



Petition No 932 of 2014

**BEFORE
THE UTTAR PRADESH ELECTRICITY REGULATORY COMMISSION
LUCKNOW**

Date of Order : 22.05.2014

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: Determination of project specific tariff for sale of power to distribution licensee from 15 MW power based on RDF from Municipal Solid Waste (MSW).

AND

IN THE MATTER OF

M/s A2Z Infrastructure Pvt. Ltd.,
205, Laxman Palace – 19 Veer Savarkar Block,
Shakarpur, Delhi -110092

-----Petitioner

1. U.P. Power Corporation Ltd.,
(through its Chairman)
Shakti Bhawan,
14, Ashok Marg, Lucknow.
2. Chief General Manager (PPA),
Power Purchase Agreement Directorate,
U.P. Power Corporation Ltd.,
4th Floor, Shakti Bhawan Extension,
Lucknow.

----- Respondent

The following were present:

1. Sri S.P.Pandey, CE.(PPA), UPPCL
2. Sri S.K. Sinha, S.E.(PPA), UPPCL
3. Sri Rajiv Srivastava, Advocate, UPPCL
4. Sr. Consultant, A2Z Infrastructure Pvt. Ltd.

Order

(Date of Hearing 02.05.2014)

1. The Petitioner has entered into Power Purchase Agreements (PPAs) signed on 23.8.2010 between UPPCL and M/s A2Z Infrastructure Pvt. Ltd. for supply of 15 MW biomass based power. The tariff has been agreed as per the CNCE Regulations, 2009.



2. The Petitioner has filed this petition for determination of tariff on Refused Devirved Fuel (RDF) from Municipal Solid Waste (MSW).
3. Since there is no PPAs for supply of MSW based power, agreed between UPPCL and M/s A2Z Infrastructure Pvt. Ltd., the petition does not qualify for admission. However, the commission heard the Petitioner's views on their potential plan to generate power on RDF from MSW.
4. The representative of A2Z Infrastructure Pvt. Ltd. stated that they started the generation on biomass after commissioning of the unit in the month of January, 2012 but could operate only for about two months because they were facing acute shortage of biomass fuel and finally they had no other option than to shut down the plant. He added that since they are an established MSW processing industry in India and also since they have set up a 1500 TPD MSW processing plant at Kanpur, they are intended to run the generating plant on RDF from MSW. He further stated that this can be done only if a tariff is provided by the Commission for such generation.
5. Sri S.P. Pandey, CE, UPPCL submitted that the promotion of these sources of energy is need of the hour but in this case first the petitioner has to come out of the existing PPA and is required to sign a new PPA for supply of power based on RDF from MSW.
6. The Commission considers that non-existence of adequate tariff for such power in the State is a major roadblock for development of such sources of non-conventional energy. Absence of benchmarks provided by the competent bodies in India for such non conventional power, further deters its progress. The Commission assured that the issue shall be discussed with the exercise for review of CNCE Regulations taken up by the Commission for FY 2014-19. The tariff for such generation would either be decided in general or on case to case basis in the Regulations.
7. The Commission directed the petitioner to rescind the existing PPA and to enter into a new PPA for supply of power based on RDF from MSW.
8. The petition is disposed of.

(Indu Bhushan Pandey)
Member

(Meenakshi Singh)
Member

(Desh Deepak Verma)
Chairman

Place : Lucknow
Dated: 22.05.2014