



**ORDER
OF THE
WEST BENGAL ELECTRICITY REGULATORY COMMISSION
IN CASE NO. PPA- 102 /20-21**

IN REGARD TO THE APPLICATION FOR APPROVAL OF SUPPLEMENTARY TO THE POWER PURCHASE AGREEMENT DATED 09.09.2010 AND 17.05.2011 (PRINCIPAL AGREEMENT) EXECUTED BY AND BETWEEN SOLITAIRE INDUSTRIAL INFRASTRUCTURE PVT. LIMITED (SIPL) AND THE WEST BENGAL STATE ELECTRICITY DISTRIBUTION COMPANY LIMITED (WBSEDCL) ON 12.10.2020 FOR PURCHASE OF ENTIRE EXPORTABLE POWER OF 05 MW FROM THE PHASE-I POWER STATION OF SIPL FOR THE BALANCE PERIOD FROM 01/01/2019 TO 31.03.2038 (I.E. 25 YEARS FROM COD) IN TERMS OF REGULATION 16.4 OF THE WEST BENGAL ELECTRICITY REGULATORY COMMISSION (COGENERATION AND GENERATION OF ELECTRICITY FROM RENEWEABLE SOURCES OF ENERGY) REGULATIONS, 2013 READ WITH REGULATION 7.4.1 OF THE WEST BENGAL ELECTRICITY REGULATORY COMMISSION (TERMS AND CONDITIONS OF TARIFF) REGULATIONS, 2011 AS AMENDED.

PRESENT:

**SRI SUTIRTHA BHATTACHARYA, CHAIRPERSON
SRI DURGADAS GOSWAMI, MEMBER
SRI PULAK KUMAR TEWARI, MEMBER**

DATE: 27.09.2021



Approval of the Supplementary to the Power Purchase Agreement dated 09.09.2010 and 17.05.2011 executed by and between Solitaire Industrial Infrastructure Pvt. Limited (SIPL) and the West Bengal State Electricity Distribution Company Limited (WBSEDCL) on 12.10.2020 for purchase of entire exportable power of 05 MW from the Phase-I Power Station of SIPL for the balance period from 01/01/2019 to 31.03.2038 (i.e. 25 years from COD) in terms of regulation 16.4 of the West Bengal Electricity Regulatory Commission (Cogeneration and Generation of Electricity from Renewable Sources of Energy) Regulations, 2013 read with regulation 7.4.1 of the West Bengal Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2011 as amended.



Facts in brief:

- 1.0 West Bengal State Electricity Distribution Company Limited (WBSEDCL) vide letter dated 02.11.2020 submitted an application for approval of the Supplementary to the Power Purchase Agreement dated 09.09.2010 and 17.05.2011 (Principal Agreement) executed by and between Solitaire Industrial Infrastructure Pvt. Limited (SIPL) and the West Bengal State Electricity Distribution Company Limited (WBSEDCL) on 12.10.2020 for purchase of entire exportable power of 05 MW from the Phase-I Power Station of SIPL for the balance period from 01/01/2019 to 31.03.2038 (i.e. 25 years from the date of commercial operation) in terms of regulation 16.4 of the West Bengal Electricity Regulatory Commission (Co-generation and Generation of Electricity from Renewable Sources of Energy) Regulations, 2013 read with regulation 7.4.1 of the West Bengal Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2011 as amended. The supplementary agreement was made to regularize the arrangement existed with erstwhile Durgapur Projects Limited (DPL) whose distribution business has been taken over by WBSEDCL along-with contractual liability w.e.f. 01.01.2019. The Commission admitted the application on 16.12.2020 and registered as Case No. PPA-102/19-20.
- 2.0 The application of WBSEDCL read with the Supplementary Agreement dated 12.10.2020 inter-alia states the following:
 - 2.1 A Power Purchase Agreement was executed by and between SIPL and DPL on 09.09.2010 and thereafter on 17.05.2011 along with further five numbers of amendments for purchase of 5 MW solar power from solar power plant of SIPL for the period of 25 years from the date of commercial operation i.e. 31.03.2013. SIPL supplied power to DPL at a price of Rs. 15.70 per unit at the delivery point which is 33 kV bus-bar of the nearby 132/33/11 kV substation of DPL at Bamunara.
 - 2.2 WBSEDCL used to receive applicable wheeling charge and loss on the power wheeled by SIPL as per wheeling agreement and WBSEDCL used to receive applicable SLDC Charge, transmission charge and loss on the power transmitted by SIPL as per commercial agreement by and between SIPL and WBSEDCL.



Approval of the Supplementary to the Power Purchase Agreement dated 09.09.2010 and 17.05.2011 executed by and between Solitaire Industrial Infrastructure Pvt. Limited (SIPL) and the West Bengal State Electricity Distribution Company Limited (WBSEDCL) on 12.10.2020 for purchase of entire exportable power of 05 MW from the Phase-I Power Station of SIPL for the balance period from 01/01/2019 to 31.03.2038 (i.e. 25 years from COD) in terms of regulation 16.4 of the West Bengal Electricity Regulatory Commission (Cogeneration and Generation of Electricity from Renewable Sources of Energy) Regulations, 2013 read with regulation 7.4.1 of the West Bengal Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2011 as amended.



