



**THE UTTAR PRADESH ELECTRICITY REGULATORY COMMISSION
LUCKNOW**

Petition No. 2051 of 2023

QUORUM

Hon'ble Shri Arvind Kumar, Chairman

Hon'ble Shri Vinod Kumar Srivastava, Member (Law)

Hon'ble Shri Sanjay Kumar Singh, Member

IN THE MATTER OF

Petition under Sections 61 and 86(1)(e) of the Electricity Act, 2003 seeking declaration that the solar power plants commissioned under the Uttar Pradesh Solar Policy 2017 and Solar Policy 2022 are entitled for 100% banking of energy generated, for the entire useful life of the project.

AND

IN THE MATTER OF

- 1. Amplus Green Power Private Limited, A-57, DDA Sheds, Okhla Industrial Area, Phase II, New Delhi – 1100020.**
- 2. Amplus RJ Solar Private Limited, A-57, DDA Sheds, Okhla Industrial Area, Phase II, New Delhi – 1100020.**
- 3. Amplus Solar Shakti Private Limited, A-57, DDA Sheds, Okhla Industrial Area, Phase II, New Delhi – 1100020.**

..... Petitioner

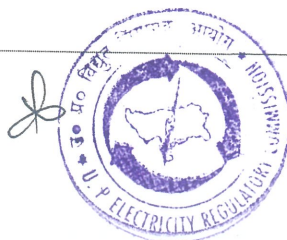
VERSUS

- 1. U.P Power Corporation Ltd. (UPPCL)**

(Through its managing Director), Shakti Bhawan, 14-Ashok Marg, Lucknow-226001

- 2. Uttar Pradesh State Load Despatch Centre, Phase II, Vibhuti Khand, Lucknow, Uttar Pradesh – 226010**

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3. **Purvanchal Vidyut Vitran Nigam Limited**, DLW Bhikharipur, Varanasi, Uttar Pradesh – 221004.
4. **Paschimanchal Vidyut Vitran Nigam Limited**, Urja Bhawan, Victoria Park, Meerut, Uttar Pradesh – 250001.
5. **Madhyanchal Vidyut Vitran Nigam Limited**, 4A, Gokhale Marg, Block I, Gokhale Vihar, Butler Colony, Lucknow, Uttar Pradesh – 226001.
6. **Dakshinanchal Vidyut Vitran Nigam Limited**, Urja Bhawan, 220 KV Sub Station, Bypass Road, Sikandra, Agra Uttar Pradesh – 282007.
7. **Noida Power Company Limited**, Electric Sub-Station, Knowledge Park IV, Greater Noida, Gautam Buddha Nagar, Uttar Pradesh - 226010
8. **Uttar Pradesh New & Renewable Energy Development Agency**, Vibhuti Khand, Gomti Nagar Lucknow, Uttar Pradesh - 226010

..... Respondent

THE FOLLOWING WERE PRESENT

1. Shri Deepak Raizada, CE, UPPCL
2. Shri Nitesh Tyagi, AGM, Amplus Green Power
3. Shri Gaurav Dudeja, Advocate, Amplus Green Power
4. Shri Amarendra, CE, UPSLDC
5. Shri Badshah Hussain Rizvi, AE, UPSLDC

ORDER

(DATE OF HEARING: 01.02.2024)

1. The Petitioners are solar power developers, having set up their solar power plants in the State of Uttar Pradesh ("UP"). The Petitioner No. 1, Amplus Green Power Private Limited ("AGPPL"), is a solar power developer and has set up a 50 MW ground mounted Captive Solar Power Project in Mirzapur, UP. The Petitioner No. 2, Amplus RJ Solar Private Limited ("ARISPI"), is a solar power developer and has set up a 40 MW ground mounted Captive Solar Power Project in Deoria, UP. The Petitioner No. 3, Amplus Solar

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Shakti Private Limited ("ASSPL"), is a solar power developer and is setting up a 50 MW ground mounted Captive Solar Power Project in Jhansi, UP.

