

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

Petition No: 45 of 2026
Instituted on: 17.03.2026
Heard on: 20.03.2026
Decided on: 27.03.2026

CORAM:

YASHWANT SINGH CHOGAL
MEMBER (Law)-cum- CHAIRMAN.

SHASHI KANT JOSHI
MEMBER.

In the matter of:-

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

.....Joint Petitioner No.1.

AND

M/s Prodigy Hydro Power Pvt. Ltd.,
Chaitra No. 490/1, 39th Cross, 8th Block,
Jaynagar, Bangalore,-560082,
through Sh. Anish Sharma.

.....Joint Petitioner No.2.

**Joint Petition for approval of Short Term/Supplementary Power
Purchase Agreement (under REC Mechanism) in respect of Baner-II
HEP (6.0 MW) under Section 86(1)(b) of the Electricity Act 2003.**

Present:-

Sh. Kamlesh Saklani, Authorised Representative for Joint
Petitioner No. 1
Sh. Anish Sharma, Authorised Representative for the Joint
Petitioner No. 2.

ORDER

This Joint Petition has been filed 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, 2004 (the CBR, 2024 for short) by the Himachal Pradesh State Electricity Board Limited (the HPSEBL/ Joint Petitioner No. 1 for short) and M/s Prodigy Hydro Power Pvt. Ltd (the Joint Petitioner No. 2 for short) for approval of Short-term/Supplementary Power Purchase Agreement (SPPA for short) under REC mechanism for the period w.e.f. 01.04.2026 to 31.03.2028 in respect of Baner-II Hydro Electric Project (6.0 MW) situated on Baner khad, a tributary of river Beas, in Distt. Kangra, Himachal Pradesh (Project for short).

2. As per the Joint Petitioners, the parties had initially signed Short-term Power Purchase Agreement (SPPA for short) for the sale and purchase of Power on 09.08.2012 which was subsequently extended mutually with prior approval of the Commission, time to time, by signing SPPAs vide Orders dated 21.05.2020, 03.07.2021, 23.03.2022, 28.03.2023, 02.04.2024 and 29.03.2025. Copy of the SPPA executed on 11.04.2025 pursuant to Order dated 29.03.2025 has been annexed as Annexure P-2 alongwith the draft SPPA, with the Petition. It is averred that both the parties have now agreed to extend the terms of

SPPA from 01.04.2026 to 31.03.2028 for the sale and purchase of Power at the rate/ tariff, which may be fixed by the Commission as per the Average Power Purchase Cost (APPC) tariff for the relevant financial years.

3. Heard. The Petition is duly supported by the affidavits of Joint Petitioners No. 1 and 2.

4. The Commission under Section 86 (1)(b) of the Act, read with Regulation 56 and 57 of the Himachal Pradesh Electricity Regulatory Commission (Conduct of Business) Regulations, 2024 is empowered to accord the approval of the sale and purchase of Power. Both parties have sold and purchased the Power from the Project w.e.f. 09.08.2012 under REC Mechanism. The term of ongoing SPPA dated 11.04.2025 shall come to an end on 31.03.2026. In the circumstances, the Joint Petitioners have agreed for the sale and purchase of Power on similar terms and conditions on the rate as may be fixed by the Commission for sale/ purchase of power under APPC tariff for the relevant financial years.

5. Though the parties have sought the approval for a period of two years but the Commission has determined the APPC tariff vide order dated 25.03.2025 in Petition No. 239 of 2025. The APPC rate/ tariff for

the next financial year i.e. FY 2027-28 shall be determined during next year tariff filing.

6. Therefore, keeping in view the averments made in the Petition and the fact that the parties are seeking an extension on the lines of the previous PPA/ SPPAs under REC Mechanism w.e.f. 01.04.2026 to 31.03.2028, the Commission accords its approval for the SPPA under REC Mechanism for a period two year w.e.f. 01.04.2026 to 31.03.2028 subject to the following conditions:-

- (i) Clause 6.2 of the PPA executed on 09.08.2012 pursuant to Order dated 11.06.2012 shall be substituted with the following, namely:-

“The HPSEBL shall pay for the net saleable energy delivered and sold to it at the Interconnection Point by the Joint Petitioner No. 2 under REC Mechanism during the FY 2026-27 w.e.f. 01.04.2026 to 31.03.2027 at the Average Power Purchase Cost (APPC) rate of Rs. 2.76/- per kWh, as determined by the Commission vide Tariff Order dated 25.03.2026.”

- (ii) For the FY 2027-28 commencing from 01.04.2027 to 31.03.2028, the HPSEBL shall pay for the net saleable energy delivered and sold to it at the Interconnection Point by the Joint Petitioner No. 2 under REC Mechanism during the FY 2027-28 w.e.f. 01.04.2027 to 31.03.2028 at the Average Power Purchase Cost

(APPC) rate/ tariff to be determined by the Commission in the next year tariff filing.

- (iii) Clause 10.1 of the SPPA executed on 11.04.2025 pursuant to Order dated 29.03.2025 shall be substituted with the following, namely:-

“This Agreement shall become effective w.e.f. 01.04.2026 and unless earlier terminated pursuant to provisions of the Agreement, shall have a term from the date hereof until 31.03.2028.”

7. Other terms and conditions of the Power Purchase Agreement shall be subject to the provisions of the Central Electricity Regulatory Commission (Terms and Conditions for Renewable Energy Certificates for Renewable Energy Generation) Regulations, 2022, Procedure for registration of Renewable Energy Generation Project by the Central Agency, Procedure/Guidelines for Accreditation of Renewable Energy Generation Project for REC Mechanism by the State Agency, the Himachal Pradesh Electricity Regulatory Commission (Renewable Power Purchase Obligation and its Compliance) Regulations, 2023 and Commission's Order dated 11.06.2012 in Petition No. 103 of 2011.

8. The Joint Petitioners are directed to execute SPPA as per the above order after carrying out the necessary additions and alteration

within 30 days from the date of this order. Three copies of the executed SPPA be submitted to the Commission for record.

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

The file after needful be consigned to records.

Announced
27.03.2026

-Sd-
(Shashi Kant Joshi)
Member

-Sd-
(Yashwant Singh Chogal)
Member(Law)-cum-Chairman