

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

Petition No: 26 of 2025
Instituted on: 11.02.2025
Heard on: 03.03.2025
Decided on: 29.03.2025

CORAM:

**DEVENDRA KUMAR SHARMA
CHAIRMAN.**

**YASHWANT SINGH CHOGAL
MEMBER (Law).**

**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. 01.04.2025 to 31.03.2026 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 and 02.04.2024. Copy of the SPPA executed on 18.04.2024 pursuant to Order dated 02.04.2024 has been annexed alongwith the draft SPPA, with the Petition. It is averred that both the parties have now agreed to extend the terms of SPPA from 01.04.2025 to 31.03.2026 for the sale and purchase of Power at the rate/ tariff, which

may be fixed by the Commission for FY 2025-26, in respect of Hydro Electric Projects under REC Mechanism.

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 18.04.2024 shall come to an end on 31.03.2025. 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 REC Mechanism for the FY 2025-26. 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. 01.04.2025 to 31.03.2026, the Commission accords its approval for the SPPA under REC Mechanism for a period one year w.e.f. 01.04.2025 to 31.03.2026 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 2025-26 at the Average Power Purchase Cost (APPC) rate of Rs. 2.72/- per kWh, as determined by the Commission vide Tariff Order dated 28.03.2025.”

- (ii) Clause 10.1 of the SPPA executed on 18.04.2024 pursuant to Order dated 02.04.2024 shall be substituted with the following, namely:-

“This Agreement shall become effective w.e.f. 01.04.2025 and unless earlier terminated pursuant to provisions of the Agreement, shall have a term from the date hereof until 31.03.2026.”

5. 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.

6. 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.

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

The file after needful be consigned to records.

Announced

29.03.2025

**-Sd-
(Shashi Kant Joshi)
Member**

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

**-Sd-
(Devendra Kumar Sharma)
Chairman**