

**JOINT ELECTRICITY REGULATORY COMMISSION
FOR THE STATE OF GOA AND UNION TERRITORIES
GURUGRAM**

CORAM

Ms. Jyoti Prasad, Member (Law)

Petition No. 77/2022

Date of Hearing: 31.01.2023

Date of the Order: 13.06.2023

In the matter of:

Petition for approval for procurement of power by Electricity Department, Government of Goa from SECI 150 MW RE Hybrid (Wind, Solar & BESS) Power Plant.

And in the matter of:

Electricity Department,
Government of Goa,
Vidyut Bhavan,
Panaji, Goa.

..... Petitioner

And in the matter of:

Solar Energy Corporation of India Limited (SECI),
(CPSU under Ministry of New and Renewable Energy),
6th Floor, Plate 'B', NBCC Office Block Tower – 2,
East Kidwai Nagar, New Delhi 110023.

.....Respondent

Present for the Petitioner

1. Mr. Stephen Fernandes, Chief Electrical Engineer

For the Respondent

2. Ms. Tanya Sareen, Advocate
3. Mr. Mudit Jain, SECI

ORDER

1. The Commission heard the petitioner and the respondent at length.
2. The petitioner's submissions in brief are as under:
 - (a) That the Electricity Department, Government of Goa, (hereinafter referred to as 'EDG') has filed the petition under Section 86 (1) (b) and Section 86 (1) (e) of the Electricity Act, 2003 read with the JERC (Procurement of Renewable Energy) Regulations, 2010 and amendments thereof seeking approval of the Commission for long-term procurement of Power by the Petitioner from the Solar Energy Corporation of India (hereinafter referred to as the Respondent) for 150 MW RE-Hybrid (Wind, Solar and BESS) Power Project to be established by the Hybrid Power Developer (HPD) at a levelized tariff of Rs 4.03/kW (i.e., Rs. 3.96 / kWh plus Rs. 0.07/ kWh trading margin) to meet its peak requirements and renewable purchase obligations.
 - (b) The Power Sale Agreement (PSA) between the Petitioner (EDG) and the Respondent (SECI) is entered in pursuance of the Request for Selection (RfS) issued by the Respondent dated 01.08.2019, and is based on the following guidelines (as amended from time to time) issued by the Ministry of Power (MoP), Government of India.
 - i. Guidelines for Tariff based Competitive Bidding Process for procurement of Power from Grid Connected Solar Power Projects dated 03.08.2017.
 - ii. Guidelines for Tariff based Competitive Bidding Process for procurement of Power from Wind Power Projects dated 08.12.2017.
 - iii. Guidelines for Tariff based Competitive Bidding Process for procurement of Power from Grid Connected Wind-Solar Hybrid Projects dated 14.10.2020.
 - (c) That SECI has been identified by the Government of India as the nodal agency for implementation of Ministry of New and Renewable Energy Scheme (MNRE) scheme for setting up of ISTS (Inter-State Transmission System) connected Wind, Solar and Wind-Solar Hybrid Power Projects, and act as an intermediary procurer under the aforementioned guidelines.
 - (d) That SECI issued the RfS (*RfS No. – SECI/C&P/HPD/ISTS-VII/RfS/1200MW/082019*) dated 01.08.2019. In terms of the RfS the proposals were invited for setting up of ISTS-connected RE (Renewable Energy based) Power Projects anywhere in India for an aggregate capacity of 1200MW along with assured Peak Power supply.
 - (e) That as per the RfS as described above, the Respondent shall enter into the Power Purchase Agreement (PPA) with the HPD selected under the Competitive Bidding Process.
 - (f) That subsequently M/s ReNew Solar Power Private Limited emerged as one of the successful bidders in the Competitive Bid Process for development of 300MW ISTS-connected Renewable Energy Project at Karnataka, and formed a Special

Purpose Vehicle (SPV) company named M/s ReNew Surya Ojas Private Limited (i.e., the HPD) for which EDG has entered into a PSA for 150MW of energy supply to Goa from the above-cited 300 MW Power Project.

- (g) That EDG has signed the PSA of 150MW with SECI on 22.12.2021, which is mapped to receive power from HPD named M/s ReNew Solar Power Private Limited.

