

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

Coram
Dr. V.K. Garg, Chairperson
Shri S.K.Chaturvedi, Member
Petition No. 94/2013

In the matter of

Petition for approval of Power Purchase Agreement between Electricity Department- Andaman & Nicobar Administration and M/s Suryachakra Green Fuels Pvt. Ltd. under section 86 (1) (b) of Electricity Act, 2003.

And in the matter of

The Electricity Department, A&N Administration, Vidyut Bhawan, Port Blair- 744101
.....Petitioner

Present for petitioner:

1. Shri Suresh K. Bhandari, Secretary (Power), A&N Island.
2. Shri U.K. Pual, Executive Engineer, ED- A&N Island.
3. Shri K.G. Ravindran, AE, ED- A&N.

Present for respondent:

1. Shri S.M. Manepalli, MD, SPCL.
2. Shri Biji George, General Manager (Operation), SPCL.
3. Shri K. Vijay Kumar, Executive Director, SPCL.
4. Shri Sakesh Kumar, Advocate, SPCL.

Order

26.02.2013

In exercise of the powers conferred by Section 83 of the Electricity Act, 2003 the Central Government constituted a two member (including Chairperson) Joint Electricity Regulatory Commission for all Union Territories except Delhi to be known as "Joint Electricity Regulatory Commission for Union Territories" with Headquarters at Delhi as notified vide notification no. 23/52/2003- R&R dated 2nd May, 2005. Later with the joining of the state of Goa, the Commission came to be known as "Joint Electricity Regulatory Commission for the State of Goa and Union Territories" as notified on 30th May, 2008. The Joint Electricity Regulatory Commission (for the State of Goa and Union Territories) started functioning with effect from August 2008 in the district town of Gurgaon, Haryana.

The petitioner ED- Andaman & Nicobar has filed the present Petition for approval of Power Purchase Agreement to be executed between Electricity Department- Andaman & Nicobar Islands and M/s Suryachakra Green Fuels Pvt. Ltd. under section 86 (1) (b) of Electricity Act, 2003 and in principal accord approval for purchase of power from proposed 2 MW Biomass based power plant of M/s Suryachakra Green Fuels Pvt. Ltd. Hyderabad in Meethankhari, South Andaman at the lowest bid tariff rate of Rs. 9.81/- unit finalized through competitive bidding.

The Commission admitted the petition on 11.01.2013 and sent notice of hearing to the parties for 26.02.2013 with direction to submit status of clearances by 23.02.2013. The petitioner submitted status of clearances received in the Commission on 25.02.2013 contending as under:-

1. The developer M/s Suryachakra Green Fuels Pvt. Ltd., has confirmed that they have already sent letters to all concerned authorities for clearances required in respect of 2 MW Biomass based power plant and same will be submitted as soon as these clearances are received.
2. The developer M/s Suryachakra Green Fuels Pvt. Ltd., have proposed the lowest rate of Rs. 9.81/- unit with an escalation of 3% per annum and hence the tariff rate will be Rs. 9.81/- unit for the first year with an escalation of 3% annually during subsequent years.
3. The statement regarding 4 Nos. Biomass plants are enclosed.
4. M/s Suryachakra Green Fuels Pvt. Ltd., earlier submitted the DPR to the ED- A&N during June, 2012 which was having number of discrepancies/ deviations and information of which was sent back to the developer immediately during 27th June, 2012 for revision and submission of fresh DPR. The firm submitted the fresh DPR only during December, 2012 and only on receipt of this fresh DPR, the petition was filed for approval of PPA. The developer after signing the PPA will adhere the time line as per the relevant provision of PPA.
5. All the works of interconnection facilities and synchronizing is in the scope of the developer.
6. The subject land have been allotted by A&N Administration for setting up the 2 MW Biomass power project. As mentioned at Serial No. 1 for all clearances letters to concerned authorities have been already sent by the developer and M/s Suryachakra Green Fuels Pvt. Ltd., have been requested to pursue and get these clearances immediately.

The Commission heard the representatives of the parties on 26.02.2013 at length and has gone through the petition, additional information and accompanying documents carefully and thoroughly.

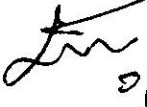
The Commission observed that the PPA to be signed between the parties is in line with the provisions of section 86 (1) (b) of the Electricity Act, 2003 and Regulations framed by the Commission under the Electricity Act, 2003. The tariff between the parties is to be fixed under case one bidding guidelines for procurement of power under section 63 of the Electricity Act, 2003. The Commission before approval of the PPA to be signed for procurement of power by the petitioner under case one bidding guidelines under section 63 of the Electricity Act, 2003 requires the petitioner to file an affidavit stating that the Govt. guidelines for procurement of power under case one bidding guidelines have been complied. The petition is already scheduled for public hearing on 18.03.2013 at Port Blair. Therefore, the petitioner is directed to submit the requisite affidavit on or before 15.04.2013.

Scheduled for hearing on 17.04.2013 at 11:00 AM.

Sd/-
(S.K.Chaturvedi)
Member

Sd/-
(Dr. V.K. Garg)
Chairperson

Certified Copy


06/03/13
(R.K. Malik)

Secretary

R. K. Malik
Secretary
Joint Electricity Regulatory Commission
For State of Goa and Union Territories
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