

**Sub: In the matter of compliance of the Renewable Purchase Obligations**

**ORDER**

**(Date of hearing : 18<sup>th</sup> April, 2017)**

**(Date of order : 26<sup>th</sup> April, 2017)**

MPERC - Petitioner  
M.P. Power Management Co. Ltd., - Respondent  
Shakti Bhawan, Rampur,  
Jabalpur- 482 008

Shri S.K.Nema, DGM appeared on behalf of the respondent.

2. The Commission had notified Madhya Pradesh Electricity Regulatory Commission (Cogeneration and generation of electricity from renewable sources of energy) (Revision-I) Regulations, 2010 on 19.11.2010 specifying the minimum quantum of electricity to be procured by all the Obligated Entities from generators of energy including Co-generation from renewable sources of energy expressed as percentage of their total annual procurement of energy. The targets during the following financial years till 2016-17 are as under:

Financial Year	Cogeneration and other Renewable Sources of Energy		
	<i>Solar (%)</i>	<i>Non Solar (%)</i>	<i>Total (%)</i>
2010–11	—	0.80	0.80
2011–12	0.40	2.10	2.50
2012–13	0.60	3.40	4.00
2013–14	0.80	4.70	5.50
2014–15	1.00	6.00	7.00
2015–16	1.00	6.00	7.00
2016–17	1.25	6.50	7.75

3. During the review of achievements made till the FY 2015-16 under Suo-Motu Petition No. 43/2015, it was noted that the achievements were not in line with the target fixed. The Commission, therefore, had decided to monitor the progress from time to time during the FY 2016-17 so that target could be achieved. A Suo-Motu Petition bearing no. 59/2016 was

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registered on the above subject and listed for hearing on 22.11.2016.

4. During the hearing on 22.11.2016, the respondent had stated that looking to the progress achieved so far the RPO during the FY 2016-17 could be achieved. During the hearing, the Commission asked the respondent regarding status and reasons for the pending PPAs with them. The respondent could not reply as to why the PPAs are kept pending for finalization. The Commission had noted that the progress submitted was misleading. The Commission had not fixed the RPO on monthly basis. The target was given based on estimated power procurement during the FY 2016-17 and hence the progress achieved should have been submitted up to the month of reporting against the total target. The Commission, therefore, directed the respondent to file the progress in respect of Non-solar and Solar RPO during the FY 2016-17 accordingly. The Commission also directed the respondent to submit a list of PPAs pending in respect of WEGs, Bioamss and Bagasse based power projects for execution/finalization along with period and reasons of pending with the respondent. The next date of hearing was fixed for 24.01.2017.

5. During the hearing on 24.01.2017, the respondent has submitted the progress on the achievements against the Renewable Purchase Obligations during the FY 2016-17 till 31.12.2016 and stated that looking to the progress achieved so far, the RPO towards solar power during the FY 2016-17, could be achieved. During the hearing, the Commission asked the respondent regarding reasons for the pending PPAs with them. The respondent could not reply adequately as to why the PPAs are kept pending for finalization even for the WEG projects already commissioned long back. The Commission, therefore, directed the respondent to submit the desired information along with the latest progress in respect of Non-solar and Solar RPO during the FY 2016-17. The next date of hearing was fixed for 07.03.2017, which was adjourned to 21.03.2017.

6. During the hearing on 21.03.2017, the respondent had submitted the progress on the achievements against the Renewable Purchase Obligations during the FY 2016-17 till 28.02.2017 and stated that looking the progress achieved so far, the RPO towards solar power during the FY 2016-17, could be achieved more than the target fixed and for non-solar, the achievement could be about 95% of the target fixed. The Commission has noted that the respondent has not submitted the reasons for the PPAs pending for finalization of 36 MW WEG projects already commissioned long back. The Commission, therefore, directed the respondent to submit the

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desired information along with the latest progress in respect of Non-solar and Solar RPO during the FY 2016-17. The next date of hearing was fixed for 18.04.2017.

7. During the hearing on 18.04.2017, the respondent has submitted the progress on the achievements against the Renewable Purchase Obligations during the FY 2016-17 till 31.03.2017 along with the relevant details of PPAs executed/pending.

