



**ORDER
OF THE
WEST BENGAL ELECTRICITY REGULATORY COMMISSION**

IN CASE NO:

PPA-122/22-23

IN REGARD TO THE APPLICATION OF IPCL FOR APPROVAL OF SUPPLEMENTARY POWER PURCHASE AGREEMENT DATED 18.01.2023 ENTERED BETWEEN THE INDIA POWER CORPORATION LIMITED (IPCL) [FORMERLY, DPSC LIMITED] AND THE 2 MW SOLAR PV GENERATION UNIT OF WEST BENGAL GREEN ENERGY DEVELOPMENT CORPORATION LIMITED (WBGEDCL) AT SEEBPORE, READ WITH ORIGINAL AGREEMENT DATED 12.03.2008. FOR THE NEXT 10 YEARS WITH RETROSPECTIVE EFFECTS FROM 01.12.2019 IN TERMS OF REGULATION 7.4.1, OF THE WEST BENGAL ELECTRICITY REGULATORY COMMISSION (TERMS AND CONDITIONS OF TARIFF) REGULATIONS, 2011 AS AMENDED.

PRESENT:

SRI MALLELA VENKATESWARA RAO, CHAIRPERSON

DATE: 22.10.2024



Approval Supplementary Power Purchase Agreement dated 18.01.2023 entered between the India Power Corporation Limited (IPCL) [formerly, DPSC Limited] and the 2 MW Solar PV generation unit of West Bengal Green Energy Development Corporation Limited (WBGEDCL) at Seebpore, read with Original Agreement dated 12.03.2008. for the next 10 years with retrospective effects from 01.12.2019 in terms of 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 The India Power Corporation Limited (in short IPCL) vide letter RA/II/002/22-23/99 dated 02.03.2023 submitted a supplementary petition in continuation of Case No. PPA-5/08-09, filed under Section 86(1)(b) of the Electricity Act 2003 read with Second Proviso of Regulation 7.4.1 of WBERC (Terms and Conditions of Tariff) Regulations, 2011 and amendments thereof for the approval of Supplementary Power Purchase Agreement dated 18.01.2023 entered between the India Power Corporation Limited (IPCL) [formerly, DPSC Limited] and the 2 MW Solar PV generation unit of West Bengal Green Energy Development Corporation Limited (WBGEDCL) at Seebpore, read with Original Agreement dated 12.03.2008. The Commission admitted the application on 06.04.23 and registered it in Case No. PPA -122/22-23.
- 2.0 IPCL in its application as inter-alia stated that
 - 2.1 West Bengal Green Energy Development Corporation Limited ("WBGEDCL") is a developer of grid connected solar PV Power Plant of array capacity 2 MW at Seebpore under Jamuria block District Paschim Bardhban. Power purchase agreement was entered between WBGEDCL and IPCL on 12.03.2008 for a period of 25 years with an objective of fulfilling the mandatory commitment as set forth by the commission in respect of purchase of minimum quantum of electricity from co-generation and renewable energy sources.
 - 2.2 As per term of PPA dated 12.3.2008, the rates specified in clause 8.1 shall remain for a period of 10 years from the date of COD of the plant i.e. 29.8.2009 (1.1 MW) and 30.3.2012 (0.9MW). Thereafter prevailing tariff order of the commission shall be adopted.
 - 2.3 In view of above, IPCL has filed this petition seeking approval of the first supplementary PPA dated 18.01.2023 read with original PPA date 12.03.2008.
 - 2.4 IPCL has executed PPA with WBGEDCL on mutually agreed rate of Rs. 3.40 /kWh within the capped price of Solar power considering the age of plant and cost related aspect. WBGEDCL formed a working committee for evaluation of mutually agreed rates and subsequently agreed by WBGEDCL Board.
 - 2.5 The Supplementary PPA dated 18.01.2023, the parties have also expressly agreed that all terms and condition of original PPA dated 12.3.2008 shall remain unaltered and the supplementary PPA



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dated 18.01.2023 shall be treated as part and /or in consonance of the said PPA dated 12.01.2008. The instant Supplementary agreement shall come into force from 01.12.2019 retrospectively.

- 2.6 The petitioner is utilizing Solar Power from this generating station since year 2009. The reduction in rate from 5.00 /kWh under first term of 10 years from the date of COD to the rate of 3.40 /kWh for next 10 years i.e. from 01.12.2019 shall be beneficial to the petitioner and end consumers alike in terms of RPO commitment at economical rate as there is no extra Burden of STU charges and losses.
- 2.7 In view above IPCL prayed commission to accord approval to the rate agreed under supplementary PPA dated 18.01. 2023 entered between the WBGEDCL and IPCL for next 10 years with retrospective effect from 01.12.2019.

Observations of the Commissions

- 3.0 Clause (b) of sub-section (1) of section 86 of the Electricity Act 2003 (hereinafter referred as "the Act") inter-alia specifies that, while discharging its function the State Commission shall regulate electricity purchase and procurement process of distribution licensees including the price at which electricity shall be procured from the generating companies or licensees or from other sources through agreements for purchase of power for distribution and supply within the State. Further clause (e) of sub-section (1) of section 86 of the Act inter-alia specifies that the state commission shall promote co-generation and generation of electricity from renewable sources of energy.
- 4.0 The Commission observes that over all purchased price proposed in supplementary PPA is Rs 3.40 /kWh which is below the price of Rs 5.00 / kWh as per original PPA . The price of Rs 3.40/kWh will have retrospective effect from 1.12.2019. The proposed power purchase is rate is below the average power purchase cost of IPCL for the years 2020-21 (Rs 3.73 /kWh), 2021-22 (Rs 4.67 / kWh), 2022-23 (Rs. 4.31/kWh) as per the last tariff order. This the power purchase from WBGEDCL as per supplementary PPA dated 18.01.2023 is found to be beneficial to IPCL and its consumers.



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Order

- 5.0 The Commission after considering the above facts and its responsibility to promote co-generation and generation of electricity from renewable sources of energy under the clause (e) of sub-section (1) of section 86 of the Act approves the supplementary agreement signed by and between India Power Corporation (IPCL) and West Bengal Green Energy Development Corporation (WBGEDCL) and the rate agreed under supplementary PPA for the next 10 years with retrospective effects from 01.12.2019 in terms of regulation 7.4.1, of the West Bengal Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2011 as amended.
- 6.0 The commission also directs IPCL to comply with the provisions of applicable law regarding scheduling as per the provisions of intra-state ABT , State grid code etc.
- 7.0 The application is thus, disposed of.
- 8.0 A copy of the order shall be posted in the website of the Commission.
- 9.0 IPCL and WBGEDCL shall download the copy of the order from the website of the Commission and act on it. A certified copy of the order, if applied for, be given to the parties on completion of formalities laid down in the West Bengal Electricity Regulatory Commission (Conduct of Business) Regulations, 2013, as amended and on submission of necessary fees.

Sd/-

(MALLELA VENKATESWARA RAO)
CHAIRPERSON

Dated: 22.10.2024

Sd/-
(SECRETARY)