3. The Respondent submissions in brief are as under:

- i. That the Commission vide Interim Order dated 01.08.2022 directed to submit the following information:

The Commission has accepted the request of the Respondent and hereby directs to file duly signed copy of the PPA with the Hybrid Power Developers and a copy of the Order by which CERC adopted the tariff under Section 63 of the Electricity Act, 2003 as soon as possible.

- ii. That the on 08.01.2023, the Central Commission has passed order in Petition No. 235/AT/2022 filed by Respondent i.e., Solar Energy Corporation of India Limited (hereinafter 'SECI') under Section 63 of Electricity Act for the adoption of tariff for renewable energy projects connected to inter-state transmission system (ISTS) with assured peak power supply in India and selected through competitive bidding process. The order dated 08.01.2023 passed by Central Commission, inter-alia, provides as under:

"30. In the light of the above discussions, it emerges that selection of the successful bidders and determination of tariff of the RE Projects have been carried out by SECI through a transparent process of competitive bidding in accordance with Guidelines issued by Ministry of Power / or Ministry of New and Renewable Energy, Government of India under Section 63 of the Act. Therefore, in terms of Section 63 of the Act and based on the Petitioner's letter dated 18.02.2021 to the effect that bidding has been carried out as per the provisions of bidding Guidelines and RfS, the Commission hereby adopts the individual tariff for the RE Power Projects, as agreed to by the successful bidders, and for which PPAs have been entered into by SECI on the basis of the PSAs with the distribution licensees, which shall remain valid throughout the period covered in the PPAs and PSAs as under:

S.No.	Bidder	Project Company	Off- peak Power Tariff (INR/kWh)	Peak Power tariff (INR/kWh)	Awarded Capacity (MW)
1.	Greenko Energies Private Limited	Geenko AP01 IREP Private Limited	2.88	6.12	900
2.	ReNew Solar Power Private Limited	Renew Surya Ojas Private Limited	2.88	6.85	300
Total					1200

- iii. That the Petitioner has also prayed to approve the trading margin of Rs. 0.07/kWh as agreed to by the distribution licensees in terms of the PSAs with the distribution licensees. In this regard, Regulation 8(1) (d) of the CERC Trading Licence Regulations dealing with trading margin provides as under:

“ For transactions under long term contracts, the trading margin shall be as mutually decided between the Trading licensee and the seller: ”

The above provision gives choice to the contracting parties to mutually agree on trading margin for long-term transaction.

.....Distribution licensees have agreed to a trading margin of Rs. 0.07/kWh as agreed in the PSA, which is in consonance with Regulation 8 (1) (d) of the CERC Trading Licence Regulations.

- iv. That on 31.08.2022, SECI has signed Power Purchase Agreement (hereinafter ‘PPA’) with M/s Renew Surya Ojas Private Limited. Out of 300 MW renewable power to be generated and supplied by Renew Surya Ojas Private Limited under the PPA, 150 MW is for resale to Electricity Department, Government of Goa (hereinafter ‘Petitioner’) under the Power Sale Agreement dated 22.12.2021 (hereinafter ‘PSA’) executed between the Petitioner and SECI.
4. The Commission has considered the submissions of the Petitioner & Respondent along with additional information placed on record by the petitioner as well as the respondent. The Commission has also examined the relevant provisions of the Electricity Act, 2003 and Rules and Regulations made there under.
5. The Commission is relying on Section 86 (1) (b) & Section 86 (1) (e) of the Electricity Act for the approval of the cited PSA.
6. Section 86 (1) (b) & Section 86 (1) (e) of Electricity Act, 2003 provides that:

“

(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;”

7. The Central Commission has noted that the SECI (Respondent) has filed the petition before the Central Electricity Regulatory Commission for adoption of tariff under section-63 of the Electricity Act, 2003. The SECI has signed the Power Sale Agreement with Electricity Department, Government of Goa @ Rs.2.88 per KWH (off peak tariff) plus trading margin of Rs.0.07/kWh, and Rs.6.85/kWh (Peak hour tariff) plus trading margin of Rs.0.07/kWh. The SECI signed power purchase agreement with M/s Renew Surya Ojas Private Limited for 300 MW on 31.08.2022. The SECI has prayed to the Central Commission for adoption of tariff for entire 1200 MW capacity from Renewable Energy Projects. According to the SECI, tariff discovered for procurement of power from Renewable Energy power developer under the present bidding process is competitive and beneficial to the distribution licensee and the consumers.

