

**Before the Himachal Pradesh Electricity Regulatory  
Commission**

**Suo-Motu Petition No.: 02/2024**

**Date of Order: : 28.10.2024**

**CORAM: Sh. Devendra Kumar Sharma, Chairman  
Sh. Yashwant Singh Chogal, Member (Law)  
Sh. Shashi Kant Joshi, Member**

In the matter of:-

**Amendment in Model Power Purchase Agreement (PPA) for  
Solar PV Power Project(s) situated in the State of Himachal  
Pradesh.**

**ORDER**

1. In exercise of the powers conferred in the Commission under Section 86 (1) (b) of the Electricity Act, 2003 to promote co-generation of electricity from renewable sources and to regulate electricity purchase and procurement, the Commission vide order dated 29.02.2016 in Suo-Moto Petition No. 104/2015 had finalised the Model Power Purchase Agreement (PPA) for solar PV power project(s) (hereinafter referred to as the “Principal Model PPA”), enabling the Parties i.e. Distribution Licensee and solar power developers to enter into long term power purchase agreement for the entire useful life i.e. 25 years of the Solar Power Project (up to 5.00MW).

2. Consequent upon amending the HPERC (Promotion of Generation from the Renewable Energy Sources and Terms and Conditions for Tariff Determination) Regulations, 2017 notified vide Notification dated 23.11.2017 and the guidelines laid down by

Central Electricity Regulatory Commission (CERC) in the Indian Electricity Grid Code, 2023, relating to commissioning and commercial operation of projects i.e. notice for Trial Run, procedure of Trial Run and declaration of Commercial Operation of the project, the Commission felt that the terms and conditions of the Principal Model PPA are required to be simplified for smooth implementation.

3. Thus, the Commission initiated the process of amending the Model PPA to amend the Principal Model PPA for Solar PV Power Project(s). The Petition in this regard was registered as Suo-Moto Petition No. 02/2024.

4. The text of proposed draft amendment/modification of Model PPA was made available to the stakeholders on the HPERC's website [www.hperc.org](http://www.hperc.org) and invited suggestions from the Stakeholders and general public within 30 days from the date of publication of the draft Model PPA.

5. The Commission also issued a public notice on 12.06.2024 in the newspapers, namely "The Tribune" and "Dainik Bhaskar", inviting objections/suggestions on the draft Model PPA for Solar PV generation, from the stakeholders. The last date for submission of objections/ suggestions was 10<sup>th</sup> July, 2024.

6. The Commission vide letter dated 14.06.2024 also requested the major stakeholders including the State Government, Directorate of Energy, HPSEBL and HIMURJA to send their objections/suggestions as per the aforesaid public notice.

7. In response, the following stakeholders have submitted their comments/suggestions/objections on the proposed draft

amendment/modification of Principal Model PPA for Solar PV generation:

- (i) The Himachal Pradesh State Electricity Board Limited (HBSEBL), Vidyut Bhawan, Shimla-171004 (HP);
- (ii) The Solar Power Producers and Developers Trust, VPO Dhar Tath, Tehsil Sadar, Distt. Bilaspur-174001, (HP);
- (iii) Sh. Roop Lal Sankhyan, VPO Dhar Tath, Tehsil Sadar, Distt. Bilaspur-174001, HP; and
- (iv) Shri. K.S. Dhaulta, Consumer Representative, Shanti Bhawan, Phase-III, Sector-6, New Shimla-171009 (HP).

8. The Commission also issued a public notice on 26.07.2024 in the Newspapers, namely “Times of India” and “Amar Ujala”, for conducting public hearing in the matter.

9. The Commission vide letters/e-mails dated 01.08.2024 informed the major stakeholders including the State Government, Directorate of Energy, HPSEBL, HPSLDC and HIMURJA requesting to attend the aforesaid public hearing.

10. The public hearing in the matter was held on 2<sup>nd</sup> August, 2024 in the premises of HPERC at Shimla. The list of stakeholders who participated in the hearing is annexed at **Annexure-“A”**.