- 2.3 In pursuance of the Notification dated 31.12.2018 read with Notification and 08.12.2018 and 26.12.2018 of the Department of Power, Government of West Bengal along with order dated 31.12.2018 by the Commission, the entire Transmission and Distribution business and activities of DPL has been taken over by WBSETCL and WBSEDCL respectively on and from 01.01.2019.
- 2.4 Now, in order to regularize the arrangement existed with erstwhile DPL, SIPL and WBSEDCL had mutually agreed to execute a supplementary agreement on 12.10.2020 for purchase of 5 MW Solar Power Plant, Phase I with retrospective effect from 01.01.2019.
- 2.5 WBSEDCL submitted that the annual ex-bus energy available from 5 MW Solar Power Plant of SIPL will be 7.2 MU and the delivery point for supply of such energy will be at 33 kV interconnection point between SIPL and WBSEDCL.
- 2.6 The tariff for procurement of such power has been specified in the agreement through an agreed formula which is Rs. 15.70 per unit less charges related to transmission, wheeling and SLDC. For the purpose of sample calculation, WBSEDCL determined the rate to be Rs. 11.52 per unit considering wheeling of energy from August, 2018 to December, 2018.
- 2.7 In view of the above, WBSEDCL prayed before the Commission to approve the Supplementary Agreement dated 12.10.2020 in terms of regulation 16.4 of the West Bengal Electricity Regulatory Commission (Co-generation and Generation of Electricity from Renewable Sources of Energy) Regulations, 2013 read with regulation 7.4.1 of the West Bengal Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2011 as amended.
- 3.0 The Commission had directed WBSEDCL to publish the gist of their application as approved by the Commission in terms of paragraph 8.12 of the Tariff Order dated 04.07.2018 of WBSEDCL. WBSEDCL vide letter dated 12.03.2021 stated that they had published the gist of the application in (i) the "Bartaman", (ii) "The Telegraph", (iii) the "Anandabazar Patrika" and (iv) the "Aajkal" on 25.12.2020 inviting suggestions and objections on their application to be submitted within 14 (fourteen) days of publication of the gist. No suggestion and objection were received by the Commission within the stipulated time-period.



Approval of the Supplementary to the Power Purchase Agreement dated 09.09.2010 and 17.05.2011 executed by and between Solitaire Industrial Infrastructure Pvt. Limited (SIPL) and the West Bengal State Electricity Distribution Company Limited (WBSEDCL) on 12.10.2020 for purchase of entire exportable power of 05 MW from the Phase-I Power Station of SIPL for the balance period from 01/01/2019 to 31.03.2038 (i.e. 25 years from COD) in terms of regulation 16.4 of the West Bengal Electricity Regulatory Commission (Cogeneration and Generation of Electricity from Renewable Sources of Energy) Regulations, 2013 read with regulation 7.4.1 of the West Bengal Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2011 as amended.



Observations of the Commission:

- 4.0 The Commission observes that it had allowed the Power Purchase Agreement executed by and between SIPL and DPL for purchase of 5 MW power from the solar power plant of SIPL with certain modifications at a fixed price of Rs. 15.70 per unit.
- 5.0 Further, as per Notification dated 31.12.2018 read with 08.12.2018 and 26.12.2018 of the Department of Power, Government of West Bengal and subsequent order dated 31.12.2018 of the Commission, WBSEDCL has been allowed to take over the entire business of distribution of electricity of DPL along with all associated assets and liabilities and undertake distribution functions within the licensed area of DPL with effect from 01.01.2019.
- 6.0 Now, to regularize the long-term arrangement existed between SIPL and erstwhile DPL, SIPL and WBSEDCL, discharging its obligation, have mutually agreed to execute the supplementary agreement dated 12.10.2020 for purchase 5 MW power from Phase – I of the Power Station of SIPL for the balance period from 01.01.2019 to 31.03.2038 (i.e. 25 years from the date of commercial operation of the plant).
- 7.0 The Commission also observes that the tariff of such procurement of power has been determined through an agreed formula considering the cessation of the earlier arrangement. The tariff has been computed at Rs. 11.52 per unit as per the agreed formula considering the wheeling of energy from August, 2018 to December, 2018, which will get revised with subsequent revision of wheeling charge, transmission charge and SLDC charges by the Commission from time to time.
- 8.0 The solar power from SIPL will also help WBSEDCL to fulfil its Renewable Purchase Obligation.

Order:

- 9.0 The Commission after considering the above facts and to regularize the arrangement existed with erstwhile Durgapur Projects Limited (DPL) approves the Supplementary to the Power Purchase Agreement dated 12.10.2020 executed by and between SIPL and WBSEDCL for purchase of 5 MW power by WBSEDCL from SIPL for the balance period from 01.01.2019



Approval of the Supplementary to the Power Purchase Agreement dated 09.09.2010 and 17.05.2011 executed by and between Solitaire Industrial Infrastructure Pvt. Limited (SIPL) and the West Bengal State Electricity Distribution Company Limited (WBSEDCL) on 12.10.2020 for purchase of entire exportable power of 05 MW from the Phase-I Power Station of SIPL for the balance period from 01/01/2019 to 31.03.2038 (i.e. 25 years from COD) in terms of regulation 16.4 of the West Bengal Electricity Regulatory Commission (Cogeneration and Generation of Electricity from Renewable Sources of Energy) Regulations, 2013 read with regulation 7.4.1 of the West Bengal Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2011 as amended.



to 31.03.2038 (i.e. 25 years from COD) as per the formula specified in the agreement, in terms of regulation 16.4 of the West Bengal Electricity Regulatory Commission (Cogeneration and Generation of Electricity from Renewable Sources of Energy) Regulations, 2013, as amended read with regulation 7.4.1 of the West Bengal Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2011 as amended.

10.0 The application is thus disposed of. Let a copy of the order be served upon WBSEDCL.

sd/-
(PULAK KUMAR TEWARI)
MEMBER

sd/-
(DURGADAS GOSWAMI)
MEMBER

sd/-
(SUTIRTHA BHATTACHARYA)
CHAIRPERSON

Dated: 27.09.2021

sd/-
Secretary