The Commission has noted that the projects selected under the RfS shall be eligible for two-part tariffs. These shall be referred to as “peak tariffs” and “off Peak Tariffs”. Energy supplied during the off-peak hours shall be eligible for a flat tariff payment at Rs.2.88 per kWh plus trading margin of Rs.0.07/kWh. Energy supplied during the peak hours shall be eligible for a flat tariff payment at Rs.6.85 per kWh plus trading margin of Rs.0.07/kWh. The applicable tariff under the PPA shall comprise both peak and off-peak tariffs and shall be fixed for the entire term of the PPA.

The Commission has further noted that a variation of plus/minus (\pm) 30 minutes in the deadlines of morning and evening peak hours is also allowed in making the choice by the distribution companies. The buying entities/distribution licensees shall mandatorily off-take peak power by choosing four hours from the evening peak hours and two hours from the morning peak hours.

The Commission has further noted that the Central Commission vide its Order dated 08.01.2023 in respect of Petition No. 235/AT/2022 adopted the individual tariff for the RE power Projects, as agreed, to by the successful bidders and for which PPAs have been entered into by SECI on the basis of the PSAs with the distribution licensee, which shall remain valid throughout the period covered in the PPA and PSAs as under: -

S. No.	Bidder	Project Company	Off Peak Power Tariff (INR/kWh)	Peak Power Tariff (INR/kWh)	Awarded Capacity (MW)
1.	Greenko Energies Private Limited	Greenko APOI IREP Private Limited	2.88	6.12	900
2.	Renew Solar Power Private Limited	Renew Surya Ojas Private Limited	2.88	6.85	300
Total					1200

8. The Commission has noted the observations of the Central Commission regarding the trading margin. The same is provided below:

“Distribution licensees have agreed to a trading margin of Rs.0.07/kWh as agreed in the PSA, which is in consonance with Regulation 8 (1) (d) of the extant CERC Trading Licence Regulations. Therefore, in case of failure by SECI to provide escrow arrangement or irrevocable, unconditional and revolving letter of credit to the wind

generators, the trading margin shall be limited to Rs.0.02 per KWH as specified in the Regulation-8 (1) (d) and Regulation 8 (1) (f) of the Trading Licence Regulations.”

9. The Commission has further noted that the power sale agreement between Electricity Department, Government of Goa with SECI for capacity of 150 MW from RE. Hybrid (wind, solar and BESS) power project at a levelized tariff of Rs. 4.03/kWh (Rs.3.96/kWh plus Rs.0.07/kWh trading margin) to meet its peak requirements and renewable purchase obligations (RPO). The fixed tariff of Rs.2.88/kWh plus trading margin of Rs.0.07/kWh during off-peak hours and the peak tariff of Rs.6.85 /kWh plus trading margin of Rs.0.07/kWh during peak hours. There has been a commitment of the fixed levelized tariff as per generation profile and in case any variation, the developer is ready to absorb any tariff variations so that the average tariff will remain in-tact. The above-mentioned tariff is fixed till the end of the term of the agreement of 25 years.
10. Electricity Department, Goa is committed to provide 24x7 stable power supply in the State of Goa and to promote renewable energy and energy efficient equipment in line with National and State Policy and its target.
11. The Commission has further noted that the SECI has signed power purchase agreements with the selected hybrid power developers for procurement of 1200 MW RE. power under the provisions of Request for Selection (RFS) issued by SECI on 1st August, 2019. The Government of Goa has agreed to purchase hybrid power of 150 MW from the SECI under the said Scheme and accordingly SECI has agreed to sign power purchase agreements with Hybrid power developers for procurement of 1200 MW RE. power on a long-term basis. This allocated capacity shall be used for solar and non-solar RPO requirement of the Electricity Department, Government of Goa. SECI shall intimate the same to CTU for open access. Subsequently, SECI has signed a power sale agreement of 150 MW with Electricity Department of Goa on 22nd December, 2021.
12. The Commission has further noted that Article 4 of the PSA provides as under:

Article 4.1.3 There shall be separate meters for Wind, Solar and BESS energy, which are to be sealed in the presence of Government Officials. Details of energy delivered from Solar, Wind and BESS shall be segregated and sent by SECI on a monthly basis to Government.

.....”