11. The objections/suggestions received from the stakeholders and views expressed in the public hearing, have been briefly discussed in the succeeding paragraphs/sub-paragraphs:-

### 11.1 Comments and suggestions of the stakeholders:-

The gist of existing provisions of Model PPA and objections/suggestions received from stakeholders i.e. The Solar Power Producers and Developers Trust and Sh. Roop Lal Sankhyan are tabulated as under:-

SN	Existing Provision	Objections/suggestions
A.	<b>The Solar Power Producers &amp; Developers Trust and Shri. Roop Lal Sankhyan</b>	
1.	4.1.1 The Company shall give the HPSEBL an advance written notice of thirty(30) days, of the date, on which it intends to Synchronize a Unit to the Grid System followed by Trial Run. In case the Company intends to Synchronize a Unit earlier than the Scheduled Synchronization Date for the first Unit, such notice shall be of 90 days in advance. If power cannot be evacuated smoothly under the regular arrangement envisaged in the Agreement, the Parties may mutually agree to an interim arrangement as per the provisions of clause 4.4.	Since the completion of solar project can be achieved within 90 days after signing PPA and loan from Bank, In case the Company intends to Synchronize a Unit earlier than the Scheduled Synchronization Date, the notice period for earlier execution should be 45 days in advance instead of 90 days.
2.	(ii) installation of Communication link has been done and necessary: data transmission to SLDC has been tested and certified by the SLDC; and	The installation of Communication Unit can be done before synchronization. But the necessary data transmission to SLDC has been tested and certified by the SLDC i.e. "Communication link" to SLDC can be done after synchronization. So necessary correction in the clause may be inserted.
3.	(v)the Company has' entered into a 'separate agreement for execution, operation and maintenance of the Interconnection Facilities as per clause 3.3;	The "model agreement" for execution, operation and maintenance of the Interconnection Facilities may be approved by HPERC after taking due consent of stakeholders.
4.	4.2.4 Successful trial run of a solar inverter unit(s) shall mean the flow of power and communication signal for not less than four (4) hours on a Cumulative basis between sunrise and Sunset in a single day with the requisite metering system power and telemetry plant controller. Protection system in service. The Company shall record the Output of the unit(s) during the trial run.	Telemetry unit would have been installed prior to Scheduled Synchronization Date and can be witnessed by the HPSEBL. But data transfer would be available after synchronization.
5.	Addition of miscellaneous provisions. At	Since 11kV emanates from 33

	<p>the end of the Principal Model PPA, the following miscellaneous provision shall be added, namely:-</p> <p>The provisions relating to deemed Cogeneration provided in the clause 6.4 of Article-6 of Principal Model PPA shall only be applicable for the Solar PV projects having connectivity with the HPSEBL system at manned 22 kV &amp; above level Sub stations</p>	<p>kV so when 33 kV shall be shut down then 11kV would also go shut down. So deemed generation benefit should also be available to solar units having connectivity with the HPSEBL System at 11kV too.</p>
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## **11.2 Additional Submissions**

The following Additional suggestions/comments have been submitted by the Solar Power Producers & Developers Trust and Shri. Roop Lal Sankhyan during the Public Hearing:-

- (i) The Solar Power Producers & Developers Trust and Shri. Roop Lal Sankhyan have submitted that the HIMURJA may be directed to give "Two years" time for execution of the project instead of one year as the activities i.e. the documentation formalities for execution of PPA and further getting finances take more time even after signing of the PPA which results in delay in execution of projects.
- ii) The Solar Power Producers & Developers Trust have also submitted that the requirement of personal hearing in Joint Petitions for approval of the PPA in the HPERC may be dispensed with being a Joint Petition for approval of PPA at the pre-determined tariff issued by the Commission, without any changes.
- iii) The Solar Power Producers & Developers Trust and Shri Roop Lal Sankhyan have further submitted that after allotment of solar project, individual Solar Power Developer applies to the Chief Engineer (System Planning), HPSEBL for the interconnection point. The Chief Engineer (SP), HPSEBL seeks feasibility report from concerned field Chief Engineers of HPSEBL. This activity

takes more than two months time. So in order to save the time, feasibility report from concerned AE/XEN on prescribed format should be obtained at the time of applying to the HIMURA and Chief Engineer (SP), HPSEBL may execute Connection/Connectivity Agreement after allotment of the project by the HIMURJA.

