



ANDHRA PRADESH ELECTRICITY REGULATORY COMMISSION
4th Floor, Singareni Bhavan, Red Hills, Hyderabad 500 004

SATURDAY, THE FIFTH DAY OF OCTOBER
TWO THOUSAND AND NINETEEN

:Present:

Justice G. Bhavani Prasad, Chairman
Dr. P. Raghu, Member
Sri P. Rama Mohan, Member

Public hearing in the matter of approval of Power Sale Agreement (PSA) signed by APDISCOMs with M/s. NTPC and regulation of price under Section 86 (1) (b) of the Electricity Act, 2003 for purchase of power from 750 MW (Phase - II) Solar Park at NP Kunta, Anantapur District

Public hearing in the matter of approval of Power Sale Agreement (PSA) signed by APDISCOMs with M/s. SECI and regulation of price under Section 86 (1) (b) of the Electricity Act, 2003 for purchase of power from 750 MW Kadapa Ultra Mega Solar Park

Public hearing in the matter of approval of Power Sale Agreement (PSA) signed by APDISCOMs with M/s. NTPC on 11-12-2017 and adoption of tariff under Section 63 of the Electricity Act, 2003 for purchase of 250 MW Solar Power from Kadapa Solar Park under NSM Phase-II, Batch-II, Tranche-I.

All these matters have come up for hearing finally on 28-09-2019, in the presence of (1) Sri P. Shiva Rao, learned Standing Counsel for the utilities and Sri Hemant Sahai, learned counsel for (i) Ayana Ananthapuramu Solar Power Private Limited (ii) Sprng Anitra Private Limited and (iii) SB Energy Solar Private Limited (2) Sri P. Shiva Rao, learned Standing Counsel for the utilities, Sri M.G. Ramachandran, learned Senior Counsel & Ms. Poorva Saigal, learned counsel for Solar Energy Corporation of India Limited (for short "SECI") and Sri Hemant Sahai, learned counsel for (i) Ayana Ananthapuramu Solar Power Private Limited (ii) Sprng Anitra Private Limited and (iii) SB Energy Solar Private Limited & (3) Sri P. Shiva Rao, learned Standing Counsel for the utilities. After carefully considering the material available on record and after hearing the arguments of the learned counsel, the Commission passed the following:

COMMON ORDER

This Common Order arises out of public hearings in the matters of approval of Power Sale Agreements signed by AP Discoms with M/s. NTPC and M/s. SECI respectively and regulation of price thereunder under Section 86 (1) (b) of the Electricity Act, 2003 and adoption of tariff under Section 63 of the Electricity Act, 2003 in respect of purchase of solar power of 750 MW of Phase-II Solar Park at N.P. Kunta, Anantapur District, 250 MW of Phase-II, Batch-II, Tranche-I of NSM of Kadapa Solar Park and 750 MW of Kadapa Ultra Mega Solar Park respectively.

2. The Southern Power Distribution Company of Andhra Pradesh Limited requested for grant of approval for the long term Power Sale Agreements signed by AP Discoms with M/s. NTPC on 04-06-2018 with two supplementary Power Sale Amendment Agreements dated 26-03-2019 and 01-05-2019 respectively concerning purchase of solar power generated from Phase-II 750 MW Solar Park at N.P. Kunta, Anantapur District under the scheme of Jawaharlal Nehru National Solar Mission of Government of India at a tariff of Rs.2.72 kWh for 250 MW and Rs.2.73 kWh for 500 MW in addition to a trading margin of 7 paise kWh. The Southern Power Distribution Company of Andhra Pradesh Limited was requesting for such procurement of solar power from 02-02-2018 and the Power Sale Agreements, make it a condition precedent that they shall be approved by the Commission including by adopting the tariff and trading margin of M/s. NTPC within two months of the effective date. While the Commission issued a public notice on 23-03-2019 calling for views, comments and suggestions by interested persons / stakeholders on or before 15-04-2019, Sri M. Venugopala Rao, Senior Journalist & Convener, Centre for Power Studies and Sri A. Punna Rao, learned objectors submitted their points for consideration dated

15-04-2019 for which the Southern Power Distribution Company of Andhra Pradesh Limited submitted its replies on 03-05-2019.