“4.3.1 The generated energy shall be dispatched through scheduling of power in both Peak and Off-Peak hours. It is mandated to deliver the 3000 kWh of energy per MW rated Project capacity of the project in AC terms, during Peak Hours as per the schedule given by the Buying Utility (i.e., 100 MW of project capacity shall supply 300,000 kWh of energy during Peak Hours), on a daily basis. Reconciliation of the same shall be carried out on a monthly basis. Modifications in the metering arrangement account of the same, if any, shall be under the scope of the HPD, at its own risk and cost.

4.3.2 The Government will mandatorily off-take the specified 300 MWh for each 100 MW capacity during Peak Hours at the Peak Tariff quoted by the HPD, plus SECI's trading margin, subject to provisions of Article 4.3.5. The Government

shall specify the Peak Hours as chosen within the provisions of Article 4.3.5 to SECI, on a day-ahead basis.

4.3.3 The energy supplied by the HPD during Off-Peak Hours will be off-taken by the Government at the pre fixed tariff of Rs.2.88/kWh, plus SECI's trading margin.

4.3.4. The mandatory peak energy supply per MW during the Peak Hours will be off-taken by the Government at the tariff arrived through the bidding and e-Reverse Auction process, plus SECI's trading margin subject to provisions of Articles 6.8.3b and 6.8.4.

4.3.5 The discharge of mandated supply of energy during Peak Hours shall be governed by the demand pattern of the corresponding Buying Utility (ies), as per the Buying Utility's Day-ahead schedule. It is clarified that power supply from the Project will be off-taken by the Buying Utility on a "must-run" basis, for the 24-hour period of the day. However, for each 100 MW of Contracted Capacity, as per the PSA, the Buying Utility shall off-take 50 MW power for each 1-hr block during the Peak Hours, limited to six nos. of 1-hour blocks, at the Peak Tariff. The off-take of power at Peak Tariff shall be limited to 50 MW for each 1-hr block during the Peak Hours, subject to the flexibility in the upper limit as per Article 6.8.4. However, energy exceeding the limits as per supplied during the Peak Hours will be off-taken by the Buying Utility at Off-Peak Tariff.

The discharge cycle corresponding to offtake of stored energy may vary as per requirements of the Discom, only as per the following breakup:

Discharge hours during morning Peak Hours, any two energy scheduling hours between (& including) 05:30 hrs up to 11:30 hrs.	Discharge hours during evening Peak Hours, four energy scheduling hours from 18:00 hrs up to 22:00 hrs.	Total discharge hours
2	4	6

In other words, the Discom shall mandatorily off-take Peak Power by 4 hours from the evening Peak Hours and choosing 2 hours from the morning Peak Hours.

During the 6 nos. of 1-hr blocks as selected by the Discom, in case of power being supplied in excess of 50 MW in any of the 1-hr blocks (for each Contracted Capacity of 100 MW), such power will be off-taken @ Off-Peak Tariff.

Further, for every 100 MW Contracted Capacity, supply of power below 50 MW, during any 1-hr block in the 6 nos. of 1-hr block as identified by the Discom, will be counted as shortfall in supply of Peak Power".

13. The Commission has further noted that Article 5 of the PSA provide as under:

“Article 5.1.1 The Applicable Tariff under this Agreement shall be paid in two parts, comprising Peak Tariff and Off-Peak Tariff. The Government shall be mandated to pay the Off-Peak Tariff of Rs. 2.88/kWh fixed plus trading margin of Rs. 0.07/ kWh for the entire Term of this Agreement, for the energy supplied by the SECI during the Off-Peak Hours. Additionally, from SCD and subject to the provision of the Article 6.7, the Government shall pay the Peak Tariff of Rs 6.85/kWh plus trading margin of Rs. 0.07/ kWh for the entire term of this Agreement, for the energy supplied by the SECI during the Peak Hours.

5.1.2 For billing purposes, the applicable tariffs are Rs 2.88 per unit for off-Peak Period and Rs 6.85 per unit for peak period plus trading margin of Rs. 0.07/ kWh. Regarding the levelized tariff, it has been taken up with the developer for the commitment of the fixed levelized tariff as per generation profile and developer is committed to provide the same and in case any variation is there in the generation the developer is ready to absorb any tariff deviation, so that the average tariff of Rs 4.03/kWh (i.e., Rs. 3.96 plus Rs. 0.07/ kWh trading margin) will remain intact. The same will be reconciled annually and any deviation will be settled accordingly.”

