

**BEFORE THE GUJARAT ELECTRICITY REGULATORY COMMISSION  
AT GANDHINAGAR  
PETITION NO      OF 2016**

**IN THE MATTER OF:**

Petition under Section 86(1)(b) and Section 86(1)(e) for Approval of the Long Term Power Purchase Agreement for purchase of solar power in accordance with the Government of Gujarat Scheme dated 24.06.2015

**AND IN THE MATTER OF:**

Paschim Gujarat Vij Company Limited  
Off. Nana Mava Main Road  
Near Bhaktinagar Railway Station  
Laxminagar, Rajkot - 360004  
Gujarat

..Petitioner

versus

Gujarat State Electricity Corporation Limited  
Vidyut Bhavan  
Race Course  
Vadodara - 390007  
Gujarat

..Respondent

**PETITION UNDER SECTION 86(1)(b) AND 86(1)(e) OF THE ELECTRICITY ACT,  
2003**

**MOST RESPECTFULLY SHOWETH:**

1. That the present Petition is being filed for approval of the Power Purchase Agreement entered into by the Petitioner under the Scheme of the Government of Gujarat providing for purchase of electricity from solar power project of 1 MW each which may be established by the generators on experimental basis (research and development) at different load centers. A copy of the Scheme evolved by the Government of Gujarat vide GR No. SLR-11-2015-15-B dated 24.06.2015 is attached hereto and marked as **Annexure A**.
2. The above Scheme has considered the option of distributed solar generation of 1 MW to 4 MW at single locations which could be evacuated and directly distributed through the existing 11 KV networks of the distribution companies. The intention of such generation is to eliminate the cost of setting up EHV sub-stations and transmission system otherwise required for solar parks, thereby reducing the costs of capital investments as well as reducing the transformation and transmission

losses. In this regard, the Government of Gujarat has proposed to set up pilot distributed solar power plant on the Government wastelands or gaucher lands or agricultural lands. The Government had also considered the potential for integrating the power project with production of crops etc on the same land.

3. The Government had decided to set up pilot projects in various locations. The said pilot projects are intended to be for research and development rather than for profit and therefore the Government of Gujarat has proposed the tariff for the solar power at the prevailing Average Pool Purchase Cost (APPC) at the time of commissioning of the Project with escalation of Rs. 0.05 per unit every year for the first 20 years and for the last five years, the tariff to remain constant.
4. Various entities, including the Respondent No. 1, have been designated as Implementing Agency for the pilot project of 1 MW each at various locations within the area of supply of the distribution licensees in State of Gujarat, including the Petitioner. Petitioner entered into PPA with the respondent no. 1 of date 25<sup>th</sup> February, 2016 for 1 MW Capacity each at Sikka TPS & Kutch Lignite TPS.  
Copy of the PPA is attached hereto and marked as **Annexure B**.
5. That the terms and conditions of the PPAs are similar to the other renewable projects with which the licensee enters into the PPA, except for the tariff terms which is as per the Government Resolution dated 24.06.2015.
6. The solar photovoltaic power projects of the Respondent No. 1 have been commissioned as on 2<sup>nd</sup> May, 2016. As on date, the prevailing APPC is Rs. 3.22 per unit in the State. Therefore the tariff for the above project is likely to be Rs. 3.22 per unit and even after escalation, at the end of 20 years, the same would Rs. 4.22 per unit.
7. At present, the Petitioner is procuring solar power from various sources at various tariffs as determined by the Hon'ble Commission from time to time. In the last tariff order dated 17.08.2015, the generic tariff for the solar photovoltaic power plants commissioned during the period from 1<sup>st</sup> April, 2016 to 31<sup>st</sup> March, 2017 has been determined as Rs. 6.3 per unit.



8. It is submitted that the tariff under the PPAs is significantly lower compared to the generic tariff determined for Solar Power Projects. At the same time, the power procured under the said PPA would be considered against the Renewable Purchase Obligation of the Petitioner-licensees. Further since the generation of electricity is to be evacuated at 11 KV level, there is reduced transformation losses and since the power project is close to the load centre, there would be reduced transmission losses.
9. That further the solar power project are being established for research and development purposes and will facilitate effective and economical solar power projects in the future.
10. That the approval of the Hon'ble Commission is sought specifically for the above scheme. The tariff to be paid by the distribution licensees under the above scheme as well as the concessions may be granted by the Government of Gujarat to the generators are restricted to the specific solar power projects being established under the scheme and shall not be available to others.
11. In the circumstances, it is respectfully submitted that the procurement of power by the Petitioner under the scheme will not in any manner adversely affect the consumers. It is rather in the consumer interest as well as in the larger public interest.
12. It is therefore respectfully prayed that this Hon'ble Commission may be pleased to:
  - a. Admit the Petition;
  - b. Approve the Power Purchase Agreements dated 25<sup>th</sup> February, 2016;
  - c. Pass any other order(s) as this Hon'ble Commission may deem just and proper in the circumstances of the case.

DATE: 03.02.2017  
PLACE: RAJKOT

  
PETITIONER  
Chief Engineer  
PGVCL - Corporate Office  
Rajkot.

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..Respondent






### Affidavit verifying the Petition

I, Jasmin Gandhi S/o Shri Jayantilal Gandhi aged 50 years, residing at "Radhe - Krushna", 1, Jasani Park, Behind Racecourse, Rajkot working as Chief Engineer in the Petitioner Company, do hereby solemnly affirm and state as under:-


1. I say that I am the Chief Engineer (R&C) of the Petitioner herein and am competent and duly authorized to swear this present affidavit.
2. I say that I have read the contents of the above Petition filed by the Petitioner and I have understood the contents of the same.
3. I say that the contents of the above Petition are based on information available from the records of the Petitioner maintained in the ordinary course of business and I believe them to be true and correct.
4. I say that the Annexures to the Petition are true and correct copies of their Original.

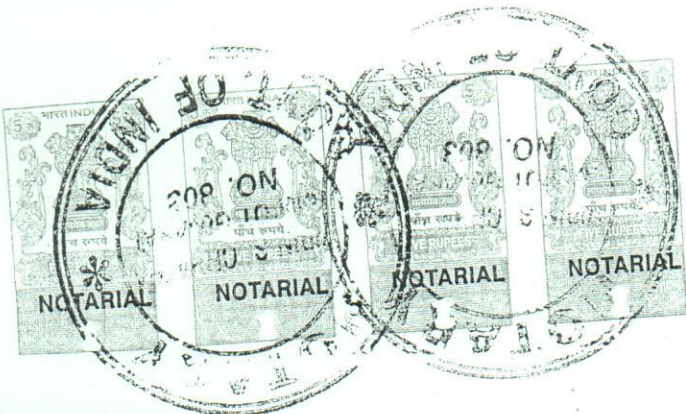
  
**DEPONENT**  
 Chief Engineer  
 PGVCL - Corporate Office  
 Rajkot.

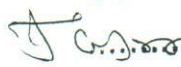
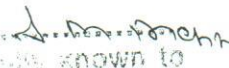
### VERIFICATION

I, the deponent above-named, do hereby verify the contents of the above affidavit to be true to the best of my knowledge and belief and no part of it is false and nothing material has been concealed there from.

Verified at Rajkot on this 3rd day of February 2017.

  
**DEPONENT**  
 Chief Engineer  
 PGVCL - Corporate Office  
 Rajkot.



Solemnly Affirmed before me by  
 Who is  
 identified by Shri.   
 Advocate who is personally known to  
 me on this 3rd Day of Feb 2017

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**NOTARY**