- iv) The Solar Power Producers & Developers Trust and Shri Roop Lal Sankhyan have also submitted that when the design unit/wing of HPSEBL recommends the COD, it is sent to the Directorate of Energy (DoE). The DoE is already overloaded and generally takes more time to declare the COD which results in delay in the bills of solar power developer(s). The stakeholder(s) has suggested that when SE(Design) recommends the COD, the concerned Chief Engineer of HPSEBL i.e. Chief Engineer (SO) should declare the COD within two (2) weeks, on the recommendations of the SE(Design), HPSEBL.
- v) The Solar Power Producers & Developers Trust has further submitted that the different agencies/wings involved in the inspection should follow the time frame as under:
  - (a) The Chief Electrical Inspector or his representative: one week's time after completion of transmission line.
  - (b) XEN (P&T), HPSEBL or his representative alongwith concerned Electrical wing: one week's time after depositing inspection fee.
  - (c) XEN (M&T), HPSEBL or his representative long with concerned Electrical wing within: one week's time after depositing inspection fee.
- vi) SE (Design), the HPSEBL or his representative alongwith concerned Electrical wing and Independent Engineer: one week's time after intimation of readiness of the project.

### **11.3 Objections/Suggestions of the Himachal Pradesh State Electricity Board Limited (HPSEBL):-**

The HPSEBL has submitted that as per the 6<sup>th</sup> and 7<sup>th</sup> amendment of Himachal Pradesh Electricity Regulatory Commission (Promotion of Generation from the Renewable Energy Sources and Terms and Conditions for Tariff Determination) Regulations, 2017, the provisions relating to Billing and Payment should be incorporated suitably in Article-2 and Article-8 of the Model PPA.

During the course of public hearing the representative of HPSEBL also reiterated their written submissions already made on the proposal.

### **11.4 Objections/Suggestions of the HPSLDC**

The representative of HPSLDC during public hearing stated that about 70 MW capacity solar PV projects are telemetered and 51 number projects having capacity of about 31 MW are monitored at the level of SLDC. He further stated that Ministry of Power, Government of India (GoI) has been issuing instructions time to time for online real time basis monitoring of RE generation by the SLDC in their respective area of control to know the real time status of RE generation across the States as well as National level. He pointed out that the left out solar PV projects as well as new projects are required to be installed RTU system so that the generation from such projects could be monitored on real time basis.

### **11.5 Objections/Suggestions of the Consumer representative Shri. K.S. Dhaulta**

The Consumer representative Shri. K.S. Dhaulta has submitted the following written Objections/Suggestions:-

- i) The existing procedure of declaration of commercial operation of the Project is a cumbersome and time consuming activity for the solar project developers. The initiation of present regulatory process, to ease out this activity, is a welcome step. There are multiple agencies of the State Government as well as wings of distribution licensee which are involved in process before commercial operation of the project. He suggested that these agencies are required to work in a coordinated manner and for speedy implementation of the project, all clearances relating to commissioning of the project should be made in a time bound manner.
- ii) Shri. K.S. Dhaulta, has also submitted that the existing procedure for execution/clearances of solar PV power project(s) is a cumbersome/complex one, in which different agencies are involved, such as Chief Electrical Inspector, Directorate of Energy and different wings of HPSEBL. These agencies may simplify their processes to avoid delays and ensure expeditious clearances to developers. He has further submitted that there should be a single window or co-ordinate approach for time bound clearances to achieve the COD of project or timely execution of projects by developers and to avoid cost over runs etc. Timely execution of the project may have less tariff burden on the consumers of the State.



iii) He has also suggested that in a case a company intends to synchronize a unit earlier than the scheduled synchronization date, the same may be facilitated by reducing the notice period for earlier execution from 90 days to 45 days in advance.

