other Licensee or a consumer at mutually agreed rate.”

6. NPCL confirmed in the hearing that no specific deviation is sought from model PPA.
7. The Commission, while examining the submitted PPA has observed that GNIDA has installed the generating facility in the licensed area of NPCL and offered to sale 1 MWp solar power from Solar PV plant for a period of 20 years commencing from date of commissioning i.e. 01.03.2015. However, the petitioner in its prayer has sought the approval of Commission to purchase power from the same for period of 10 years.
8. Taking into consideration all above, the Commission approves the Power Purchase Agreement (PPA) for purchase of 1 MWp solar PV power for a period of 10 years commencing from 01.03.2015.
9. Regarding the tariff, the Commission considers the provisions made under schedule –I (E) of UPERC (Captive and Renewable Energy Generating Plants) Regulations, and therefore allows the tariff of Rs. 7.06/kwh.
10. For any further extension of PPA, the matter shall be brought to the Commission for its approval. However, in any case, the tariff for extended period shall not exceed present allowed rate of Rs. 7.06/kwh.
11. The petition is disposed of.

(Indu Bhushan Pandey)
Member

(Meenakshi Singh)
Member

(Desh Deepak Verma)
Chairman

Place: Lucknow
Dated: 14.07.2015