8. Having heard the respondent and on considering their written submissions, the Commission has noted that during FY 2016-17, the achievement was more than the target in respect of Solar category, but against Non-Solar category, the Renewable Purchase Obligations could be met about 92.5% of the target. However, the overall achievement is about 96% of the total target. The Commission, therefore, directs the respondent to make all out efforts to ensure that the Renewable Purchase Obligations for the future financial years be also complied with.

9. In view of the above, this Suo Motu Petition No. 59/2016 stands disposed of.

Ordered accordingly.

**(Alok Gupta)**  
**Member**

**(A.B. Bajpai)**  
**Member**

**(Dr. Dev Raj Birdi)**  
**Chairman**

**Sub: Petition under Section 94(1)(f) of the Electricity Act, 2003 read with Regulation 10 of MPERC (Conduct of Business) Regulations, 2010 for review of order dated 26<sup>th</sup> April, 2017 passed by the Commission in SMP No. 59/2016.**

**ORDER**

**(Date of hearing: 22<sup>nd</sup> August,2017)**

**(Date of order: 24<sup>th</sup> August,2017)**

M. P. Power Management Co. Ltd.,  
Block No. 11, 3<sup>rd</sup> Floor, Shakti Bhawan,  
Rampur, Jabalpur- 482008

- Petitioner

Shri Manoj Dubey, Advisor (Law) of the company appeared on behalf of the petitioner.

2. The petitioner, M.P. Power Management Co. Ltd. has filed this petition under Section 94(1) (f) of the Electricity Act, 2003 read with Regulation 10 of MPERC (Conduct of Business) Regulations, 2010 seeking review of order dated 26<sup>th</sup> April, 2017 passed by the Commission in SMP No. 59/2016. In its petition, the petitioner mainly prayed as under:

“In the facts and circumstances of the case, the Commission may be pleased to review the impugned order dated 26<sup>th</sup> April, 2017 passed in SMP No. 59/2016, in so far it pertains to RPO achievement of Solar and Non- Solar category during 2016-17, which will be more than 100% as per proposed sixth amendment to the said Regulations, to meet the ends of justice.”

3. The case was listed for motion hearing on 22.08.2017. During the motion hearing, the petitioner stated that the paras 7 & 8 of the impugned order dated 26<sup>th</sup> April, 2017 in SMP-59/2016 provide as under:

“7. During the hearing on 18.04.2017, the respondent has submitted the progress on the achievements against the Renewable Purchase Obligations during the FY 2016-17 till 31.03.2017 along with the relevant details of PPAs executed/pending.

8. Having heard the respondent and on considering their written submissions, the Commission has noted that during FY 2016-17, the achievement was more than the target in respect of Solar category, but against Non-Solar category, the Renewable Purchase Obligations could be met about 92.5% of the target. However, the overall

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achievement is about 96% of the total target. The Commission, therefore, directs the respondent to make all out efforts to ensure that the Renewable Purchase Obligations for the future financial years be also complied with.”

The petitioner further stated that as per clause 6.4 (1) (i) of the Tariff Policy, 2016, Hydro Power is to be excluded for working out the Renewable Purchase Obligations as a percentage of total consumption of energy. Accordingly, the achievements for the financial year 2016-17 have been worked out as 138% and 109% of the targets for Solar and Non-Solar respectively. Therefore, the review of the impugned order dated 26<sup>th</sup> April, 2017 is requested.

4. Having heard the petitioner and on considering the written submissions, the Commission has observed that the petitioner has filed this review petition with a new fact which was not come up before the Commission earlier during the hearings in SMP-59/2016. Therefore, the Commission is of the view that there is a sufficient ground to review the order dated 26.04.2017 passed by the Commission in SMP-59/2016 so far as it relates to the achievements of the targets fixed for the financial year 2016-17 towards Renewable Purchase Obligations. The Commission after reviewing the progress and the provisions of the Tariff Policy, 2016 noted that the achievements towards the Renewable Purchase Obligations for the financial year 2016-17 by the petitioner may be considered as more than the targets fixed for Non-solar and solar categories separately. The Commission further directs the respondent to make all out efforts to ensure that the Renewable Purchase Obligations for the future financial years be also complied with.

5. In view of the above, the petition no. 35 of 2017 stands disposed of.

Ordered accordingly.

**(Alok Gupta)**  
Member

**(A.B.Bajpai)**  
Member

**(Dr. Dev Raj Birdi)**  
Chairman