### **11.6 Objections/Suggestions of the Representative of DOE**

The representative of Directorate of Energy stated in the hearing that the solar project developer needs to demonstrate the energy generation corresponding to installed capacity for which the process of trial run is being initiated.

### **12. Commission's Analysis:-**

Now, the Commission proposed to analyze the objections/ suggestions received from the various stakeholders as under:-

- (i) Coming to the suggestion of the stakeholders i.e. the Solar Power Producers Trust and Sh. Roop Lal Sankhyan as mentioned in para 1 of the table at para 11.1 and Shri. K.S. Dhaulta, Consumer Representative as mentioned in Para (11.5(iii)) to reduce the notice period of 90 days to 45 days for activity relating to informing advance commissioning of the project, the Commission is of the view that in some cases/situations, the Distribution Licensee is required to make arrangements at its end for facilitating the smooth evacuation of power which may require a

reasonable time for smooth evacuation beyond the interconnection point. However, taking all the relevant aspects into consideration and long time involved, the Commission decides to reduce the notice period from 90 days to 60 days in case of advance commissioning of the project.

- (ii) In so far as the other suggestions of the stakeholder i.e. Solar Power Producers Trust and Sh. Roop Lal Sankhyan as mentioned in para 2 and 4 of the table at para 11.1 that the necessary data transmission to SLDC should be done after synchronization, the Commission is of the view that the testing of the communication link is technically feasible and further its certification by the SLDC can be done prior to the synchronization, enabling real time data transmission before synchronization. Therefore, there are no merits in the above suggestion.
- (iii) As far as the third suggestion of the above stakeholder that the "Model Agreement" for execution, operation and maintenance of the Interconnection Facilities may be approved by the HPERC after taking due consent of stakeholders, the Commission is of the view that the Commission has already fixed the normative O&M charges to be paid by the Small Hydro Power Project(s) and other RE generators, connected at Sub-stations owned by the Distribution Licensee where maximum nominal voltage level at any point in such Sub-stations

does not exceed 33 kV. Apart from the condition of O&M charges to be recovered by the licensee, the other terms and conditions of O&M agreements for interconnection facilities are site/project specific, which may vary from case to case basis, such as solid tapping, joint evacuation etc. The fixation of normative O&M charges as fixed by the Commission, will help the solar project developer(s) to sign the O&M agreements. As such, the Commission declines to accept the above suggestion of the stakeholders to evolve Model O&M Agreement applicable to all the Solar PV projects having different capacities.

- (iv) With regard to the suggestion of above Stakeholders as mentioned in item No. 5 of the table in para 11.1, the Commission is of the view that the smaller capacities solar PV projects are allowed to connect at 11kV through solid tap. Mostly, the 11kV system of the distribution licensee is designed to serve the consumers in the State, being a distribution network which has reliability issues, therefore, for the effective reliability, the project developer has an option to connect at 33 kV Sub-station to claim the benefit of deemed generation. The Commission has already proposed to decrease the existing time period condition for eligibility of deemed generation from 480 hours per annum to 160 hours per annum for solar PV project connected at 33 kV and above level. Thus, the

Commission declines to accept the suggestion of the stakeholders.

- (v) As far as the additional miscellaneous suggestions/ comments submitted by the Solar Power Producers & Developers Trust and Shri Roop Lal Sankhyan as mentioned at 11.2(i), the Commission is of the view that shorter gestation period to implement power project of particular RE technology is a win-win situation for the seller, buyer and lender. Instead of longer gestation period, the effort should be to simplify processes/activities involved in implementation of the project in a time bound manner, rather than increasing the gestation period. Hence, the Commission declines to accept the suggestion made by the stakeholders. In so far as directing the HIMURJA to modify the time period for extension of the Project, the Stakeholders may approach HIMURJA in this regard.
- (vi) Submissions made by the Solar Power Producers & Developers Trust and Shri Roop Lal Sankhyan as mentioned at 11.2(ii) are also devoid of merit as all the proceedings before the Commission are judicial/quasi-judicial proceedings as per the Electricity Act, 2003, as such, the suggestion of dispensing with personal hearing in Joint Petition cannot be accepted. The Joint Petitioners, however, may appear either through Counsel or authorized representative.

