

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 218/GT/2019

Subject: Petition under Section 79(1)(a), 62, 64 of the Electricity Act 2003 read with the Regulations 7,8 and 85 of the CERC (Terms and Conditions for Tariff Determination for renewable energy sources) Regulations 2017 for determination of the project specific tariff.

Petitioner: NLC India Limited

Respondents: Secretary (Power), Andaman & Nicobar Administration

Date of Hearing: **27.7.2021**

Coram: Shri P. K. Pujari, Chairperson
Shri I.S. Jha, Member
Shri Arun Goyal, Member
Shri Pravas Kumar Singh, Member

Parties present: Ms. Anusree Bardhan, Advocate, NLC
Ms. Srishti Khindaria Advocate, NLC
Shri Nambirajan, NLC
Shri Srinivasan, NLC
Shri A.K Sahani, NLC

Record of Proceedings

The case was called out for virtual hearing.

2. During the hearing, the learned counsel for the Petitioner submitted that amended petition has been filed on 14.6.2021 in terms of the liberty granted by the Commission. She circulated note of arguments and made detailed oral submissions in the matter. The learned counsel also brought to the notice of the Commission certain difficulties being faced by the Petitioner in the operation of the solar plant. She submitted that the solar power plant was not allowed to operate at its full capacity and was asked to redesign the BESS logic due to high grid frequency conditions and with no reduction in the power generated by the DG set. The learned counsel for the Petitioner accordingly sought permission of the Commission to place on record the relevant documents in this regard.

3. On a specific query by the Commission for such high grid frequency conditions and whether the DG sets were in operation, the representative of the Petitioner, while affirming that the DG sets were in operation, clarified that the Petitioner had to redesign BESS logic, to curtail active power export from its solar power plant to control grid frequency.

4. None appeared on behalf of the Respondent. The Commission, however, directed that the Respondent shall, during the next hearing, explain the reasons for the



continuous high frequency in the system along with justification, if any, for not backing down DG set after commissioning of the solar project.

5. The Commission directed the Petitioner to submit the following additional information with relevant documents by 27.8.2021, after serving copy to the Respondent;

- i) *Details of the modification in the BESS logic carried out on advice of the Respondent with reasons for the same along with details/reason for high frequency conditions and the DG sets running in the system;*
- ii) *A detailed note on the equity deployed and debt arrangements for the project which lists out the equity deployed by the Petitioner, rate of interest for long term loan as well as working capital, loan tenure, payment terms, moratorium if any etc. along with necessary documents including but not limited to Board Approvals, Loan approval letters, Loan disbursement letter;*
- iii) *Justification with item-wise details of the additional expenditure which is proposed to be incurred in 1st, 2nd & 3rd years after the commissioning of the project along with the payment terms agreed between NLC and EPC Contractor;*
- iv) *Detailed break-up of the battery cost and detailed rationale for replacement cost for battery and detailed note on the methodology for arriving at the battery replacement cost, procedure to be adopted for the replacement of battery and also if the installation and commissioning of the new battery included as part of EPC or O&M Contract;*
- v) *Information along with supporting correspondence for pending tranches of CFA from MNRE and update on increase in total CFA outlay due to the impact of Safeguard Duty.*

6. The Respondent shall file its reply by 9.9.2021, after serving copy to the Petitioner, who may file its rejoinder, if any, by 16.9.2021.

7. The Petition shall be listed for hearing in due course for which separate notice will be issued.

By order of the Commission

Sd/-
(B. Sreekumar)
Joint Chief (Law)