“5.1.3 As per provisions of the PPA, the HPDs are permitted for full commissioning as well as part commissioning of the Project even prior to the SCD. In cases of early part-commissioning, till the achievement of full commissioning or SCD, whichever is earlier, the Government shall purchase the generation till SCD, at the Off-Peak Tariff as mentioned in the Article 5.1.1 plus Trading Margin of Rs 0.07/kWh, (Seven Paisa per kWh). The Government shall grant its consent/ refusal for purchase of power from such early commissioning of the Project within 15 days of receipt of such intimation from SECI, failing which, it shall be deemed to be refused by the Government. In case of full commissioning of the Project(s) prior to SCD, Government shall purchase the power at tariff as per article 5.1.1 plus Trading Margin of Rs 0.07/kWh (Seven Paisa per kWh).

5.1.4 Any excess generation over and above energy specified in Article 6.8.3, may be purchased at the Off-Peak Tariff provided that the Government consents for purchase of such excess generation with Trading margin of Rs.0.07/kWh (Seven Paisa per kWh). In case of any excess generation as indicated by the HPD under the PPA, SECI shall intimate the Government regarding the proposed quantum of excess generation, at least 30 days prior to the scheduled excess generation proposed. The Government shall be required to grant its consent/ refusal for the proposed excess generation within 15 days from the receipt of the above intimation from SECI (through email). In case the consent/ refusal as sought by SECI for the same is not issued by the Government within the above stipulated timelines, it shall be deemed that the Government has refused to purchase such excess generation.

In line with the principle applicable for treatment of annual shortfall in energy supply with respect to limits as per Article 6.8.3b, the excess energy supplied during the Peak Hours will be adjusted against the excess energy supplied over

and above the annual limits as per Article 6.8.3a, for payment at the Off-peak Tariff.

14. The Commission has further noted that Article 6 of the PSA provide as under:

"Article 6.8.3 Criteria for Generation

"6.8.3 Criteria for Generation

6.8.3a The HPD will declare the CUF of the Project and will be allowed to revise the same once within first year after COD of the full project capacity. Subsequent to commissioning of the Project, Government, in any Contract Year, shall not be obliged to purchase any additional energy from the SECI/HPD beyond 601.843 Million kWh (MU) from the Project. The above limits shall be considered on pro-rata basis with respect to the individual projects commissioned until commissioning of the entire Project capacity allocated under this Agreement. Further, for the first year of operation, the above limits shall be considered on pro-rata basis.

6.8.3b If for any Contract Year subsequent to the commissioning of allocated Project capacity, it is found that the HPD has not been able to generate minimum energy of 464.55 Million kWh (MU) till the end of 10 years from the SCD and 437.6 Million kWh (MU) for the rest of the Term of the Agreement on account of reasons solely attributable to the HPD, the noncompliance of the HPD shall make the HPD liable to pay the compensation and shall duly pay such compensation to the SECI to enable the SECI to remit the amount to the Government. The above limits shall be considered on pro-rata basis with respect to the individual projects commissioned until commissioning of the entire Project capacity allocated under this Agreement. For the first year of operation of the Project, the annual CUF shall be calculated for the complete year after COD of the Project. Subsequently, the annual CUF shall be calculated every year from 1st April of the year to 31st March next year. The lower limit will, however be relaxable by SECI to the extent of grid non-availability for evacuation which is beyond the control of the Hybrid Power Developer. The amount of such compensation will be calculated @ 50% (fifty percent) of the Off-Peak Tariff for the shortfall in energy terms, in accordance with the terms of the PPA. Such penalty as recovered from the HPD, shall be passed on by SECI to the buying entity(ies), as the case may be, after deducting losses of SECI. However, this compensation shall not be applicable in events of Force Majeure identified under PPA with SECI affecting supply of power by HPD.

