

**IN THE JHARKHAND STATE ELECTRICITY REGULATORY COMMISSION AT
RANCHI**

Case No. 03 of 2022

Damodar Valley Corporation (DVC) Petitioner
Versus
Jyotikiran Energy Mumbai Pvt.Ltd. (JEM) & Anr Respondents

**CORAM: HON'BLE JUSTICE MR. AMITAV KUMAR GUPTA, CHAIRPERSON
HON'BLE MR. MAHENDRA PRASAD, MEMBER (LAW)
HON'BLE MR. ATUL KUMAR, MEMBER (TECH)**

For the Petitioner : Mr. Supriyo Bhowmick, SE (E), Commercial, DVC
For the Respondent: Mr. Mukhesh Kumar, Advocate-JREDA; Mr. Amit Raj-
Jyotikiran Energy Mumbai Pvt Ltd.

Date – 28th February, 2023

1. The instant Petition has been brought by the Petitioner-Damodar Valley Corporation (DVC) under section 86(1)(b), 86(1)(e) and section 94 of the Electricity Act, 2003 read with clause 6.29 of the JSERC (Terms and Conditions of Determination of Distribution Tariff) Regulations, 2020 for approval of Power Purchase Agreement between Damodar Valley Corporation (DVC) and Jyotikiran Energy Mumbai Pvt. Ltd. (JEM) for the purchase of power by DVC from the Solar Photovoltaic Power Plant of 1137 kWp (Project 1: 493.12 kWp, Project 2: 446.9 kWp, and Project 3: 196.98kWp) to be commissioned at Koderma Thermal Power Station (KTPS) of DVC at Koderma district in the State of Jharkhand.
2. The Prayers of the petitioner-DVC are as under: -
 - (a) Approve the Agreement in terms of Regulation 6.29 of JSERC (Terms and Conditions for Determination of Distribution Tariff) Regulations, 2020 and its amendments thereof.
 - (b) Pass such other order(s) as the Hon'ble Commission may deem fit and proper keeping in view the facts and circumstances of the case.

The factual matrix of the case as submitted by the parties may be appreciated in the following manner:

Submission of the Petitioner

3. The petitioner submitted that the Damodar Valley Corporation (DVC) and Jyotikiran Energy Mumbai Pvt. Ltd. (JEM) had executed a Power Purchase Agreement (PPA) for the purchase of entire power from Solar Photovoltaic

Power Plant of Capacity 1137 kWp, consisting of Project (1) of capacity 493.12 kWp, Project (2) of capacity 446.9 kWp and Project (3) of capacity 196.98 kWp at Koderma Thermal Power Station (KTPS) at Koderma district in the State of Jharkhand.

4. It was pointed out that this Commission vide JSERC (Renewable Energy Purchase Obligation and its compliance) Regulations, 2016 and the amendments thereof specifies the year-wise RPO target and it is a regulatory obligation on the part of the DVC to consume certain quantum of electricity from renewable energy sources as a percentage of total consumption.
5. It was submitted that during the FY 2017-18, 2018-19 & 2019-20 DVC could not fulfill its Solar RPO target to the fullest extent, in spite of its best efforts which was informed by the Petitioner to the Commission by its letter dated 16.07.2018, 08.07.2019 & 28.08.2020 regarding target vis-a-vis achievement of its Solar RPO in FY 2017-18, 2018-19 & 2019-20 respectively and in order to fulfill its Solar RPO target from the ensuing years including the carry forward backlog of the preceding year, DVC executed the Agreement with the Power Producer (Jyotikiran Energy Mumbai Pvt. Ltd.) on 03.07.2020 at a tariff equal to **Rs.3.33/kWh levelized tariff** as per SECI allocation, for twenty-five (25) years from the Date of Commercial Operations.
6. It was submitted by the petitioner that SECI (Solar Energy Corporation of India Limited) invited Request for Selection (RfS) vide no. SECI/C&P/RfS/MNRE/97.5MW GCRT/R1/IND/ 082019 dated 29/08/2019 for Implementation of 97.5 MWp Grid Connected Rooftop Solar PV System Scheme for Government Buildings in different zones of India under CAPEX/RESCO Model under Global Competitive Bidding and following steps were followed in order to establish that the bidding has been done in a transparent way: -
 - a) *Issuance of RfS by SECI*
 - b) *Last date of submission of bid*
 - c) *Opening of techno-commercial bids*
 - d) *Opening of financial bids*
 - e) *e-reverse Auction*
 - f) *Issuance of Letter of Award to successful bidders*
7. The petitioner submitted that DVC approached SECI through its e-mail

dated 04.12.2019 and through letter dated 02.01.2020 intimating that, DVC wishes to set up rooftop solar plants at different DVC installations in the state of Jharkhand and West Bengal (Control Room & annex buildings of Substations & Power plants, auxiliary plants at powerhouses, Service buildings, office buildings, etc.). It was also intimated that as per the preliminary estimate, the rooftop area to the tune of approx. 1,80,000 Sq.ft. to be considered in DVC's proposal and the solar potential at different field locations of DVC (Power Stations, Substations, field offices etc.) was estimated at around 10.75 MWp. Thus, DVC requested SECI to consider inclusion of the proposed rooftop solar plants of DVC in RESCO Mode under the scope of ongoing tender by SECI (for 97.5 MWp Solar rooftop project).

