

**ODISHA ELECTRICITY REGULATORY COMMISSION
BIDYUT NIYAMAK BHAWAN,
UNIT – VIII, BHUBANESWAR – 751 012**

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**Present : Shri S. P Nanda, Chairperson
Shri B. K. Misra, Member
Shri S. P. Swain, Member**

Case No. 33/2013

GRIDCOPetitioner
Vrs.	
NTPC & OthersRespondent

In the matter of: Application under S.86 of the Electricity Act, 2003 read with Sec. 21 of the OER Act, 1995 and other enabling provisions for approval of Power Purchase Agreements (PPAs) executed between the petitioner and NTPC Ltd. for procurement of power from the 5MW Dadri Solar PV power station at Ghaziabad & 5MW Faridabad Solar PV power station at Faridabad.

For the Petitioner: Shri U N Mishra, Sr. GM (PP), GRIDCO, Shri L R Dash, DGM, GRIDCO

For the Respondents: Shri N Jena, CCO, CESU, Sujata Dash, Verifier, OREDA.

No body is present on behalf of NTPC Ltd., WESCO, NESCO & SOUTHCO.

Date of hearing: 10.12.2013

Date of Order: 31.03.2014

ORDER

1. This is a petition by GRIDCO to approve their PPA with NTPC for purchasing electricity from 5 MW each of Dadri and Faridabad Solar PV Projects pooled with equivalent capacity of thermal power from the un-allocated quota of Eastern Region NTPC Thermal Stations. GRIDCO intended to purchase this power to meet its Solar Purchase Obligation (SPO) specified by OERC. When the PPA was signed on 26.04.2011 GRIDCO could manage to rope in only 28 MW solar capacity through different schemes of Govt. of India under JNNSM Phase-I without any state initiative.
2. GRIDCO submitted that out of the allotted 10 MW Solar Capacity by NTPC they are availing 5 MW solar power from Dadri Solar PV Project w.e.f. 30.03.2013 and the power from 5 MW Faridabad Solar PV Project is expected to be available shortly. GRIDCO is paying Rs.15.39 per unit to NTPC towards availing solar power from 5 MW Dadri Project and the rate of thermal power from the un-allocated share of ER NTPC station for bundling with the said solar power is equal to the rate at which GRIDCO purchases power from those ER NTPC Stations. They further submitted that after factoring in accelerated depreciation availed by NTPC the price of power from Dadri Project would be Rs.12.94 per unit whereas it would be Rs.9.35 per unit for Faridabad Solar PV Project.
3. It is submitted by GRIDCO that since there was no alternative source of solar power at the time of signing the present PPA, they procured solar power bundled with cheaper thermal power from the un-allocated quota of ER NTPC Stations at CERC regulated

price. The availability of 10 MW of power from ER NTPC Stations in addition to usual allocation was considered to be an appreciable advantage at that point of time. Subsequent to that GRIDCO has been procuring solar capacity through OREDA State Scheme under Govt. of Odisha initiative through bidding route.

4. The Respondent NTPC submitted that the tariff for NTPC Generating Stations are to be determined by the Central Commission under Section 79 (1) of the Act and the tariff so determined can't be changed or modified by any of the State Commission under Rule 8 of Electricity Rules, 2005. The generic levelised renewable energy tariff order of the Central Commission on 09.11.2010 and 27.03.2012 shall be applicable to Dadri and Faridabad Solar PV Projects respectively depending upon their date of commissioning.
5. We heard the parties at length and also perused the written submission. GRIDCO is to purchase solar power to fulfil its solar power purchase obligation under OERC Regulation each year.

FY 2011-12			FY 2012-13		
Percentage of Purchase of Solar RPO as per Regulation	Actual purchase of solar electricity (in MU)	Actual percentage of purchase of solar electricity out of total purchase	Percentage of Purchase of Solar RPO as per Regulation	Actual purchase of solar electricity (in MU)	Actual percentage of purchase of solar electricity out of total purchase
0.10	3.33	0.02	0.15	17.66	0.08

6. From above analysis it is clear that in the year 2011-12 and 2012-13 GRIDCO has not been able to fulfil its solar power purchase obligation due to unavailability of the said power generated inside Odisha under the State promoted projects. Therefore, GRIDCO has been compelled to purchase this bundled solar power to meet its SPO requirement in addition to available solar capacity through RPSSGP Scheme and new project scheme under Phase-I of Jawaharlal Nehru National Solar Mission (JNNSM).
7. Since the subject transaction has already taken place and GRIDCO has already accounted for it, the solar component of the bundled power towards the fulfilment of its SPO under OERC Regulation we approve the same including its PPA.
8. Accordingly, the case is disposed of.

Sd/-
(S. P. Swain)
Member

Sd/-
(B. K. Misra)
Member

Sd/-
(S. P. Nanda)
Chairperson