(vii) With regard to the suggestion of above Stakeholders as mentioned in 11.2(iii), the Chief Engineer (SP), HPSEBL during the public hearing informed that the HPSEBL shall try to allow the interconnection point within two (2) weeks time for project upto 500 kW. However, keeping in view the various factors, the Commission is of the view that this activity shall be completed by the Distribution Licensee within three (3) weeks after submission of the connectivity application. Since this suggestion is not a part of present regulatory process, so, the Commission shall issue separate directive to the licensee(s) in this regard. Further, the suggestion to initiate a parallel activity of getting interconnection point with the activity of project registration with HIMURJA, the Comments are also not tenable as the Commission is of the view that since the connectivity fee upto 1 MW is dispensed with so in case the developer fails to get his project approved by the HIMURJA, the interconnection allotment activity of the HPSEBL may be a futile exercise. Hence, the Commission declines to accept the suggestion made by the stakeholders in this regard.

viii) As far as the suggestion of above Stakeholders as mentioned in 11.2(iv) and suggestion of Sh. Kameshwar Dhaulta, Consumer Representative as mentioned at 11.5(ii), the Commission is of view that the COD of the project is to be declared by the project developer after

following the laid down procedure/guidelines provided in the Regulations or issued by the competent authority. As far as tariff applicability to the project is concerned, the proposed clause 4.2.5 of amendment is quite clear in this regard which is reproduced here under:-

*“4.2.5 The authorized representatives of HPSEBL and the Independent Engineer shall, after witnessing the Trial Run(s), record their observations and in case there are no adverse observations by any of such officers, the Trial Run(s) shall be deemed to be considered successful and the Company shall be entitled to declare Commercial Operation, from the date of successful Trial Run, for such capacity for which the Trial Run has been conducted.”*

- ix) In so far as the submissions made by the Solar Power Producers & Developers Trust and Shri Roop Lal Sankhyan as mentioned at 11.2(v), the Commission in the proposed amendment of clause 4 of Model PPA has not envisaged the involvement of HPSEBL wings i.e. XEN (P&T) and XEN (M&T) separately. Rather, the HPSEBL as a single entity has to involve in carrying out synchronization as well as trial run. Further Clause 4.2.5 of the proposed amendment is quite clear as far as successful trial run is concerned. Also the suggestions made by the stakeholders are not a part of present regulatory process.

- x) As far as Objections/Suggestions of the Himachal Pradesh State Electricity Board Limited (HPSEBL) as mentioned at Sr. No. 11.3 above are concerned, the Commission has already proposed that the provisions relating to Billing & Payments in Article-8 of the Model PPA shall be aligned as per the provisions of HPERC (Promotion of Generation from the Renewable Energy Sources and Terms and Conditions for Tariff Determination) Regulations, 2017 read with its amendments alongwith other consequential changes. Further, the Commission has already considered for online real time basis monitoring of RE generation by the SLDC in draft regulations. However, the Commission is of the opinion that specifications of hardware to be installed at the project end shall be as per specifications of HPSLDC and HPSLDC shall host technical specifications on their website. Communication with the project shall be established by SLDC at their end and expenses shall be part of the capex for project capacity upto 500 KW. Separate directions in this respect shall be issued by Commission to the HPSLDC.
- xi) The suggestions made by Sh. K. S. Dhaulta, Consumers Representative as mentioned at 11.5 are in line with the draft. The other suggestions of Sh. Dhaulta as mentioned at 11.5 (ii) pertain to the simplification of procedure and as far as possible, the

Commission has tried to simplify the procedure. The whole process has been initiated by the Commission for simplifying the procedure with a view to promote co-generation of electricity.

xii) In so far as the objections/ suggestions of the DoE as mentioned at 11.6 are concerned, the solar project developer needs to demonstrate the energy generation corresponding to installed capacity for which the process of trial run is being initiated are devoid of merits. The Commission is of the view that in case the Trial Run(s) demonstrate the generation, which is lower than the capacity offered /installed by the developer, such offered/installed capacity during the trial run shall be considered as having successfully completed the Trial Run.

