

ORISSA ELECTRICITY REGULATORY COMMISSION
BIDYUT NIYAMAK BHAWAN
UNIT – VIII, BHUBANESWAR – 751012

Present : Shri B K Das, Chairperson
Shri K C Badu, Member
Shri B K Mishra, Member

Case No. 03/2009

GRIDCO Ltd. ... Petitioner

- Vrs -

M/s Orissa Renewable Energy Development Agency (OREDA) ... Respondent

For the petitioner : Mr. A C Mallick, Director (Commercial)

For the respondents : Mr. K C Mohapatra, Authorised Representative for OREDA.

Date of Hearing : 28.04.2009

Date of Order : 26.06.2009

ORDER

1. This is an application made by GRIDCO before the Commission for approval of purchase of power from Sunei Mini Hydel Station (110 KW) developed by OREDA at a rate and terms and conditions as may be decided by the Commission for supply of power to the State consumers through distribution companies. GRIDCO has also submitted the power purchase agreement signed between GRIDCO and OREDA on 31.05.2008 for approval of the Commission.
2. Sunei Mini Hydel Station having installed capacity 110 KW is a sub-ordinate power project of Sunei Irrigation Project in Udala block of Mayurbhanja district in Orissa. Gross Annual Energy benefit from this project is 423000 KWh. As per the Agreement between GRIDCO and OREDA the power transaction shall be through 11 KV feeder emanating from Udala 33/11 KV sub-station of NESCO, which is connected to OPTCL Grid-sub-station.

3. GRIDCO in para 11 of its application has submitted that the levelized tariff and average tariff of this power station is Rs.1.77 per KWh & Rs.1.71 per KWh respectively over a period of 30 years.
4. OREDA in its submission has mentioned that there is an error in tariff as mentioned in para 11 of the application of GRIDCO which read as
Levelized tariff of 30 years Rs.2.21/KWh
Average tariff of 30 years Rs.1.79/KWh
5. The 110 KW Sunei Mini Hydel Project was commissioned on 01.08.2007 i.e. during the FY 2007-08. From the calculation furnished by OREDA, the Commission observed that the tariff proposed by them is reasonable. Hence, the levelised tariff and average tariff of Rs.2.21/KWh and Rs.1.79/KWh respectively computed for a period of 30 years is approved for Sunei Mini Hydel Project implemented by OREDA. Accordingly the year wise tariff of this Mini Hydel Project will be as under: -

| | | |
|-----------------------------------|---|-------------|
| FY 2007-08 (1 st year) | - | Rs.2.91/KWh |
| FY 2008-09 (2 nd year) | - | Rs.2.83/KWh |
| FY 2009-10 (3 rd year) | - | Rs.2.76/KWh |

6. In Para 1.3 of said PPA it is mentioned that
“Tariff:- GRIDCO shall pay towards the energy so purchased at a rate approved by OERC. Any power injected without scheduling shall be treated as inadvertent and payment shall be made at the rate of variable cost of TSTPS for the particular block period.”
7. The Commission is in the process of finalizing the policy guidelines for determination of tariff for renewable sources of energy including mirco/mini/small Hydro projects. GRIDCO is directed to furnish a detailed tariff calculation of Sunei Mini Hydel Project for the subsequent years after finalization of the said policy guidelines.
8. In para 8 of the said PPA it is mentioned that
“That this Agreement shall come into force from the date of transmission of power from M/s OREDA to M/s GRIDCO and shall be in force for a period of 10 (ten) years.”
9. From the tariff calculation it is observed that the tariff is higher for the initial 10 years mainly due to the interest on loan capital and for the subsequent period the tariff is in lower side. Hence, GRIDCO is further directed to execute the PPA with OREDA for at least a period of 30 years to avail the benefits of lower tariff from the project.
10. The matter is accordingly disposed of.

Sd/-
(B. K. MISRA)
MEMBER

Sd/-
(K.C. BADU)
MEMBER

Sd/-
(B.K. DAS)
CHAIRPERSON