

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

Case No. 09 of 2023

Jharkhand Bijli Vitran Nigam Ltd. (JBVNL) &
Solar Energy Corporation of India Limited (SECI) Petitioner (s)

**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 : Mrs. Anita Prasad, Representative, JBVNL

For the Respondent : Mr. Pallav Yadu, Representative, SECI

Date – 12th September, 2023

1. The Petitioner(s)- Jharkhand Bijli Vitran Nigam Ltd. & Solar Energy Corporation of India Limited have jointly submitted an affidavit petition under Section 86 (1) (b) of the Electricity Act, 2003 for approval of provisional Power Purchase Agreement (PPA) between Jharkhand Bijli Vitran Nigam Limited and Solar Energy Corporation of India Ltd. for purchase of 100 MW floating solar power to be installed at Getalsud dam by Solar Energy Corporation of India (SECI).
2. The Prayers of the petitioner(s) are as under: -
 - (a) To admit the Petition for approval of Provisional PPA between JBVNL and SECI for 100 MW Grid connected floating solar PV in accordance to Section 63 and 86 (1) (b) of the Electricity Act, 2003 and in order to enable it to fulfill its RPO.
 - (b) To pass any other order as the Hon'ble Commission may deem fit and appropriate in the interest of justice.
 - (c) To condone any error/omission and to give opportunity to rectify the same.

Submissions of the Petitioner

3. It was submitted that this Commission has notified Jharkhand State Electricity Regulatory Commission (Renewable Energy Purchase Obligation and its compliance) Regulations, 2016 and as per the said Regulation, Solar Renewable Purchase Obligation (RPO) of JBVNL has been determined at 6.55% for FY 2020-21, further against the solar RPO target of 798.20 MUs, JBVNL could only manage to achieve 32.44MUs in 2020-21 and for FY 2021-22 the solar RPO component has been fixed at 10.50% and JBVNL was able to achieve only 128.90 MUs against the target of 1,317.83.
4. It was submitted that this Commission in its Order dated 1st October 2020 on True-up for FY 2018-19, Annual Performance Review for FY 2019-20 and ARR & Tariff for FY 2020-21 for JBVNL had directed JBVNL to strictly comply with RPO for future years and submit quarterly compliance to Hon'ble Commission, however, due to paucity of renewable sources, JBVNL has not been able to fulfill its RPO.
5. It was pointed out that power from upcoming 700 MW Solar plant, for which JBVNL has signed PPA with SECI, would help JBVNL to fulfill its RPO in future years (FY 2022-23 onwards) and JBVNL has executed Power sale agreement (PSA) with SECI for procurement of 700 MW solar power from various solar power developers under which 315 MW is being availed by JBVNL since January 2022.
6. It was submitted that SECI has been designated as the nodal agency to facilitate the implementation of National Solar Mission by setting up of grid connected solar/wind projects. Accordingly, SECI entered into an agreement with JBVNL for 100 MW floating solar PV Plant to be developed at the reservoir of Getalsud Dam.