13. In view of the above, the Commission, after taking into consideration the above objections and suggestions received on the proposal and the deliberation in the public hearing conducted thereon, finalises the Principal Model PPA of Solar PV Projects upto 5 MW capacity with the following amendments/ modifications:-

13.1 **Substitution of clause 2.2.41.** In the Model Power Purchase Agreement, in Article 2, for clause 2.2.41, the following clause shall be substituted, namely:-

**2.2.41. "Independent Engineer"** means the independent consulting engineer or consulting firm or group appointed



jointly by the Company and the HPSEBL, for the purpose of Synchronization and Trial Run as defined under Article-4, atleast one (1) month before the intended date of Synchronization.

13.2 **Substitution of clause 2.2.63.** In the Principal Model PPA, in Article 2, for clause 2.2.63, the following clause shall be substituted, namely:-

**2.2.63. "Scheduled Commercial Operation Date of the Project/ Scheduled COD of the Project"** means the date by which the Company schedules to achieve Commercial Operation of the Project as per Construction Schedule of the Project;

13.3 **Substitution of Article 4.** In the Principal Model PPA, for the existing Article-4, the following Article shall be substituted, namely:-

**“ARTICLE-4  
SYNCHRONIZATION, TRIAL RUN AND COMMERCIAL  
OPERATION**

**4.1 SYNCHRONIZATION:**

4.1.1 The Company shall, **at any time during the execution of the project**, give the HPSEBL an advance written notice of thirty (30) days of the date on which it intends to Synchronize a Unit to the Grid System followed by Trial Run. In case the Company intends to Synchronize a Unit earlier than the Scheduled Synchronization Date for the first Unit, such notice shall be of 60 days in advance. If power cannot be evacuated smoothly under the regular

arrangement envisaged in the Agreement, the Parties may mutually agree to an interim arrangement as per the provisions of clause 4.4.

4.1.2 Subject to clause 4.1.1, the Company shall declare a Unit to be ready for Synchronization with the Grid System when,-

(i) it has been installed in accordance with the required technical specifications and Prudent Utility Practices;

(ii) it has installed RTU/ mini RTU/MFM etc. at project end meeting technical specifications of SLDC and configuration of Communication system (RTU/ mini RTU/MFM etc.) has been done and requisite data transmission to SLDC has been tested and certified by the SLDC;

(iii) it meets all related conditions prescribed in applicable Indian Standard(s)/Code(s), in force at the time, and otherwise meets the provisions of the Electricity Act, 2003 and the Rules or Regulations framed thereunder, or any other requirements for Synchronization to the Grid System;

(iv) it is capable of being operated safely and the Company has obtained the approval of the Chief Electrical Inspector of the Government for energisation;

(v) the Company has entered into a separate

agreement for execution, operation and maintenance of the Interconnection Facilities as per clause 3.3;

(vi) the capacity sought to be connected, at the Interconnection Point with the HPSEBL system shall not be less than 50% of the Installed Capacity subject to a minimum of 250kW or, 100% of the Installed Capacity in cases where the Installed Capacity is below 250kW; and

(vii) the total capacity (including the capacity already synchronized/added) connected to the system after such synchronization/addition, as the Company intends to carry out, shall not exceed the Installed Capacity.

- 4.1.3 The Company shall notify the HPSEBL and other authorities seven (7) days in advance once the requirements of clause 4.1.2 have been met and the Unit is ready for Synchronization and Trial Run/ commissioning with the Grid System and for Trial Run in accordance with this Agreement. Notice shall clearly spell the date, time and project location/site. Representatives of HPSEBL, other authorities and Independent Engineer shall ensure their presence at the project site on given date and time. In case any of the above representatives of statutory authority/licensee fails to be present on the given date and time, the Company shall proceed for

Synchronisation, Trial Run and commissioning in presence of the Independent Engineer.

