



ASSAM ELECTRICITY REGULATORY COMMISSION

FILE NO. AERC. 558/2016

Petition No.:18/2016

ORDER SHEET

30.08.2016

Before the Assam Electricity Regulatory Commission
ASEB Campus, Dwarandhar,
G. S. Road, Sixth Mile, Guwahati – 781 022

South West Energy Pvt. Ltd. ---- Petitioner
Assam Power Distribution Company limited (APDCL) ---- Respondent-1
Assam Electricity Grid Corporation Limited (AEGCL) ---- Respondent-2

Representative for Petitioner:

Mr. Biren Hazarika
Mr. Chandrasekhar N Kolan

Representative for Respondent1:

Mr. K Talukdar, GM (TRC)
Mr. K. Goswami, DGM (Com)
Mr. Pradip Goswami, AGM NRE
Mr. A.N Dev Choudhury AGM (TRC)

In the matter of

Hearing dated 30.08.2016 on the Petition No. 18 of 2016 filed by South West Energy Pvt. Ltd requesting for determination of Tariff for their 5 MW Solar PV plant proposed to be set up at Dakhin Mandakata Mouza, Barbhangsor, Assam.

CORAM

Shri Naba Kr. Das Chairperson
Shri Dipak Chakravarty, Member
Shri Subhash Ch. Das, Member

ORDER

1. A Hearing was held on 30th August, 2016, on the Petition No. 18 of 2016 filed by South West Energy Pvt. Ltd requesting for determination of Tariff for their 30 MW Solar PV plant proposed to be set up at at Dakhin Mandakata Mouza, Barbhangsor District Kamrup Assam
2. The MOU with APDCL was signed on 29/01/2016 and is valid till 28/01/2017.
3. On a query raised by the Commission regarding status of land for the project, the Petitioner mentioned that the same will be submitted on or before 10-09-2016.
4. The petitioner will provide in details the total cost breakup with proper justification, evacuation plan to the commission on or before 10-09-2016.
5. On a query raised by the Commission regarding the high project cost compare to the CERC bench mark norms, the Petitioner mentioned that the higher cost is due to the non availability of barren land in the State, low CUF, high Logistics and Transportation cost and more maintenance cost due to the outsourcing of manpower for maintenance of the plant.
6. The petitioner in their submission mentioned the total construction period for the project to be 6 months from the financial closure.

7. APDCL mentioned that, fulfillment of RPO obligation on solar power is already completed for the FY 2015-16. The representative of the Respondent 1 prayed to the Commission that there should not be any obligation for them to purchase of excess energy generation from solar after their fulfillment of RPO obligation on solar power. The Respondent No 1 also drew attention to the advice given by the Commission to the State Government vide letter No AERC/94/2004/13 dated 30th May 2016 and requested that the matter may be clarified. The Commission may also while determining the Tariff considers the CERC generic Tariff.
8. The Commission heard both the Petitioner & Respondent and ordered the following:
- 8.1 The Commission directed the Respondent 1 to clarify the position regarding renewable of MoU/PPA with the petitioner which has expired and submit the clarification on the execution of the PPA to the Commission within the next 30 days.
- 8.2 The Commission reiterated that the present RPO trajectory may not be same over the years and it may increase keeping in mind the guidelines issued by the Ministry of Power, (MOP) and the latest National Tariff Policy. However, the Commission emphasized on the point that APDCL should endeavor to procure power from renewable energy sources as the local generation is not sufficient to meet the present energy demand of the state and also to encourage generation from RE sources.
- 8.3 The Commission directed APDCL to read the advice offered to the Government of Assam vide letter No AERC/94/2004/13 dated 30th May 2016 in totality, keeping in mind the guidelines laid down by latest National Tariff Policy on the matter regarding the procurement of Renewable energy by the Distribution Utilities. The Commission clearly indicated in the said letter that the Solar Power projects which are proposed to be set up by various entrepreneurs in Assam and have signed MoU/PPA with APDCL till 30th May 2016 may sell power to APDCL at the rate determined by the Commission. However, the Commission also directed APDCL not to consider any new MoU/PPA with the prospective solar developers till a policy decision is taken by State Government.
- 8.4 The Commission also directed the Petitioner and the Respondents (APDCL and AEGCL) to have a joint meeting and to arrive at a mutually acceptable decision on the power evacuation plan. The Commission also asked both the parties to sort out all other technical matters.
- 8.5 Commission directed the Petitioner to submit the detail cost breakup with proper justification indicating deviation from CERC norms if any with justification, Power evacuation plan and a report on status of the Land on or before 10th September 2016.

The next date of Hearing is schedule on 15th September 2016.

Sd/-
(Subhash Ch. Das)
Member
AERC

Sd/-
(Dipak Chakravarty)
Member
AERC

Sd/-
(Naba Kumar Das)
Chairperson
AERC