

BEFORE

THE UTTAR PRADESH ELECTRICITY REGULATORY COMMISSION LUCKNOW

Petition No.1226/2017

PRESENT:

1. Hon'ble Sri Suresh Kumar Agarwal, Chairman

IN THE MATTER OF: Petition U/s 86(1) (b) and (f) read with the other relevant provision of the Electricity Act, 2003 and to adopt CoD of 48 months etc. as claimed in the prayer of this petition

Petitioners:

M/s B&G Renewable Energy Pvt. Td. New No.25/old no. 10, Sir Madhavan Nair Road, Mahalingapuram, Nungambakkam, Chennai-600 034

Respondent:

 The Managing Director, UP Power Corporation Limited. 7th Floor, Shakti Bhawan, 14 Ashok Marg, Lucknow Varanasi.

2. Managing Director, UP Jal Vidyut Nagam Limited (UPJVNL), 12th Floor, Shakti Bhawan Ext., 14-Ashok Marg, Lucknow-226 001

In the Presence of

- 1. Sri R.K. Saxena, Chief Engineer, UPPCL
- 2. Sri Rahul Srivastava, Advocate, UPSLDC,
- 3. Sri DD. Chopra, Advocate
- 4. Sri Rajiv Srivastava, Ad. UPPCL
- 5. Sri Zahir Ahmad, SE, UPSLDC



- 6. Sri A.K. Srivastava, A.E. UPSLDC
- 7. Sri V.P. Srivastava, CE, PPA, UPPCL
- 8. Sri M.K. Gupta, EE, SLDC

ORDER

(Date of hearing 19.12.2017)

M/s B&G Renewable Pvt. Ltd. has filed a petition under Section 86 1(b) and (f) of the Electricity Act 2003. The petition relates to certain amendments in the Power Purchase Agreement for supply of power from Small Hydro Plants which have been awarded to the petitioner after the bidding process as per the guidelines of the competitive bidding. The Petitioner has stated that the schedule date of commissioning has been kept as 30 months from the signing of the PPA or such other dates decided from time to time in accordance with the PPA.

- 3. The Petitioner has stated that while filling the bid he had put a note at the bottom of the concerned format that the CoD date needs to be decided by Procurer and it shall ordinarily be not more than 48 months. The Petitioner mentioned 30 months from the effective date as the scheduled CoD inadvertently without taking into account the time required to obtain necessary approvals prior to commencement of construction of the project. The petitioner states that in the bid document 48 months were provided for CoD from the effective date.
- 4. The Petitioner has also mentioned that he has been provided 24 months time from the effective date for meeting the conditions subsequent under the PPA. Further he has stated that the project could not be financed by financial institutions unless the tariff is adopted by the Commission. The Petitioner has made the representation to the Respondents that he should be allowed 48 months to complete the project. The Petitioner has also requested that the Respondent should be directed to determine the consequences in change of law on account of introduction of GST w.e.f. 1.7.2017 and necessary adjustment in tariff should be made in the PPA.
- 5. At the time of hearing the Petitioner reiterated his submissions in the petition and stated that the draft PPA is having contradictory clauses regarding CoD of the project. The Respondent agreed that in the bid document 48 months time was allowed from the effective date to commission the project but since the Petitioner himself has mentioned 30 months time therefore the same was taken in the draft PPA.
- **6.** The Commission is of the view that the Hydro Projects take considerable time in setting up and various clearances are to be obtained and the Respondents themselves had allowed 48 months time for CoD after the effective date, therefore, after considering



the documents filed and the time required to complete the project, the Commission directs that the Petitioner should be given 48 months time for CoD from the date of signing of PPA as envisaged originally in the RFP. However, no increase in cost would be admissible in tariff due to extension of time period. Regarding implication of GST the Respondent will deal with the matter as per the terms of the PPA. Rest of the prayers of the Petitioner shall also be dealt with by the respondent according to terms of PPA.

7. Petition No.1226 of 2017 is disposed of.

(Suresh Kumar Agarwal) Chairman

Place: Lucknow Dated:27.12.2017