

PUNJAB STATE ELECTRICITY REGULATORY COMMISSION

SITE NO. 3, BLOCK B, SECTOR 18-A MADHYA MARG, CHANDIGARH

Petition No. 44 of 2023**Date of Hearing: 11.10.2023****Date of Order: 16.10.2023**

Petition under Section 86(1)(b) & (e) and Section 61(h) of the Electricity Act, 2003 read with the Punjab State Electricity Regulatory Commission (Power Purchase and Procurement Process of Licensees) Regulations, 2012 and Regulation 46 of the Punjab State Electricity Regulatory Commission (conduct of business) Regulations, 2005 seeking approval of the Power Procurement of 500 MW Solar Power from SJVN Green Energy Limited (SGEL) under TRANCHE-III of Phase II of CPSU scheme of MNRE.

AND

In the matter of: Punjab State Power Corporation Limited , the Mall, Patiala, Punjab-147001.

.....Petitioner

Vs.

SJVN Green Energy Limited, SJVN Corporate office Complex, Shannan, Shimla, Himachal Pradesh- 171006.

.....Respondent

Commission: Sh. Viswajeet Khanna, Chairperson
Sh. Paramjeet Singh, Member

PSPCL: Ms. Poorva Saigal, Advocate
Ms. Anumeha Smiti, Advocate
Ms. Harmohan Kaur, CE&ARR/TR
Sh. J.K Jinda, Sr.Xen
Sh. Dipanjit Singh, ASE/RPO
Sh. Ajay Kharab, AEE/Solar-3

SJVN: None

ORDER

The Commission in the hearing held on 23.08.2023 had observed that the tariff of Rs. 2.55/kWh (exclusive of any other 3rd party charges) is comparably higher than that proposed in Petition No. 36 of 2023. In reply, PSPCL vide letter dated 10.10.2023, while submitting that the SGEL has expressed inability to offer further discount on the tariff of Rs. 2.55/kWh has further submitted that it is unlikely to discover the tariff under consideration or lower tariff, considering the latest tariffs discovered under various bids across India.

The Commission observes that despite the increase in GST rates notified by the Ministry of Finance (GOI) on 30th Sep, 2021, SGEL vide its letter dated 19th Sep, 2022 gave a specific undertaking to PSPCL that, *“the offered tariff of Rs.2.44/kWh is*

inclusive of GST and there shall be no impact of increase on GST rates w.r.t. MoP notification No.8/2021 dated 30.09.2021". However, subsequent to MNRE (GOI) letter dated 16th Sept., 2022, it resiled from the said commitment and revised the offered rate.

PSPCL was asked how it justifies the said action of the respondent, particularly so, when other developers such as NHPC and NTPC selected under the same bidding process are supplying solar power at the already stated tariff of Rs.2.45/kWh specified in the bidding documents, as evidenced from the Commission's recent Order in Petition No. 36 of 2023, Order dated 26.10.2022 in OP No. 69 of 2022 by Telangana State Commission and Order dated 12.06.2023 in Case No. PPA-123/22-23 by the WB State Commission.

Ld. Counsel for the petitioner sought time to obtain instructions from her client. PSPCL to also submit whether the said facts have been considered by its BoD, if so, copy of BoD's decision be also supplied.

The petition shall be taken up for hearing on 06.12.2023 at 11.30 AM.

Sd/-
(Paramjeet Singh)
Member

Sd/-
(Viswajeet Khanna)
Chairperson

Chandigarh
Dated: **16.10.2023**