- 4.1.4 The HPSEBL, and/or its authorised representative(s) shall inspect any Unit which the Company intends to Synchronize to the Grid System within five (5) days after being notified in writing by the Company, pursuant to clause 4.1.3, to determine whether the requirements of clause 4.1.2 have been met. The Company shall provide the HPSEBL with such access to the Station as is reasonably required to make such determination.
- 4.1.5 On receipt of notice from the Company for synchronization, Trial Run and commissioning, the HPSEBL shall immediately carry out the inspection of Unit(s) and the shortcomings, if any, shall be brought to the notice of the Company in writing on the same day. In case the HPSEBL does not carry inspection or convey shortcomings on the same day, inspection shall be deemed carried out and developer shall proceed further as if there are no shortcomings in the inspection. The HPSEBL shall provide the Company with all reasonable assistance in Synchronizing the Unit and also for conducting Trial Run.
- 4.1.6 In case the Company intends to connect additional capacity with the HPSEBL System, after the first time synchronization of a part of the Contracted Capacity, it shall seek injection of such additional capacity after

meeting the requirements as per clauses 4.1.1 to 4.1.5 in relation to such additional capacity, and for the purpose, the process as per the said clauses 4.1.1 to 4.1.5 shall be followed mutatis mutandis for granting permission for such addition.

#### **4.2 Trial Run and Commercial Operation:**

4.2.1 After the Installed Capacity or part thereof, has been successfully synchronized in accordance with clause 4.1 above, the company shall immediately conduct the Trial Run.

4.2.2 The Trial Run shall be carried out by the company in accordance with the provisions of clause 4.1.3 above.

4.2.3 Before proceeding with the Trial Run as per clause 4.2.2, the Company shall,-

(i) demonstrate that the required number of Solar PV Panels/Modules corresponding to the Installed Capacity, or part thereof, for which Trial Run is to be conducted have already been installed; and

(ii) ensure that only such capacity for which the Trial Run is to be conducted is connected at the Interconnection Point and remaining part, if any, of the total approved Installed Capacity is isolated temporarily.

4.2.4 Successful trial run of a solar inverter unit(s) shall mean the flow of power and communication signal for not less than four (4) hours on a cumulative basis between sunrise and sunset in a single day with the requisite metering

system, power plant controller, telemetry and protection system in service. The output of the unit(s) during the trial run shall be recorded.

4.2.5 The authorized representatives of HPSEBL, if any, and the Independent Engineer shall, after witnessing the Trial Run(s) in accordance with the provisions of clause 4.1.3 above, record their observations and in case there are no adverse observations by any of such officers, the Trial Run(s) shall be deemed to be considered successful and the Company shall be entitled to declare Commercial Operation, from the date of successful Trial Run, for such capacity for which the Trial Run has been conducted.

4.2.6 In case the Trial Run demonstrate the generation which is lower with respect to the capacity offered /installed by the Company as per clause 4.2.3, the authorized representatives of the HPSEBL, if any, and the Independent Engineer, the Company and other authorities, if any, present at Project site may accept such offered/installed capacity during the trial run as having successfully completed the Trial Run.

**4.3 Trial Run and Commercial Operation of Additional Capacities:**

In case only a part of the Installed Capacity has been declared as successfully completed the Trial Run as per clause 4.2 above, similar process, as outlined in clause

4.2, shall be followed for the purpose of carrying out Trial Run(s) and Commercial Operation(s) of the balance part of the Installed Capacity, or a part thereof, as and when the Company is ready for conducting Trial Run(s) for such balance capacity:

Provided that such subsequent Trial Run(s) shall have to be carried out for the capacity connected to a inverter unit, after temporarily isolating the other inverter units for which the Company has already declared the Commercial Operation as per clause 4.2.5. The condition of temporarily isolating inverter units shall not apply in case single inverter is installed by the developer(s).