3. The Southern Power Distribution Company of Andhra Pradesh Limited through communications ending with a letter dated 24-11-2018 sought for approval of the Commission for the long term PSA signed by AP Discoms with M/s. NTPC on 11-12-2017 for purchase of 250 MW bundled power under NSM Phase-II, Batch-II, Tranche-I. The NTPC entered into a PPA with M/s. Solairepro Urja Private Limited on 07-02-2018 on allocation of thermal power by the Ministry of Power, Government of India from the unallocated quota of NTPC thermal power stations. The effective tariff after bundling of thermal power with solar power will be submitted to the Commission and in case the cost of bundled power exceeds the agreed solar tariff of power, AP Discoms have the right to surrender the thermal power at any point of time during the tenure of the PPA. The details of all the projects covered by 3250 MW capacity were indicated in the Load Forecast, Resource Plan and State Electricity plan submitted to the Commission in August, 2017 and Wind and Solar Policies of the State Government also envisaged the procurement of 250 MW solar power in the 4th control period. The solar tariff of Rs.3.15 ps per unit discovered through competitive bidding by NTPC for 250 MW Kadapa Solar Park is the lowest tariff and the tariff may further reduce due to bundling of thermal power with solar power. Hence, the request. The Commission issued a public notice dated 23-03-2018 inviting comments / views / suggestions from all interested persons / stakeholders and Sri M. Venugopala Rao and Sri A. Punna Rao furnished detailed points for consideration on 09-04-2019 and 18-04-2019. The Southern Power Distribution Company of Andhra Pradesh Limited submitted detailed replies for the same.

4. The Southern Power Distribution Company of Andhra Pradesh Limited by a letter dated 02-02-2018 requested for grant of approval for procurement of solar power by AP Discoms from NTPC from the proposed 750 MW (Phase-II) solar park at N.P Kunta, Anantapur District and from SECI from the proposed 750 MW solar park at Kadapa Ultra Mega Solar Park. The Solar Policy, 2015 of the Government of Andhra Pradesh was claimed to have led to the AP Discoms entering into PPAs for a capacity of 690 MU with the consent of the Commission. Subsequent approval by the MNRE, Government of India by utilizing the total capacity of 4000 MW of solar power from 4 solar parks was referred to on which the AP Discoms entered into PSAs/PPAs with NTPC / SECI / Genco for purchase of 250 MW for NTPC approved by the Commission, 1000 MW from NTPC, 500 MW from SECI, 400 MW with AP Genco and 250 MW from NTPC respectively. The present solar tariffs are stated to be between Rs.2.44 to Rs.3.00 per unit. The Government of Andhra Pradesh by letters dated 05-12-2017 gave permission to NTPC and SECI to initiate tendering process for balance 750 MW each at Anantapur and Kadapa districts and to proceed with the discovered tariff, if lower than the ceiling tariff of Rs.3.00 per kWh. The SECI and NTPC shall follow the MOP notified guidelines for tariff based competitive bidding process for procurement of solar power from grid connected solar. Hence, the request for permission. The Commission issued a public notice on 23-03-2018 inviting comments / suggestions from all interested persons / stakeholders regarding the approval of the PSAs each for 250 MW signed by AP Discoms with SECI on 27-07-2018 and regulation of price for purchase of solar power generated from the proposed 750 MW Kadapa Ultra Mega Solar Park under Section 86 (1) (b) of the Electricity Act, 2003. The tariff realized after reverse auction is stated to be Rs.2.20 per unit for 500 MW and Rs.2.71 per unit for 250 MW and accordingly PSAs were

entered into. Bidding was held as per standard bidding guidelines issued by MOP. This project was included in the resource plan for 4th and 5th control periods. Sri M. Venogopala Rao and Sri A. Punna Rao submitted their detailed views in response to the public notice and the AP Discoms filed detailed replies to the objections filed by them.