8. It was submitted that SECI vide its email dated 05.12.2019 replied to DVC that for RESCO projects, the Power Purchase Agreement has to be signed by Rooftop owner with any of the SECI's successful bidders and the Standard PPA has been vetted by Ministry of Finance and Ministry of Law and Justice and has been made available with the Rfs document. The bidder is required to submit the copy of the signed PPA Agreement and the DPR of the project to SECI for sanction under the scheme. Thereafter, the list of successful bidders was published by SECI and Sunsource Energy Pvt Ltd was one of the successful bidders. SECI issued letter of Allocation (LOA) vide no. SECI / C&P / RfS / MNRE / 97.5 MW GCRT/R1/IND/082019/LOA/35415 dated 15.01.2020 to Sunsource Energy Pvt Ltd as successful Bidder/Developer against the RfS as mentioned above.

9. It was submitted that DVC approached successful bidders to execute rooftop solar projects at DVC locations under the scheme of SECI and the Sunsource Energy Pvt Ltd. showed interest on installing rooftop solar at DVC premises and necessary survey was made by them and as per clause 4.1 of the tender document and as intended by Sunsource Energy Pvt Ltd., "*Jyotikiran Energy Mumbai Pvt. Ltd.*" was incorporated for implementation of 97.5 MW Grid connected rooftop Solar PV system. The Certificate of incorporation dated 07.02.2020 issued to the project company, M/S Jyotikiran Energy Mumbai Pvt. Ltd. by the Ministry of Corporate Affairs, GOI.

10. It was submitted that Damodar Valley Corporation and Jyotikiran Energy Mumbai Pvt. Ltd. has signed the agreement for "*Design, Manufacture, Supply, Erection, Testing and Commissioning including Warranty, Operation*

& Maintenance" of 1137 kWp consisting of Project (1) of capacity 493.12 kWp, Project (2) of capacity 446.9 kWp and Project (3) of capacity 196.98 kWp at Koderma Thermal Power Station (KTPS) at Koderma district in the State of Jharkhand on 03.07.2020 at the levelised tariff of Rs.3.33/kWh as per SECI allocation.

11. Hence, the Petitioner has filed the present petition for approval of the Agreement between Damodar Valley Corporation and Jyotikiran Energy Mumbai Private Limited, in terms of Regulation 6.29 of JSERC (Terms and Conditions for Determination of Distribution Tariff) Regulations, 2020 and the amendments thereof.
12. The Respondent JREDA submitted that the petitioner has not mentioned anywhere in the petition as to what proportion of the Solar power shall be made available to the State of Jharkhand for meeting its RPO targets.
13. The petitioner in its reply submitted that the quantum of power available under this PPA for the State of Jharkhand will be based on ratio of sales in Jharkhand to total firm sale in entire DVC for the respective period. It was added that ratio of sales in Jharkhand to total firm sale in entire DVC varies year to year based on the actuals.

Commission's observation and findings

14. The Commission has considered the submissions made by the petitioner and perused the materials available on records.
15. Under Section 86(1)(b) and 86 (1)(e) of the Electricity Act, 2003, the State Commission has the responsibility to regulate the electricity purchase and procurement process of distribution licensees, and promote co-generation and generation of electricity from renewable sources of energy. The relevant Sections of the Electricity Act, 2003 read as under: -
"Section 86 Function of State Commission: - (1) *The state Commission shall discharge the following functions, namely: -*
(a).....
(b) 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;
.....
(e) promote co-generation and generation of electricity from renewable

sources of energy by providing suitable measures for connectivity with the grid and sale of electricity to any person, and also specify, for purchase of electricity from such sources, a percentage of the total consumption of electricity in the area of a distribution licensee;

16. Hence, under section 86(1)(b) of the Act, the distribution licensee is obligated to get the Power Purchase Agreement, approved by the Commission, and under section 86(1)(e) of the Act, the Commission discharges the function of promoting the generation of electricity from renewable sources and also specifies a percentage of renewable purchase by a distribution licensee.
17. It is observed that the aforesaid PPA is meant to meet the obligation of renewable purchase by the Petitioner as specified by the Commission vide JSERC (Renewable Energy Purchase Obligation and its Compliance) Regulations, 2016.
18. In the result, it is ordered as;

ORDER

19. Considering the facts and circumstances of the case, the prayers of the Petitioner are allowed. The Commission in order to promote procurement of renewable energy by DVC to fulfill their Renewal Energy Purchase obligation and further keeping in mind Section 86 (1) (e) of the Electricity Act, 2003, approves the purchase of power from solar photovoltaic plants of capacity 1137 kWp (Project 1: 493.12 kWp, Project 2: 446.9 kWp, and Project 3: 196.98kWp) to be commissioned at Koderma Thermal Power Station (KTPS) of DVC at Koderma district in the State of Jharkhand by Jyotikiran Energy Mumbai Pvt. Ltd. (JEM).
20. The petition is disposed off, accordingly.

Sd/-
Member (T)

Sd/-
Member (L)

Sd/-
Chairperson