15. The Commission has further noted that Article 8 of the PSA provide as under:

Article "8.2 Relief for Change in Law

8.2.3 The HPD will provide its waiver on right to claim compensation due to the impact of Basic custom duty (BCD) as per the OM issued by the MNRE on 09.03.2021;

<i>Items</i>	<i>CTH</i>	<i>Upto 31.03.2022</i>
<i>Solar Module</i>	<i>8541412</i>	<i>0%</i>
<i>Solar Cell</i>	<i>8541411</i>	<i>0%</i>

Further, even if there is any further upward revision/modification to the said BCD notification resulting in increased impact, HPD shall waive the right to claims for the difference between the existing BCD as announced per the MNRE OM dated 09.03.21 and the increased BCD, under Article 8 Change in Law on account of levy of BCD on solar cells and modules even in case of any upward revision. However, HPD is eligible for any benefit of any downward revision or grandfathering of BCD (or any other benefit or concession offered), if made available by SECI, MNRE or any other agency of the Government of India or respective state Government. Further, No Change in Law on account of BCD will be claimed by either party, as per the MNRE OM dated 09.03.2021."

16. The Commission has further noted that Article 4 of the PPA provide as under:

Article 4: Construction & Development of The Project

4.4 Right to Contracted Capacity & Energy

4.4.1 Shortfall in supply of Peak Power: In case of any shortfall in supply of Power during the Peak Hours as notified by the Government, from the mandated supply of energy (i.e., 300MWh for 100MW capacity), the HPD shall pay a compensation corresponding to the energy shortfall, calculated at the Peak Tariff. Such shortfall shall be permissible up to 20% below the energy commitment during the Peak Hours, on a monthly basis beyond which the penalty will be applied. For the purpose of calculation of shortfall in energy supplied during Peak Hours, on a monthly basis beyond which the penalty will be applied. For the purpose of calculation of shortfall in energy supplied during Peak Hours, a 'month' shall be the billing month as per Article 10. For e.g., in case of a 100 MW Project Capacity, the above monthly minimum limit of energy supply during Peak Hours will be (240 MWh × no. of days in the billing month).

4.4.2 Supply of excess energy during Peak Hours:

The HPD shall be allowed to supply excess energy over and above the mandated energy requirement up to a limit of 20% in excess of the mandated energy requirement, on a monthly basis. For e.g.: in case of a 100 MW Project Capacity, the HPD shall be allowed to supply energy upto a maximum limit of (360MWh × no. of days in a billing month), at the Peak Tariff, on a monthly basis. Any excess energy supplied over and above the above limit shall be procured by SECI (@

Off-Peak Tariff (i.e., Rs 2.88/kWh) subject to the provisions of Article 6.2.3, to be reconciled on a monthly basis.

Illustration: An example to illustrate the computation of excess and shortfall in energy supplied during Peak Hours as per 4.4.1 & 4.4.2 is provided below:

Considering a single day's Peak Power supply data as follows (Peak Tariff = Rs 4.50/kWh):

Notified Hour-block (Day 1)	Peak Energy Supplied (MWh)	Notified Hour-block (Day 2)	Peak Energy Supplied (MWh)
Hour 1	50	Hour 1	50
Hour 2	57.5	Hour 2	57.5
Hour 3	60	Hour 3	60
Hour 4	30	Hour 4	80
Hour 5	40	Hour 5	50
Hour 6	10	Hour 6	50

Total Energy supplied in the notified Peak Hours (Day 1): 247.5 MWh

Total Energy Supplied in the notified Peak Hours (Day 2): 347.5 MWh

Calculation of compensation due to shortfall in supply of Peak Power

In case of shortfall in supply of Peak Power, the hourly supply will be measured against the reference value i.e., 50MWh. Only negative deviations will be considered for calculation of shortfall in this regard.

Thus, for Day 1, the deviation from reference of 50MWh is as follows:

Notified Peak Hour-block (Day 1)	Energy Supplied (MWh)	Deviation from 50MWh
Hour 1	50	0
Hour 2	57.5	0
Hour 3	60	0
Hour 4	30	-20
Hour 5	40	-10
Hour 6	10	-40
Total Deviation		-70

The total deviation from reference is (-) 70 MWh, for Day 1, while the deviation allowed for Day 1 is (300-240) MWh, i.e. (-) 60 MWh. Thus, shortfall in Peak Power supply for Day 1 is (70-60) MWh = 10 MWh. Thus, compensation payable by the HPD against such shortfall in Peak Power supply = Rs (4.50 × 10) × 1000 = Rs 45,000/-

The similar methodology will be followed for all the days in the concerned billing month, with total deviation calculated for 180 hours in a month (consisting of 30 days), being matched against the reference value of 50MWh × 30, i.e., 1500MWh.