5. In the meanwhile, Sri P. Shiva Rao, learned Standing Counsel for the utilities sought for time for getting instructions from the State Government and M/s. SB Energy Solar Private Limited, M/s. Sprng Anitra Private Limited & M/s. Ayana Ananthapuramu Solar Power Private Limited filed affidavits before the Commission on 03-08-2019 to dispense with the process of public hearing and expedite the adoption of tariff. While so, Sri P. Shiva Rao, learned Standing Counsel for the utilities reported on 24-08-2019 that he received instructions from the State Government not to proceed further with the petitions filed by the Southern Power Distribution Company of Andhra Pradesh Limited. In the meantime, the orders of the Hon'ble Appellate Tribunal for Electricity dated 29-08-2019 passed in I.A.No.1423 of 2019 and other Interlocutory Applications pending before it were received by the Commission in which the Hon'ble Appellate Tribunal for Electricity referred to the earlier directions granted on 29-07-2019 in I.A.No.1412 of 2019 in DFR No.2222 of 2019 and issued directions against the respondent/Discom and the State Regulatory Commission not to initiate any precipitative / coercive action against the petitioner / Sprang Soura Kiran Vidyut Private Limited including cancellation or termination or deemed / automatic termination of PPA and PSA till such time, AP State Regulatory Commission decides / issues order pertaining to adoption of tariff, trading margin and approval of procurement of contracted capacity. The Hon'ble Appellate Tribunal

further directed on 29-08-2019 that if the PSA read with PPA is pending for consideration before the Commission in terms of Section 86 (1) (b), the proceedings have to be taken by the respondent Commission in accordance with Act and the Regulations with reference to settled law pertaining to competitive bidding process under Section 63 of the Electricity Act, 2003. The Hon'ble Appellate Tribunal further directed that the Commission shall not permit the respondent/Discom to withdraw the petition at this stage and the Commission shall not hold public hearings since proceedings pertain to adoption of tariff in a competitive bidding process. In its further directions on 16-09-2019, the Hon'ble Appellate Tribunal for Electricity made it clear that the Commission should proceed with the Petitions (Public hearing in the matter of approval of Power Sale Agreement (PSA) signed by APDISCOMS with M/s. NTPC and regulation of price under Section 86 (1) (b) of the Electricity Act, 2003 for purchase of power from 750 MW (Phase-II) Solar Park at NP Kunta, Anantapur District) and (Public hearing in the matter of approval of Power Sale Agreement (PSA) signed by APDISCOMSs with M/s. SECI and regulation of price under Section 86 (1) (b) of the Electricity Act, 2003 for purchase of power from 750 MW Kadapa Ultra Mega Solar Park) disposing of proceedings pending before them based on the letters issued by Respondent/DISCOM on merits and those orders which shall be passed will be subject to orders of the Hon'ble Appellate Tribunal in the appeal, as expeditiously as possible but not later than 05-10-2019. In obedience to the directions of the Hon'ble Appellate Tribunal for Electricity, the matter was heard on 28-09-2019.

6. In the identical objections raised by Sri M. Venugopala Rao and Sri A. Punna Rao, learned objectors, it was stated, while referring to the chronology of events and

the contents of the documents, that there is no need of this power to the Discoms to fulfill Renewable Power Purchase Obligations as the Discoms have already exceeded their Renewable Power Purchase Obligations and will continue to fulfill or exceed the same during the 4th control period. M/s. NTPC by terms of the agreements shirked its responsibility to perform its obligations between itself and the Solar Power Developers saddling the Discoms with the responsibility of performing the obligations of M/s. NTPC. M/s. NTPC while claiming payment of trading margin of 7 paise per kWh from the Discoms as an intermediary relieves itself of any legal obligations to pay any liquidated damages unless it recovers any amount towards the same from the Solar Power Developers. The agreement should provide for a binding obligation of M/s. NTPC to pay liquidated damages within the specified time limits. M/s. NTPC should subject itself to the same terms and conditions to which it subjected the Solar Power Developers. The tariffs and the trading margin proposed are much more than the lowest price of Rs.2.44 ps discovered elsewhere through competitive bidding for solar power and evacuation through a 220 KV substation, results in higher transmission charges and losses compared to evacuation from 33 KV substation. Hence, trading margin be reduced to 2 paise per kWh, if not totally eliminated. The Retail Tariff Order of 2019-20 of the Commission estimated the surplus power availability at 2739.98 MU and during the 4th control period, there is much higher availability. The availability of power from HNPCL and Simhapuri have to be considered in view of the orders of this Commission in the Tariff Order of 2019-20 about deemed inclusion of HNPCL to the extent of compliance with the interim orders of the Hon'ble Appellate Tribunal for Electricity dated 31-05-2018 in E.P.No.3 of 2018 and the directions of the Commission dated 14-08-2018. The learned objectors opined from the various circumstances stated by them that the