7. It was also submitted that Board of Directors of the JBVNL in its meeting held on 25.08.2021 had given approval for purchase of 100MW solar power from floating Solar PV plant proposed to be established by SECI under MNRE on long term basis (25 years) at a tariff of Rs.3.50/kWh or lower to be determined by the appropriate Commission (CERC/JSERC) and it would help in achieving the Solar Renewable Energy Purchase Obligation of JBVNL.
8. It was submitted that SECI vide its letter dated 6th April 2018 submitted a proposal to Govt. of Jharkhand (GoJ) for exploration of potential sites in Jharkhand and Department of Energy, Government of Jharkhand vide letter no. 139/S.C. dated 20/4/2018 (**Annexure-II**) has given their consent for implementation of FSPV power plants in the State. Thereafter, a Joint working group (JWG) of SECI and Jharkhand Renewable Energy Development Agency (JREDA) was formed to carry out the site surveys of reservoirs/dams and to prepare a plan of action for bringing the RFS/RFP for installation of floating solar power project in the state of Jharkhand.
9. It was submitted that SECI vide its letter no. SECI/MD/FSPV/JBVNL/2018 dated 14/9/2018 (**Annexure-III**) has proposed for setting solar project having capacity upto 150 MW and also offered levelised tariff of Rs.3.5/kWh or lower to be determined by the appropriate Commission based on the cost involved/implications. The said proposal of the SECI has been accepted by JBVNL vide their letter no. 325/(C&R) dated 11/10/2018 (**Annexure-IV**). Thereafter, SECI and JBVNL have signed MoU dated 20/02/2019 for setting up of 100MW Floating Solar PV Plant at the Reservoir of Getalsud Dam, Ranchi and 50 MW at Dhurwa Dam(**Annexure-V**).
10. It was submitted that SECI had undertaken bathymetry study at the reservoirs of Getalsud Dam and Dhurwa Dam to access the feasibility for installation of Floating Solar PV Plants and as per the feasibility study, ample water was not available at the reservoir of Dhurwa Dam for installation of Floating Solar PV Plant, as such FSPV power Plant of capacity upto 150MW (100 MW in Phase 1 and 50 MW in Phase 2) at the reservoir of Getalsud Dam (around the coordinates 23°27'25"N 85°32'33" E) is proposed to be set up by SECI.
11. It was submitted that NOC for installation of Floating Solar PV Plant of capacity 100MW at the reservoir of Getalsud Dam, Ranchi has been obtained from Water Resources Department (WRD), GoJ. vide their letter no.- 140 dated -28/01/2019 (**Annexure-VII**). It was further submitted that NOC has also been obtained from DW & SW, GoJ vide their letter no.-2711 dated -30/07/2019 (**Annexure-VIII**) for installation of Floating Solar PV Plant of capacity 100MW at the reservoir of Getalsud Dam, Ranchi and the land for establishment of 132/33 kV Power Evacuation Switchyard has also been provided by WRD, GoJ to JBVNL free of cost.
12. It was also submitted that Tripartite water lease agreement between Water Resources Department, Govt. of Jharkhand, JBVNL and SECI Ltd, for installation of Floating Solar PV Plant of capacity 100MW at the reservoir of Getalsud Dam, has been executed subsequent to approval by Jharkhand Cabinet as communicated vide Resolution No. 928 Dt. 11/06/2021 (**Annexure-IX**).
13. It was stated that the Board of Directors of JBVNL has accorded approval for execution of provisional PPA with SECI Ltd. subject to the condition that any direction from Hon'ble JSERC shall be binding to both the parties. Thereafter, the provisional PPA was signed with SECI on 09.11.2021 for Procurement of 100 MW of Solar Power from Floating Solar PV proposed to be established by Solar Energy Corporation of India Ltd. (SECI Ltd.) under MNRE on long term basis (25 years) at Rs.3.50/kWh or lower to be determined by the appropriate

Commission (CERC/SERC) based on the cost implications as per the rate that would be quoted by the successful bidder in the competitive bidding (**Annexure-XIII**).

14. It was added that SECI will maintain and operate the project for 25 years from the date of commercial operation date of projects and the tariff shall be determined on cost plus basis by JSERC with a ceiling of Rs.3.50/kWh or lower and SECI will sell the entire power to JBVNL after adjusting the auxiliary power consumption for internal purposes and also JBVNL will purchase the entire energy at the said tariff. It was also pointed out that the project shall be treated as "Must Run" status and will not be subjected to merit order dispatch by the JBVNL and the power scheduled from the 100MW floating solar plant will be injected at single point of injection into the state transmission utility of JUSNL at interconnection point and joint meter reading is proposed by both JBVNL and SECI for the billing purpose.
15. It was also pointed out that the proposed ceiling price of Rs.3.50/kWh would not surpass at any circumstances and the final charges payable by JBVNL to SECI will be subject to the approval of JSERC. This power purchase from the SECI would help JBVNL fulfill its RPO obligation and will help the Jharkhand in achieving its solar targets set for the State.
16. It was prayed by the petitioners to approve the provisional PPA for procurement of 100 MW Solar Power from floating solar PV proposed to be established by SECI under MNRE on long term basis (25 years) at Rs.3.50/kWh or lower to be determined by the appropriate commission (CERC/JSERC) based on the cost implications as per the rate that would be quoted by the successful bidder in the competitive bidding.

Commission’s observation and findings

17. The Commission has considered the submissions made by the petitioners and perused the materials available on records.
18. 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 Section of the Electricity Act, 2003 reads as under: -

“Section 86 Function of State Commission: - (1) *The state Commission shall discharge the following functions, namely: -*

.....

(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;

.....

19. It is evident that, 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.

20. It is observed that the aforesaid PPA is meant to meet the Renewable Purchase obligation by the Petitioner-JBVNL as specified by the Commission vide JSERC (Renewable Energy Purchase Obligation and its Compliance) Regulations, 2016.
21. In the result, it is ordered as;

ORDER

22. 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 JBVNL to fulfill their Renewable Energy Purchase obligation and taking into account, the provisions of Section 86 (1) (e) of the Electricity Act, 2003 approves the purchase of 100 MW power from floating solar photovoltaic plant to be commissioned by SECI at Getalsud Dam, Ranchi subject to the condition that JBVNL shall procure power from the project at the ceiling price of Rs.3.50/kWh or lower.
23. The petitioner-SECI is hereby directed to file petition, before this Commission, for determination of tariff after commissioning of the floating solar photovoltaic plant at Getalsud Dam, Ranchi.
24. Accordingly, the petition stands disposed off with the aforesaid directions.

Sd/-
Member (T)

Sd/-
Member (L)

Sd/-
Chairperson