



ARUNACHAL PRADESH STATE ELECTRICITY REGULATORY COMMISSION
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Arunachal Pradesh State Electricity Regulatory Commission

Petition no TP-06 of 2018

Coram: Shri R.P Singh, Chairperson

Date of Order: 30.09.2019

In the matter of:

Petition dated 18.12.2018 filed by M/s Devi Energies Private Limited.

.....Petitioner

And

In the matter of:

Approval of Provisional Tariff for 24 MW (3x8MW) Dikshi Small Hydro Electric Projects from proposed date of commercial operation (COD).

ORDER

The Petition has been filed by M/s Devi Energies Private Limited (herein after referred to as "Petitioner") under sections 62 and 86 of the Electricity Act, 2003 (hereinafter referred to as "Act") read with relevant regulations and guidelines of the Commission for determination of tariff of Petitioner's Small Hydro Power (SHP) Project on River Pudung in West Kameng district of Arunachal Pradesh with an installed capacity of 24 MW (3x8MW) under the name Dikshi Small Hydro- Electric Project.

Procedural History

1. The Petitioner Company has signed Memorandum of Agreement with Government of Arunachal Pradesh on 17.03.2011. The Petitioner has established a small hydropower generating station on River Pudung in West Kameng district of Arunachal Pradesh with an installed capacity of 24 MW (3x8MW) under the name Dikshi Small Hydro Electric Projects on BOOT basis for 50 years as per Memorandum of Agreement (MOA) signed between Govt. of AP and Devi Energies Pvt Ltd.
2. The Petitioner has filed the Petition on 18.12.2018 for determination of tariff for the Project, which has proposed commercial operation from 31.12.2018, and entered into Power Purchase Agreement (PPA) on 16.10.2018 with Department of Power, Government of Arunachal Pradesh for 25 years.

3. The petition was published in abridged form on dated 23.03.2019 in local newspapers and also placed on Commission's website for public response and suggestions. The Commission did not receive any comments/suggestions so far.
4. The Commission sought for additional data from the Petitioner which is yet to be furnished and in the meantime, the petitioner had requested for provisional tariff.
5. The Commission decided to proceed for the provisional tariff based on records/information available with it.
6. The Petitioner has submitted a project cost of **Rs. 320.3459 Crores** and a tariff of **Rs. 5.85 per unit** for sale of energy and prayed for its approval before the Commission.

Commission's Scrutiny & Analysis

1. The Petitioner is bound by the terms and conditions stipulated in the Power Purchase Agreement order dated 16.10.2018 signed between Department of Power, Government of Arunachal Pradesh for sale of Power for a period of 25 years. Accordingly, the Commission is determining the Provisional Tariff as per terms of Arunachal Pradesh State Electricity Regulatory Commission (Terms and conditions for determination of Tariff from Renewable energy sources) Regulation, 2018.
2. The proposal made by the Petitioner was discussed and the Petitioner was directed to submit the information as listed below:
 - a) Approval from GoAP for major technical deviations from the initial TEC accorded.
 - b) The detailed breakup cost of Rs 185.4 Crores as approved by TEC to ascertain the difference in the DPR provisions.
 - c) Detailed tender documents including tender evaluation committee report.
 - d) Investigation report of geological surprise committee to ascertain the increase of cost due to geological reasons.
 - e) Justification for variations in the quantities viz the drawings
 - f) Report of the independent monitoring agency.
 - g) Justification for the increase in cost of HRT.
 - h) The breakup and justification of large number of cost items mentioned at clause 15.4 of the petition -Other civil works (Infrastructure works)
 - i) Reasons for delay in actual construction of the project components

- j) Details of disbursement of loan and corresponding equity infusion separately for hydroelectric project and Transmission system.
3. The petitioner has further prayed to the Commission to issue Provisional Generation tariff for (3x8MW) Dikshi small HEP vide letter dated 26.08.2019.
4. The DoP, AP has declared the Date of Commercial Operation (COD) of the captioned project from 19th September 2019 vide certificate No. CE (P)/WEZ/COM-3(4)/PPA/IPP/2019-20/4854-65 dated 30th September 2019 as submitted by petitioner.
5. Till the shortcoming mentioned in the para 2 of this order are not fulfilled, the Commission is approving a provisional annual generation tariff on the basis of CERC generic tariff, issued as per CERC (Terms and Conditions for Tariff determination from Renewable Energy Sources) Regulations, 2017 including MNRE capital subsidy to be granted for Small Hydro projects, which works out to be Rs 4.41 per unit.
6. The Provisional tariff as allowed in this order shall be applicable from the date of commercial operations of the hydroelectric plant till the Commission grants the final tariff.

Sd/-
(R.P Singh)
Chairperson, APSERC


SECRETARY
State Electricity Regulatory Commission
Arunachal Pradesh