entire process was manipulatory for selecting Simhapuri to do undue favour to the private developers at the cost of the consumers of power. They calculated the availability of power for the 4th control period including from HNPCL and Simhapuri and also took into account the decision of the central cabinet to include hydel power in NCE. Obviously, the Discoms will continue to far exceed their obligation of Renewable Power Purchase. It is intriguing that the Commission did not issue any public notice on the PPA between the Discoms and Simhapuri since 2016 and in view of the availability of abnormal surplus and the avoidable burden to pay fixed charges for backing down the surplus which cannot be sold, there is need to reduce the obligations of the Discoms by not giving consents to the Power Purchase Agreements. Purchasing the proposed solar power increases the availability of unwarranted surplus power compelling backing down and payment of fixed charges for the same at a significant level. The Discoms failed herein to establish the need for purchasing any solar power from NTPC and on merits, there is no justification for imposing additional burden of the proposed power backing down thermal power from AP Genco. Solar power cannot meet peak demand. Therefore, the learned objectors requested for rejection of consent to the subject PSAs while the Discoms did not provide the information sought for by the Commission on the details of backing down and fixed cost during the earlier years. The learned objectors stated that if in spite of irrefutable evidence and justification for rejection of consent to the subject PSAs, the Commission still wants to give consent with disastrous consequences, they requested the Commission to get amendments to the PSAs suggested by them. They referred to Telangana Electricity Regulatory Commission's order in O.P.No.10 of 2016 dated 30-07-2016 in which most of their submissions were considered and the Discoms were directed to negotiate with NTPC to amend the clauses. They

hailed the TSERC for showing professional integrity, intellectual honesty and moral courage in directing the Discoms to amend the PPA with NTPC.

7. The Southern Power Distribution Company of Andhra Pradesh Limited in its replies to the objections sought for approval of the Power Sale Agreements and regulation of price for purchase of solar power respectively in the three cases and the Power Sale Agreements were entered into for the tariffs received through competitive bidding process in order to reach the targets set by the Government of India and the Government of Andhra Pradesh in the solar power policy. The PSAs are as per the model Power Supply Agreements approved and issued by the Ministry of Power subject to the approval of the Commission and M/s. NTPC and SECI are only intermediary agencies between the solar power developers and AP Discoms. In case of liquidated damages for delay in commissioning, penalty is collected by the Central Government agencies M/s. NTPC and SECI and passed on to AP Discoms. In case of default by the solar power developers, M/s. NTPC and M/s. SECI can encash the performance bank guarantee and pass on to AP Discoms. The tariff discovered through a bidding process depends upon various factors such as solar radiation at a particular site, infrastructure development, cost of land, logistics, cost of funding, prevailing prices of solar cells / modules at a particular time, transmission charges, counter party risk, related policies of the State Government etc. The tariff discovered for a particular project through competitive bidding process cannot be compared with the tariffs determined for any other projects. The tariff at Rs.2.44 kWh discovered in Rajasthan cannot be compared with Andhra Pradesh due to different parameters like the CUF in Rajasthan being 26.5% and in Andhra Pradesh , the same being 25%. The solar prices are dynamic

in nature and the lowest rate cannot be treated as a benchmark for the other bids. While the discovered tariffs are different in different States as specified, the trading margin of 7 paise as fixed by MNRE is adopted as standard by all the State utilities. The procurement of this solar power is necessary not only to encourage green energy and reduce the emission of greenhouse gases, but also to replace high cost conventional day power with low cost solar power. The AP Discoms sold RE power to various utilities to an extent of Rs.430 crores in 2017-18 and anticipate the same sales for 2018-19. The AP Discoms also sold RE certificates worth Rs.220 crores in March and April, 2019. Backing down costly power is huge cost savings for AP Discoms and AP Discoms have no PPA with Simhapuri. The availability of power from HNPCL is considered in the latest Resource Plan and the Resource Plan and the State Electricity Plan submitted to the Commission took up the project capacities as per State Government policy. Only when there are deviations in the draft PPAs, public hearing will be held. The tariff for solar power has no fixed cost liability in case of backing down due to grid exigencies and even variable cost of thermal power is more than the tariff for solar power resulting in huge savings in power purchase. The solar power developers already made investments and the projects are likely to be commissioned as per the schedule. Hence, it was requested for the benefits be passed on to the consumers which is the prime object of the learned objectors.

