

**BEFORE THE HIMACHAL PRADESH ELECTRICITY
REGULATORY COMMISSION SHIMLA**

Petition No: 08 of 2025
Date of Institution: 18.01.2025
Arguments Heard on: 20.01.2025
Decided on: 23.01.2025

CORAM

DEVENDRA KUMAR SHARMA
CHAIRMAN

YASHWANT SINGH CHO GAL
MEMBER (Law)

SHASHI KANT JOSHI
MEMBER

The HP State Electricity Board Ltd. through
Chief Engineer (System Operation),
Vidyut Bhawan, Shimla, HP-171004.

....Joint Petitioner No. 1.

AND

M/s Minakshi Solar Power Project,
Village and Post Office Sohari,
Tehsil Bangana, Distt. Una, H.P-174320,
through its Authorized Signatory, Sh. Amit Sharma.

....Joint Petitioner No. 2.

Joint Petition under the provisions of Section 86(1)(b) of the Electricity Act 2003 read with Regulations 56 and 57 of the HPERC (Conduct of Business) Regulations, 2024, for approval of the Power Purchase Agreement (Solar) in respect of M/s Minakshi Solar Power Project (1.0 MW).

Present:-

Sh. Kamlesh Saklani, Authorised Representative for
Joint Petitioner No. 1.

Sh. Amit Sharma, Authorised Representative for the
Joint Petitioner No. 2.

ORDER

The present Joint Petition has been filed by the Himachal Pradesh State Electricity Board Ltd. (the Joint Petitioner No.1 or the HPSEBL for the short) and M/s Minakshi Solar Power Project (the Joint Petitioner No. 2 for the short) for the approval of the Power Purchase Agreement (PPA for short) under Section 86 (1) (b) of the Electricity Act, 2003 (Act for short) read with Regulations 56 and 57 of the Himachal Pradesh Electricity Regulatory Commission (Conduct of Business) Regulations, 2024 (CBR,2024 for short) in respect of Minakshi Solar Power Project (1.0 MW).

2. The case of the Petitioners is that a Solar PV Project (1.0 MW) known as Minakshi Solar Power Project, situated at Village Chattehar, Post Office Bhaloun, Tehsil Bangana, Distt. Una, H.P, (Project for short) is being setup pursuant to the approval accorded by the HIMURJA (HP Govt. Energy Development Agency) vide letter No. HIMURJA (F-7)/SPV Projects/ 2023- 6248 dated 23.10.2024. As per the Joint Petition, the date of Completion/ Commissioning Schedule of the Project is 22.10.2025 as evident from Schedule-I, annexed to the Draft PPA.

3. As per Joint Petition, the Commission vide Order dated 29.02.2016 passed in Suo Moto Petition No. 104 of 2015 amended

vide order dated 28.10.2024 in Suo Moto Petition No. 02 of 2024 has approved the Model Power Purchase Agreement for Solar PV Projects. The HIMURJA has also approved the Project inventory vide letter No. HIMURJA (F-7)/SPV Projects/ 2024-8081 dated 20.12.2024 (Annexure-VIII).

4. It is averred that parties have signed the connection agreement on 03.01.2025 providing that the interconnection point has been proposed at existing 11 kV Sohari Express feeder emanating from 2x6.30 MVA, 33/11 kV Bhaira Sub-station with appropriate Protection arrangement (Annexure-III). The said Project will evacuate its power in joint mode with Seema Solar Power Project (1.0 MW) and an agreement to this effect has also been signed on 14.01.2024.

5. It is also averred that the Commission vide Order dated 14.03.2024 has determined the generic levellised tariff in respect of Solar PV Projects for FY 2024-25 (01.04.2024-31.03.2025) under the HPERC (Promotion of Generation from Renewable Energy Sources and Terms and Conditions for Tariff Determination) Regulations, 2017, as amended (RE Regulations, 2017 for short). The Joint Petitioner No. 2 has submitted an affidavit (Annexure-VI) that the project is situated in a rural area

and that the tariff for the Projects to be set up in areas other than Industrial and Urban areas upto 1 MW is Rs. 3.50 per kWh as determined by the Commission vide Order dated 14.03.2024, which shall be applicable to the Project which has been incorporated in Clause 6.2 of the draft PPA.

6. We have heard Sh. Kamlesh Saklani, Authorised Representative for the Joint Petitioner No. 1 and Sh. Amit Sharma, Authorised Representative for the Joint Petitioner No. 2 and have perused the entire record carefully.

7. It is evident from the record that the connection agreement in respect of the Project has been signed by the Joint Petitioners on 03.01.2025, a copy whereof has been placed on record as Annexure-III. As per the connection agreement, the interconnection point has been proposed at existing 11 kV Sohari Express feeder emanating from 2x6.30 MVA, 33/11 kV Bhaira Sub-station with appropriate Protection arrangement (Annexure-III). The connection agreement further shows that M/s Minakshi Solar Power Project (1.0 MW) shall evacuate its power in joint mode with M/s Seema Solar Power Project (1.0 MW) using the distribution and communication system of the distribution licensee/SLDC to transmit the electricity. The Joint Petitioners have placed

on record the joint agreement dated 14.01.2024 signed between M/s Minakshi Solar Power Project (1.0 MW) and M/s Seema Solar Power Project (1.0 MW) that they have agreed not to claim any damages or losses, if any, occurring out of the said joint evacuation arrangement in future which shall form part of draft PPA.