It is reiterated that only negative deviations from 1500 MWh will be considered for reconciliation on the monthly basis.

17. The Commission has observed that the peak tariff as per the PSA is Rs. 6.85/kWh and accordingly, the calculation of compensation due to shortfall in supply of Peak Power as provided by the respondent vide affidavit dated 12.01.2023 as per the directions of the Commission in its interim order dated 01.08.2022 is not correct. The Commission has computed the compensation payable by the HPD against shortfall in supply of Peak Power, and the same is provided below:

If Shortfall in supply of peak hour power = 10 MWh/day

Then, compensation payable by the HPD against such shortfall in Peak Power supply should be = Rs (6.85 x 10) x 1000 i.e., Rs 68,500 per day.

18. The Commission has further noted that as per clause 5.1.2 of Article 5 of PSA, (for billing purposes), the applicable tariffs are Rs 2.88 /kWh for off-Peak Period and Rs 6.85 /kWh for peak period plus trading margin of Rs. 0.07/kWh. Regarding the levelized tariff, there has been the commitment of the fixed levelized tariff as per generation profile of Rs 4.03/kWh (i.e., Rs. 3.96/kWh plus Rs. 0.07/ kWh trading margin) and in case if there is any variation in levelised generation, the HPD is ready to absorb any tariff deviation, so that the average tariff will remain intact. The same will be reconciled annually and any deviation will be settled accordingly. The above-mentioned tariff is fixed till the end of the Term of the Agreement of 25 years for long term procurement of power through Electricity Department, Government of Goa, for capacity of 150 MW from SECI RE Hybrid (Wind, Solar & BESS) Power Project.
19. That Clause 8 CERC (Procedure, Terms and Conditions for grant of trading licence and other related matters) Regulations, 2020 provide as under:

“8. Trading Margin:

(1) Trading Licensee shall comply with the trading margin as given below:

- (a) The trading margin shall be charged on the scheduled quantity of electricity;*
- (b) The trading margin shall include all charges, except the charges for scheduled energy, open access and transmission losses: Provided that the charges for open access include the transmission charge; operating charge and the application fee.*
- (c) For transactions under short term contracts and contracts through power exchanges upto one year, the Trading Licensee shall charge a trading margin of not less than zero (0.0) paise/kWh and not exceeding seven (7.0) paise/kWh: Provided that in contracts where escrow arrangement or irrevocable, unconditional and revolving letter of credit as specified in clause (10) of Regulation 9 is not provided by the Trading Licensee in favour of the seller, the Trading Licensee shall not charge trading margin exceeding two (2.0) paise/kWh.*
- (d) For transactions under long term contracts, the trading margin shall be decided mutually between the Trading Licensee and the seller: Provided that in contracts where escrow arrangement or irrevocable,*

unconditional and revolving letter of credit as specified in clause (10) of Regulation 9 is not provided by the Trading Licensee in favour of the seller, the Trading Licensee shall not charge trading margin exceeding two (2.0) paise/kWh.

"Provided that the trading margin shall not be less than zero (0.0) paise/kWh from either of the parties to the banking transaction."

(e) For banking of electricity, the Trading Licensee shall charge a cumulative trading margin of not less than zero (0.0) paise/kWh and not exceeding seven (7.0) paise/kWh.

(f) For transactions under Back-to-Back contracts, where escrow arrangement or irrevocable, unconditional and revolving letter of credit as specified in clause (10) of Regulation 9 is not provided by the Trading Licensee in favour of the seller, the Trading Licensee shall not charge trading margin exceeding two (2.0) paise/kWh.

(g) For Cross Border Trade of Electricity, the trading margin shall be decided mutually between the Trading Licensee and the seller".

20. The Commission has examined the Terms & Conditions of the PSA and is of the considered view that terms & condition are reasonable and legally tenable. The Commission is inclined to accord its approval to the said PSA.
21. Accordingly, the Commission hereby approves the PSA Under Section 86 of the Electricity Act, 2003 duly executed between SECI and the Electricity Department, Goa.
22. The Commission further directs the petitioner to place a duly notarised copy of the said PSA before the Commission within a week.
23. Ordered accordingly.

**Sd/-
(Jyoti Prasad)
Member (Law)**

Certified True Copy



**(S.D Sharma)
Secretary (I/c), JERC**