8. M/s.SB Energy Solar Private Limited, M/s. Sprng Agnitra Private Limited and M/s. Aayana Ananthapuramu Solar Private Limited filed affidavits in the matters of public hearing relating to NTPC and SECI narrating the chronology of events leading to the requests for procurement of solar power under the Power Sale Agreements,

communications between the Commission and the AP Discoms, the notices of public hearing on the adoption of tariff proceedings and the dates of hearing etc. They also referred to the interim order by the Hon'ble Appellate Tribunal for Electricity not to initiate any precipitative or coercive action against the petitioner generators including cancellation or termination or deemed / automatic termination of PPA / PSA till such time APERC decides / issues order pertaining to adoption of tariff, trading margin and approval of procurement of contracted capacity. While giving the legal frame work of Electricity Act, 2003, the generators sought to contend that the adoption process is a mere formality in the facts and circumstances of the present case and there is no requirement of public hearing during adoption of tariff under Section 63. They also relied on *doctrine of legitimate expectation* and *doctrine of promissory estoppel* to adopt the tariff including trading margin and ratify the power procurement capacity expeditiously without recourse to any public hearings or other procedural delays.

9. Written Submissions are filed before the Commission on behalf of AP Discoms, NTPC, SECI and the generating companies apart from the other documents filed during the course of hearing and elaborate oral submissions were made by the learned Standing Counsel for the AP Discoms, learned Senior Counsel for SECI and learned counsel for the intervening solar power developers.

10. The point for consideration is whether the procurement of solar power of 750, 750 and 250 MW from NTPC, SECI and NTPC respectively has to be approved and permitted at the tariff discovered through competitive bidding process for the use of the AP Discoms ?

11. When Ayana Ananthapuramu Solar Private Limited, one of the solar power developers approached the Hon'ble Appellate Tribunal for Electricity, directions were given on 29-07-2019 in I.A.No.1412 of 2019 in DFR 2222 of 2019 referring to the contents of the Power Sale Agreements and Power Purchase Agreements under the scheme for procurement of 750 MW each by the NTPC and SECI, successful bidders responding to the bids investing substantial amounts, agreements entered between the intermediary agencies NTPC and SECI and the generators and also between the intermediary agencies and the Discoms. The obligation of the Discoms to approach this Commission for adoption of tariff and trading margin and approval of procurement of contracted capacity and the Discoms accordingly approaching the Commission were noted and an ex parte ad interim injunction against the Discoms and this Commission not to initiate any precipitative / coercive action against the petitioner including cancellation or termination or deemed / automatic termination of PPA and PSA till such time this Commission decides / issues order pertaining to adoption of tariff and trading margin and approval of procurement of contracted capacity. In its further orders dated 29-08-2019, the Hon'ble Appellate Tribunal for Electricity noted the chronology of events and opined that PSA read with PPA is pending consideration before this Commission in terms of Section 86 (1) (b). The proceedings have to be taken up by this Commission in accordance with the Act and Regulations with reference to settled law pertaining to competitive bidding process under Section 63 of the Electricity Act, 2003. This Commission was specifically directed not to permit the respondent/Discoms to withdraw the said petition at this stage and also not to hold public hearing. As such, till determination of matters now pending before this Commission in any public hearing relating to NTPC and SECI,

no precipitative or coercive action can be taken including cancellation or termination or deemed / automatic termination of PPA and PSA and the AP Discoms cannot be permitted to withdraw their request for approval of the procurement process and the regulation of the price including trading margin. The directions of the Hon'ble Appellate Tribunal for Electricity clearly mandated this Commission to take the matters to their logical conclusion on merits in accordance with law and the final directions given by the Hon'ble Appellate Tribunal for Electricity on 16-09-2019 make it clear that this Commission should proceed with the petitions under Section 86 (1) (b) of the Electricity Act, 2003 disposing of the proceedings pending before it based on the letters issued by the Discoms on merits. The present consideration is thus in faithful compliance with the binding directions of the Hon'ble Appellate Tribunal for Electricity in letter and spirit.