8. As per clause (ii) of sub-clause (a) of Para 4.3.5 of the Swaran Jayanti Energy Policy- 2021, notified on 20.01.2022, Solar Power Projects ranging from 250 kW to 1 MW capacity shall be allotted to Bonafide Himachalies only and the energy generated from these Solar Power Projects shall mandatorily be purchased by the HPSEBL, if commissioned on or before 31.03.2030 at HPERC approved tariff applicable on the date of allotment of the Project.

9. It is also evident from the letter of the HIMURJA dated 23.10.2024 that the tariff in respect of the Project shall be as per the rates determined by the HPERC and that the Project has been provisionally registered. As per Schedule-I attached to the draft PPA, the SCOD of the project is 22.10.2025.

10. The Commission vide Order dated 14.03.2024 in Suo Moto Petition No. 01 of 2024 has determined the generic levelised tariff

for Solar PV Power Projects for FY 2023-24 (for a period w.e.f. 01.04.2024 to 31.03.2025) as under :-

Sr. No.	Capacity	Generic levelled tariff (Rs. Per kWh)
1.	Projects to be set up in other than industrial areas and urban areas.	
(a)	Upto 1.00 MW	3.50
(b)	Above 1.00 MW & upto 5.00 MW	3.47
2.	Projects to be set up in industrial areas and urban areas	
(a)	Upto 1.00 MW	3.55
(b)	Above 1.00 MW & upto 5.00 MW	3.52

11. This Project is situated in the rural area as per affidavit (Annexure-VI). The capacity of the Project is 1.0 MW. Thus, the Project is entitled to the tariff of Rs. 3.50 per kWh, which is subject to adjustment of capital subsidy, if any. However, in case commissioning of the Project is delayed beyond SCOD i.e. 22.10.2025, and the tariff in the said control period is less, the Joint Petitioner No. 2 shall have to provide power to the Joint Petitioner No. 1 on said tariff only.

12. The Petition is supported by the affidavits of the respective parties.

13. Therefore, in view of the powers vested in the Commission under Section 86 (1) (b) of the Act, read with Regulations 56 and 57 of the CBR, 2024, the Joint Petitioners have made out a case for the approval of the Power Purchase Agreement (Solar) in respect of the Project. Hence, the Petition succeeds and allowed.

The PPA is ordered to be approved subject to the following conditions:-

- (i) The tariff of Rs. 3.50 per kWh will be applicable to the Project of the Joint Petitioner No. 2 which will be subject to further adjustment of subsidy, if any, and is provisional.
- (ii) The affidavit of the Joint Petitioner No. 2 that the Project is at rural area shall form the part of the PPA. Similarly, the Connection Agreement dated 03.01.2025 and Joint Agreement dated 14.01.2024 shall also form part of the PPA.
- (iii) The Joint Petitioner No.2 shall apply to the State/Central Government or its designated department(s)/ agency(ies), for grant of applicable subsidy/financial assistance to the Solar Power Project immediately on receipt of this Order, if not already applied, and shall intimate the Joint Petitioner No.1 i.e. HPSEBL of the receipt of financial assistance/subsidy released to the Project by the State/ Central Government or its designated Department(s)/ agency(ies), within 15 days of receipt of the same and an undertaking to this effect shall be furnished by the Joint Petitioner No. 2 which shall form part of the PPA.
- (iv) The Joint Petitioner No. 2 shall make an endeavour to avail the admissible subsidy/financial assistance (if any). In case the subsidy/financial assistance is not availed or the Joint Petitioner No. 2 fails to approach the

State/Central Government or its designated Department(s)/agency(ies), the same shall be deemed to have been availed by the Joint Petitioner No. 2 and the Joint Petitioner No. 1 shall carry out the adjustment of such benefit, if any, admissible to the project after a period of 2 years from the date of the Order, as per order dated 14.03.2024 passed by the Commission in Suo-Moto Petition No. 01/2024. The Joint Petitioner No. 1 shall also intimate the Commission in this regard on making adjustment.

- (v) The Scheduled Date of Synchronisation of the Project is 07.10.2025 and Scheduled Commercial Operation Date (SCOD) of the project is 22.10.2025 which has been specified in Schedule-I which shall form a part of the PPA. This tariff shall be applicable upto 31.03.2025 as per Clause 12 (E) (i) of the SHP order dated 14.03.2024 in Suo Moto Petition No. 1 of 2024, in case the Project is not commissioned by the said date and the tariff in the next control Period in which the Project is commissioned the lower tariff shall be applicable.

14. Other terms and conditions of the PPA shall be subject to provisions of the RE Regulations, 2017, as amended from time to time and the SHP Order of Commission dated 14.03.2024 in Suo-Motu Petition No. 01 of 2024 issued under the aforesaid Regulations.

15. The Joint Petitioners are directed to execute PPA as per the above order after carrying out the necessary additions and alterations within 30 days from the date of this order. Three copies of the executed Power Purchase Agreement be submitted to the Commission for record.

Let a copy of this order be supplied to the Joint Petitioners forthwith.

The file after needful be consigned to records.

Announced
23.01.2025

Sd/-
(Shashi Kant Joshi)
Member

Sd/-
(Yashwant Singh Chogal)
Member (Law)

Sd/-
(Devendra Kumar Sharma)
Chairman