

PETITION FOR FIRST AMENDMENT OF PPA BETWEEN M/S DEVI ENERGIES PVT LTD., AND DEPARTMENT OF POWER, GOVT. OF ARUNACHAL PRADESH.

Submitted by: Department of Power, Arunachal Pradesh



BEFORE HON'BLE ELECTRICITY REGULATORY COMMISSION FOR THE STATE OF ARUNACHAL PRADESH STATE

IN THE MATTER OF:

Petition for First Amendment of PPA Between M/s Devi Energies Pvt Ltd., and Department of Power, Govt. of Arunachal Pradesh.

AFFIDAVIT

- I, Sri Duyu Tacho, Son of Sri Duyu Tago, age 58 years, occupation Government Service, resident of Itanagar, the deponent named above do hereby solemnly affirm and state on oath as under: -
- I am working as Chief Engineer (Commercial) cum CEI under the Department of Power, Arunachal Pradesh and I am the petitioner in the above matter and is acquainted with the facts deposed to below.
- 2. The statement made in the petition is based on the information received from the official records of the department maintained in the ordinary course of business and is believed to be true to the best of my knowledge.

Deponent

Verification:

I, Sri Duyu Tacho, do hereby verify that the facts mentioned in para 1 and 2 above are correct to the best of my knowledge and no part of it is false or no material has been concealed.

Executive Magistrate
Itanagar Capital Complex
ITANAGAR

Deponent



BEFORE HON'BLE ELECTRICITY REGULATORY COMMISSION FOR THE STATE OF ARUNACHAL PRADESH STATE

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IN THE MATTER OF:

Petition for First Amendment of PPA Between M/s Devi Energies Pvt Ltd., and Department of Power, Govt. of Arunachal Pradesh.

The Department of Power, Arunachal Pradesh, Vidyut Bhawan, Itanagar, Arunachal Pradesh.

... Petitioner

Versus

M/s Devi Energies Pvt. Ltd., E-351, Rupa Town, PO. PS. Rupa, West Kameng District, Arunachal Pradesh.

... Respondent

Copy to: M/s Devi Energies Pvt. Ltd., Rupa Town, PO. PS. Rupa, West Kameng District, Arunachal Pradesh.

The petitioner most respectfully submits as follows:

- 1. The Petitioner, the Department of Power, Government of Arunachal Pradesh (herein after called DoP), is a Government Department under the Ministry of Power, Government of Arunachal Pradesh, and is the sole Electricity Distribution Utility for the entire State of Arunachal Pradesh.
- 2. The petitioner, being a Government Department, is a Deemed Distribution Licensee as per Section 14, provision 3 of the Electricity Act 2003.
- A memorandum of Agreement (MoA) was signed between the Government of Arunachal Pradesh and M/s Devi Energies Pvt Ltd., on 17 May 2011 for the development of the Dikshi Hydro Electric Project 24MW

A copy of the above MoA is attached as Annexure-1.

4. As per provision of section 5.2, a Power Purchase Agreement (PPA) was signed on 16th October 2018 Between the Department of Power and M/s Devi Energies Pvt Ltd for purchasing power generated by Dikshi HEP with an installed capacity of 24 MW.

A copy of the above PPA is attached as Annexure-2.

5. As per the record and in compliance with Section 86 (b) of the Electricity Act 2003, the



- above Power Purchase Agreement is duly vetted by the Hon'ble Arunachal Pradesh State Regulatory Commission.
- 6. On review of the Power Purchase Agreement, it is found that the above PPA does not incorporate the provision of section 17(1) of Small Hydro Power Policy, 2007, which states "The developer under IPP category can enter into contract to sell power to the State Government through a PPA to be signed within 6 months after signing of MoA at a tariff, 10 paise lower than the tariff as determined by the CERC/SERC or the State Government as the case may be for sale to outside the State." and section 28(6), states "The developer shall pay an amount worked out at the rate of 1 (one) paise per unit of power sold during every financial year to the State Government for raising local area development fund effected by the project(s)."

A copy of the Small Hydro Power Policy, 2007 is attached as Annexure-3.

- 7. As per article 4.3 of MoA dated 17th May 2011, "The company agreed to comply with the Small Hydro Power Policy of the State Govt. as would be in force at the relevant point of time, during the course of implementation and subsequent operation and maintenance of the Hydel Station.
- 8. The matter was brought to the knowledge of the State Government and approval for the inclusion of the above 2 (two) items in the Power Purchase Agreement was sought. Draft amended PPA was vetted by both the Law and Finance Departments and ultimately by the competent authority.

A copy of the approved amended PPA is attached as Annexure-4.

- 9. The approved amended PPA was sent to M/s Devi Energies Pvt Ltd., on 18 March 2021 with the request to attend this office to sign the same. Instead of attending this office, they wrote a few letters disagreeing with the government's decision, and after that few communications were exchanged.
- 10. In the latest letter dated 28-03-2023, received from M/s Devi Energies Pvt Ltd., they have requested this office to file a petition with Hon'ble Arunachal Pradesh State Regulatory Commission proposing 2 (two) amendments which will be responded by the M/s Devi Energies Pvt Ltd. Both parties will abide by the decision of Hon'ble Commission.

A copy of the letter is attached as Annexure-5.

11. In view of the above, it is prayed that the Hon'ble Commission may kindly consider this petition, if deemed fit, the amended PPA shall be signed by both parties, and may be pleased to issue an appropriate order in this regard.

Er. Duyu Tacho
Chief Engineer (Commercial)
Department of Power
Government of Arunachal Pradesh,



Itanagar

PRAYER

The DoP, AP respectfully prays to the Hon'ble Commission-

- 1. To admit this Petition for First Amendment of PPA Between M/s Devi Energies Pvt Ltd., and Department of Power, Govt. of Arunachal Pradesh.
- 2. To grant any other relief as the Hon'ble Commission may consider appropriate.
- 3. To pass any other order as the Hon'ble Commission may deem fit and appropriate under the circumstances of the case and in the interest of justice.
- 4. The petitioner craves leave of the Hon'ble Commission to allow further submissions, additions, and alterations to this petition as may be necessary from time to time.

Dated Itanagar the 09th January 2024

For the Department of Power Government of AP Itanagar