12. Sri Hemant Sahai, learned counsel for the Solar Power Developers referred to the principles upheld by the Hon'ble Supreme Court and the Hon'ble Appellate Tribunal for Electricity. He referred to *Energy Watchdog Vs CERC (2017) 14 SCC 80* wherein the Hon'ble Supreme Court construed Section 63 of the Electricity Act, 2003 as providing for adoption of tariff, which has been determined through a transparent process of bidding in accordance with the guidelines issued by the Central Government and held that the appropriate Commission certainly has consideration to look into whether the tariff determined through the process of bidding accords with guidelines issued by the Central Government on 19-01-2005. The Hon'ble Supreme Court pointed out that the regulatory power under Section 79 (1)/Section 86 (1) is a general one and it is very difficult to state that when the Commission adopts tariff under Section 63, it functions *dehors* its general regulatory power. The power to regulate was held to include the power to determine or adopt tariff.

13. In Appeal Nos.235 of 2015 and 191 of 2015 before the Hon'ble Appellate Tribunal for Electricity decided on 02-02-2018, the Hon'ble Appellate Tribunal for Electricity referred to the statutory framework covering procurement of power by transparent competitive bidding process under the Electricity Act, 2003 comprising of Section 63, Government of India guidelines notified on 19-01-2005 under Section 63 for determination of tariff by bidding process for procurement of power by distribution licensees and the standard documents for request for proposal and PPA notified by the Central Government adopted without any modification. The Hon'ble Appellate Tribunal for Electricity noted that Section 63 starting with a non-obstante clause excludes tariff determination powers of the State Commission under Section 62 of the Act. The Government of India guidelines were noted to contain the mandate to safeguard the consumer interest as well as to encourage competition, efficiency and economical use of the resources. The stated objects of the Government of India guidelines are to strike a balance between transparency, fairness, consumer interest and viability. The Hon'ble Appellate Tribunal for Electricity was emphatic that adoption of tariff duly discovered by competitive bidding governed by Section 63 is a statutory duty of the appropriate Commission with no discretion left in the matter. The Hon'ble Appellate Tribunal for Electricity also held that in the process of adoption of tariff under Section 63, the Commission cannot entertain any fresh deviation to the bidding documents viz., reduction in the capacity etc., which stand approved by it before the beginning of the bid process. The Hon'ble Appellate Tribunal for Electricity referred to its earlier decision in Appeal No.44 of 2010 and in the case before it, held that it is not open for the procurer or a State Commission to reduce procurement of power stipulated in the bidding documents and PPA already

executed between the parties, once the petition has been filed on the recommendation of the evaluation committee seeking for the adoption of tariff after it is discovered. This decision of the Hon'ble Appellate Tribunal for Electricity was upheld by the Hon'ble Supreme Court in C.A.Nos.2502-03 of 2018 etc., by an order dated 25-04-2018. In Essar Power Limited Vs Uttar Pradesh Electricity Regulatory Commission and another, the Hon'ble Appellate Tribunal for Electricity by a judgment dated 16-02-2011, explained in detail the scope of power to be exercised and the method of procedure to be followed by the State Commission under Section 63 and observed that the powers of the State Commission are limited under Section 63 of the Act. In Madhya Pradesh Power Trading Company Limited Vs Madhya Pradesh Electricity Regulatory Commission and others in Appeal No.44 of 2010 decided on 06-05-2010, the Hon'ble Appellate Tribunal for Electricity pointed out that the State Commission shall have a limited jurisdiction under Section 63 in as much as the words "shall approve and adopt" used in the provision would clearly show that the role of the State Commission in determination of tariff is not like that of Section 62 but is so limited. Other technical objects were held not to stand in the way of the mandatory duty of the Commission for granting approval. When requirements of Section 63 have been met, powers have been given to the State Commission for according approval even in the case of deviation from guidelines as provided in the guidelines themselves. The State Commissions were cautioned to act within the ambit of Section 63 and should not go beyond as it is neither an Inquiry Commission nor a Vigilance Commission.