2. The Petitioner No. 1/AGPPL has secured Long Term Open Access ("LTOA") permission from the State Transmission Utility ("STU") for all its captive users and has also entered into Bulk Power Transmission/Wheeling Agreements. The Petitioner No. 1/AGPPL has also entered into banking agreements with UPPCL on behalf of its 13 captive users. 10 of the 13 captive users were allowed up to 100% banking facility, whereas, pursuant to the order dated 23.06.2023 of this Hon'ble Commission in the petition bearing Petition No. 1832 of 2022, the banking qua the remaining 3 captive users has been allowed up to 85%.
3. The Petitioner No. 2/ARJSPL has secured LTOA permission from the STU for all its 14 captive users and has also entered into Bulk Power Transmission/Wheeling Agreement. ARJSPL has executed the interim banking agreements for 25% with respect to the captive users of ARJSPL. A Petition No. 2008 of 2023 has been filed before the Commission by ARJSPL seeking appropriate directions for allowing banking of 100% of the energy generated and to account for and retrospectively settle the energy already injected by ARJSPL, that has been lost due to non-singing of banking agreements for 100% banking.
4. The Petitioner No. 3/ASSPL, is currently developing a 50 MW ground mounted Captive Solar Plant in Jhansi and is expected to achieve commissioning in the month of February 2024. It is submitted that on account of banking restrictions being imposed by UPPCL on affiliate companies i.e., AGPPL and ARJSPL, ASSPL had written a letter dated 19.07.2023 requesting UPPCL to allow 100% banking for its project at the appropriate stage however, no response was received from UPPCL. As a result, ASSPL filed a petition bearing Petition No. 2013 of 2023 before the Commission to allow 100% banking with respect to ASSPL's project.





5. The Petitioner has submitted that the Solar Policy 2017 issued by the State of UP. The Clause 9(ii) of the policy, which is regarding banking is as below:

"Energy Banking:

Banking of energy in every financial year shall be permitted, subject to verification by the officials of the concerned State Distribution Company as per banking provisions of UPERC CRE Regulations 2014 and as amended from time to time."

The CRE Regulations 2014 remained in force till 31.03.2019 and was replaced by the UPERC (Captive and Renewable Energy Generating Plants) Regulations, 2019 ("CRE Regulations 2019"), which came into force on 01.04.2019. The provision of 100% banking facility for the solar power plants was allowed under the CRE Regulations 2019.

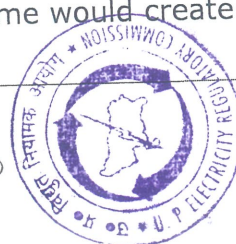
6. The Petitioner further submitted that on 17.11.2022, the government of UP issued the Solar Policy 2022. This Policy, while incorporating the provisions of CRE Regulations 2019, amended the banking provision and mentioned that 100% banking facility shall be permitted to the projects. The Clause 13.5 of the policy, which is regarding banking is as below:

"Energy Banking:

Banking of energy in every financial year shall be permitted up to 100% as per provisions of UPERC Captive and Renewable Energy (CRE) Regulations- 2019 and as amended from time-to-time. Facility of Banking will be available to projects for entire useful life of Project or 25 years whichever is less."

7. The Petitioner while emphasizing on the intermittent nature of generation of power from the solar power plants submitted that a proper banking facility is necessary. Thus, the captive users require proper visibility of the generation availability during different times of the day, in order to align the same with its load profile and consumption criteria during such time blocks. Therefore, if there is no guarantee of continuous supply of power to the captive users, then the same would create hesitation amongst the users

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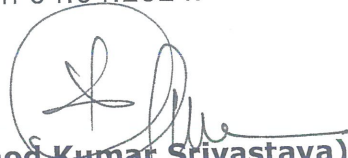
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to make any substantial investment towards procurement of power or establishing captive generating plants in the State. The Petitioner has also submitted that a consistent policy and regulatory framework is necessary for overall financial health of the energy sector. Frequent changes and uncertainty in the regulatory framework related to the banking provisions will lead to unpredictability and will make the energy sector unviable.

8. The Commission admits the Petition and directs the Petitioner to provide a copy of the Petition to the respondent. The Commission also directs the Respondent to file its counter affidavit within six-week time. Thereafter, two-week time is granted to the Petitioner to file the rejoinder.
9. List the matter for next hearing on 04.04.2024.


(Sanjay Kumar Singh)
Member


(Vinod Kumar Srivastava)
Member (Law)


(Arvind Kumar)
Chairman

Place: Lucknow

Dated: 07.02.2024

