



THE UTTAR PRADESH ELECTRICITY REGULATORY COMMISSION

LUCKNOW

Petition No. 1565 of 2020

QUORUM

Hon'ble Shri Arvind Kumar, Chairman

Hon'ble Shri Sanjay Kumar Singh, Member

IN THE MATTER OF

Petition under Regulation 18 of Uttar Pradesh Electricity Regulatory Commission (Promotion of Green Energy through Renewable Purchase Obligation) Regulations, 2010 read with Regulation 57 of UPERC (Conduct of Business) Regulations, 2019 seeking relaxation of Regulation 7 regarding implementation of the RPO Regulatory Fund as mandated by UPERC in its Order dated 30.12.2019, in the matter pertaining to Suo-Moto proceedings regarding meeting of RPO targets by the obligated entities.

AND

IN THE MATTER OF

1. Uttar Pradesh Power Corporation Limited,

(Through its Chief Engineer, PPA(Renewable)) Shakti Bhawan 14 Ashok Marg, Lucknow, Uttar Pradesh-226001.

2. Madhyanchal Vidyut Vitran Nigam Limited,

(Through its Managing Director) 4A, Gokhale Marg, Block I, Gokhale Vihar, Butler Colony, Lucknow, Uttar Pradesh - 226001.

3. Purvanchal Vidyut Vitaran Nigam Limited,

(Through its Managing Director) DLW, Bhikharipur, Varanasi, Uttar Pradesh - 221004.

4. Paschimanchal Vidyut Vitran Nigam Limited,

(Through its Managing Director) Victoria Park, Meerut, Uttar Pradesh - 250001.

5. Dakshinanchal Vidyut Vitran Nigam Limited,

(Through its Managing Director) Urja Bhawan, 220 KV Sub Station, Bypass Road, Sikandra, Agra, Uttar Pradesh - 282007.

6. Kanpur Electricity Supply Company Ltd.,

(Through its Managing Director) 14/71, Civil Lines, KESA House, Kanpur-208001.

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THE FOLLOWING WERE PRESENT

1. Shri Manish Dwivedi, SE, PPA, UPPCL
2. Shri Vikash Gupta, EE, PPA, UPPCL
3. Shri C.P. Maurya, AE, PPA, UPPCL
4. Shri Abhishek Kumar, Advocate, Petitioner
5. Shri Nived VVN, Advocate, Petitioner

ORDER

(DATE OF HEARING: 10.12.2024)

1. The Petition has been filed under Regulation 18 of Uttar Pradesh Electricity Regulatory Commission (Promotion of Green Energy through Renewable Purchase Obligation) Regulations, 2010 read with Regulation 57 of UPERC (Conduct of Business) Regulations, 2019 seeking relaxation of Regulation 7 regarding implementation of the RPO Regulatory Fund as mandated by UPERC in its Order dated 30.12.2019 in the Suo-Moto proceedings.
2. The Commission, in its Order dated 16.06.2021, had directed UPPCL to deposit the amount equivalent to the product of respective shortfall in units of Renewable Energy Purchase Obligation till FY 2020-21 and corresponding rate @ Rs. 1.00/- per unit in RPO fund/ account created, as per the details below:-

S. No	Parameter	Shortfall till FY 2020-21 (in MUs)	Amount @Rs. 1.00/unit (in Rs. Crores)
1.	Solar RPO	2186.75	218.67
2.	Non Solar RPO	9569.63	956.96
3.	HPO	2837.08	283.71
4.	Total	14593.46	1459.34

3. The Commission had also directed UPPCL, through the same Order, to deposit the amount equivalent to the product of RPO target in units for FY 2021-22 at rate @ Rs. 4.37/- per unit (i.e. APPC rate of State owned Discoms for FY 2020-21 as approved by the Commission in Tariff Order dated 10.11.2020) for FY 2020-21, as per the details below:-

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S. No.	Parameter	Quantum of Energy consumed at discom end	Consumption from Hydro Power Purchase	Energy to be considered for RPO	Target	Target	Amount @Rs. 4.37/ unit
		(In MU)	(In MU)	(In MU)	(%)	(In MU)	(in Rs. Crore)
1	Solar RPO	114689.47	12853.401	101836.07	0.04	4073.44	1780.09
2	Non-Solar RPO				0.06	6110.16	2670.14
3	HPO				0.03	3055.08	1335.07
4	Total					13238.69	5785.31

4. Therefore, the Commission in its Order dated 16.06.2021 had directed UPPCL to deposit a total of Rs. 7244.65 Crores in the RPO fund (Rs. 1459.34 Crores on account of backlog/shortfall till FY 2020-21 and Rs. 5785.31 Crores on account of RPO requirement for FY 2021-22), in 10 equal installments starting from the months of July 2021, September 2021, November 2021 and so on with further directions that the amount so deposited shall be used to procure respective RE including HPO power and payment for procurement of RE & HPO power shall be made through this RPO account/fund only.
5. The Commission in its Order dated 19.04.2022 had directed UPPCL to make suitable amendments in the petition as there was misjoinder of parties in petition, in response to which the Petitioner has filed an additional affidavit dated 03.10.2022 placing on record amended memo of parties.
6. During the hearing, Shri Abhishek Kumar submitted that UPPCL has undertaken a substantial compliance of the Orders of the hon'ble Commission and he submitted that up to April 2022 a payment of Rs. 4821 crores had been routed through the RPO account.
7. The Counsel of the Petitioner further submitted that they have filed separate Petition No. 1809 of 2022 seeking waiver of RPO backlog till 2020-21 due to the COVID-19 pandemic.
8. The Commission enquired about the details of RPO obligation both in terms of MUs as well as amount in Rs. Crores for the entire FY2021-22. The Counsel of the

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Petitioner submitted that based on total 103060 MUs energy to be considered for RPO for the FY 2021-22, UPPCL has achieved an excess compliance of Solar RPO by 1,437 MUs, however, there was a shortfall of 639 MUs for Non-Solar RPO and 2793 MUs for HPO. Thus, as per the submission made, total RPO shortfall for FY 2021-22 comes to 1,995 MUs, which based on the APPC rate of Rs. 4.37 per unit, amounts to Rs. 871.81 Crores.

9. The Commission, after hearing the Petitioner and upon consideration of the submissions made, observed that merely routing the payment through the RPO account was not the objective of the Commission's Order dated 16.06.2021. The real intent of the Order was to ensure total compliance of the RPO obligations, which the Petitioners have failed to achieve. The Commission also observed that when UPPCL could avail the option of rollover of the obligations or buying RECs then why the Petitioner was so keen on seeking waiver of compliance.
10. The Commission further observed that despite repeated directions from the Commission, the Petitioner has yet not provided sufficient evidence of bonafide attempts to meet the statutory requirements under RPO compliance.
11. The Commission directed the Petitioner to file the compliance affidavit along with their consolidated plan for meeting the RPO targets for the relevant years and if they want to meet it through the purchase of green energy, the action plan for the same shall also be submitted. The counsel for the Petitioner requested for six weeks' time to make the submission. However, the Commission, while allowing the matter to be listed after six weeks, directed the Petitioners to file the affidavit within four weeks.
12. The next date of hearing is scheduled to be held on 23.01.2025.


(Sanjay Kumar Singh)
Member


(Arvind Kumar)
Chairman

Place: Lucknow

Dated: 24.12.2024