**4.4 Interim Arrangement for Evacuation of Power:**

In case power cannot be evacuated from the Project at the Interconnection Point due to non availability of evacuation system beyond the Interconnection Point or any other technical constraints, the parties may mutually agree to an interim arrangement, alongwith the terms and conditions thereof, for evacuation of power from the Project till such time the same can be evacuated under the regular arrangement envisaged in the Agreement. However, the Deemed Generation benefit under clause 6.4 or any other provisions of the Agreement shall not be available to the Company for the period during which power is evacuated under such interim arrangement.”

**14. Amendment of clause 6.4.1 of Article 6 of the Principal Model PPA:**

In sub-clause (c), in the proviso, in clause (iii), for the figures “480”, the figures “160”, shall be substituted; and after clause (iv) to the proviso, the following new clause shall be inserted, namely:-

*“(v) the loss of generation at the Station due to the interruptions/ outages, attributed to the aforesaid factor(s) occurred during 18:00 hours in the evening to 08:00 hours in the morning of a day.”.*

**15. Addition of miscellaneous provisions. At the end of the Principal Model PPA, the following miscellaneous provision shall be added, namely:-**

- (a) The provisions relating to deemed generation provided in clause 6.4 of Article-6 of Principal Model PPA shall only be applicable for the Solar PV projects having connectivity with the HPSEBL system at manned 33 kV & above level Sub-stations;
- (b) Wherever felt necessary, the need based changes/ corrections shall be carried out by the Commission prior to issuance of final modified Model PPA for Solar PV Projects upto 5 MW capacity;
- (c) The references of “Himachal Pradesh Electricity Regulatory Commission (Promotion of Generation from the Renewable Energy Sources and Terms and Conditions for Tariff Determination) Regulations, 2012” appearing in preamble, clause 3.3 of Article 3, clause 8.8 (2) of Article 8 shall be construed as references to the Himachal Pradesh Electricity Regulatory Commission (Promotion of Generation from the



Renewable Energy Sources and Terms and Conditions for Tariff Determination) Regulations, 2017, as amended from time to time”;

- (d) The provisions relating to Billing & Payment in Article-8 of the Model PPA shall be aligned as per the provisions of HPERC (Promotion of Generation from the Renewable Energy Sources and Terms and Conditions for Tariff Determination) Regulations, 2017 read with amendments; and
- (e) In cases where solar PV project have interconnection facility on the STU (i.e. HPPTCL) system, the Parties to the PPA shall carry out the necessary changes in clauses/sub-clauses of the Principal Model PPA accordingly.

16. The Technical wing of the HPERC shall incorporate the amended clauses/sub-clauses as discussed above including the need based changes/ corrections in the Principal Model PPA. The updated copy of Model PPA for solar PV generation upto 5 MW capacity shall be uploaded on the website of the Commission accordingly.

In view of the above, the Commission decides to finalize the Model PPA in the above terms.

It is so ordered.

**Announced**  
**28.10.2024**

Sd/-	Sd/-	Sd/-
(Shashi Kant Joshi)	(Yashwant Singh Chogal)	(Devendra Kumar Sharma)
<b>Member</b>	<b>Member (Law)</b>	<b>(Chairman)</b>

**Annexure-“A”**

**List of the stakeholders/participants who attended the public hearing on 2<sup>nd</sup> August, 2024 at 11.30 AM.**

<b>Sr. No.</b>	<b>Name</b>
1	Er. Lukesh Kumar, CE (SP), HPSEBL
2	Er. RakeshKapoor, SE, HPSEBL
3	Er. R.K. Verma, SE (Inter State), HPSEBL
4	Er. Pooja Thakur, Sr. XEN (PSP), HPSEBL
5	Er. Sandeep Sharma, AE, HPSEBL
6	Er. RohitSharda, GM (Gen.), HPPCL
7	Er. Gulshan Kumar, SM (SoP), HPPCL
8	Er. Nitish, AE, HPPCL
9	Er. Kuldeep Kumar ,Sr. XEN ,DoE
10	Er. AbhayPathania , Energy Consultant, DoE
11	Er. Pratap Thakur, CE, HPSLDC
12	Er. Sanjay Ranat, Sr. XEN, HPSLDC
13	Sh. K.S. Dhaulta, Consumer Representative