14. Sri Hemant Sahai, learned counsel also relied on the order of this Commission dated 04-06-2016 in O.P.No.26 of 2015 between Southern Power Distribution Company of Andhra Pradesh Limited and another Vs M/s. National

Thermal Power Corporation Limited and another. This Commission approved and consented to the PPAs between APSPDCL and APEPDCL on the one hand and M/s. NTPC and another on the other hand dated 24-04-2015 subject to three conditions specified by it in the order and the PPA was in respect of 250 MW (Stage-I) Solar Park at N.P. Kunta, Anantapur District and the learned counsel specifically relied on the consent and the approval being linked to the proposed bundling of 750 MW of solar power to be generated from Stage-II of the project and 1068 MW of thermal power to be developed from Ramagundam thermal power station making the effective power purchase cost less and contending that the discovered tariff herein being much below the power purchase price conceived therein, the capacity of Phase-II Ananthapuramu solar park of 750 MW and similarly placed Kadapa solar park should be deemed to be approved.

15. Under Section 86 (1) (b) of the Electricity Act, 2003, the State Regulatory Commission regulates electricity purchase and procurement process of distribution licensees including the price at which electricity shall be procured from the generating companies or licensees or from other sources through agreements for purchase of power for distribution and supply within the State. In discharge of its functions prescribed by Section 86, sub-Section (4) thereof mandates that the State Commission shall be guided by the National Electricity Plan and Tariff Policy published under Section 3. Section 86 (1) (e) of the Electricity Act, 2003 makes it a function of a State Regulatory Commission, promotion of cogeneration and generation of electricity from renewable sources of energy by providing suitable measures for connectivity with the grid and sale of electricity to any person and also specify, for purchase of electricity from such sources, a percentage of the total

consumption of electricity in the area of a distribution licensee. Section 61 (h) of the Electricity Act, 2003 also states that the appropriate Commission shall specify the terms and conditions for the determination of tariff subject to the provisions of the Act and shall be guided by the promotion of cogeneration and generation of electricity from renewable sources of energy and also the National Electricity Policy and the Tariff Policy. The preamble of the Electricity Act, 2003 also shows that the Act was intended to promote efficient and environmentally benign policies. The National Electricity Policy notified on 12-02-2005, in 5.12 dealing with Cogeneration and Non-Conventional Energy Sources noted the urgent need to promote generation of electricity based on Non-Conventional sources of energy being the most environment friendly. Adequate promotional measures were directed to be taken for development of technologies and a sustained growth of these sources. The State Commissions were also directed to determine an appropriate differential in prices to promote the Non-Conventional technologies, as it will take some time before they compete in terms of cost with conventional sources. Similarly, the National Tariff Policy, 2006 notified on 06-01-2006, in 6.4 also directed that procurement by distribution licensees shall be done at preferential tariffs determined by the appropriate Commission, as it will take some time before Non-Conventional technologies can compete with conventional sources in terms of cost of electricity. The policy also directed that such procurement shall be done as far as possible through a competitive bidding process under Section 63 of the Act and the Central Commission was directed to lay down guidelines to be followed in cases where such procurement is not through competitive bidding. The National Tariff Policy, 2016 notified on 28-01-2016 directed in 6.4 that the long term growth trajectory of Renewable Purchase Obligations will be prescribed by the Ministry of Power in

consultation with MNRE. The renewable energy produced by each generator was also proposed to be bundled with thermal generation for the purpose of sale. The guidelines of the Policy detailed the various ways in which renewable energy has to be encouraged. The statutory nature of these Policies were recognized by the Hon'ble Supreme Court also in Energy Watchdog Vs Central Electricity Regulatory Commission **(2007) 14 SCC 80** and the Policies were held to have the force of law. The State Government of Andhra Pradesh also notified its Solar Power Policy, 2015 on 12-02-2015 and Solar Power Policy, 2018 on 03-01-2019. The 2015 Policy prescribed the manner in which Solar Parks have to be developed by the State Government with building of the necessary infrastructure and the State Government undertook to develop 4000 MW capacity Solar Parks initially under the Solar Policy, 2018. The Government of India through MNRE notified the guidelines for development of Solar Parks in February, 2016 and Ananthapuramu-I & II, Kurnool and Kadapa Solar Parks with a total capacity of 4000 MW were noted to have received the consent from the State of Andhra Pradesh and the determination of tariff by the appropriate Commission is prescribed to be in two ways under Section 62 and Section 63 respectively and Section 63 of the Electricity Act, 2003 starts with a non-obstante clause against anything contained in Section 62 and it mandates that the appropriate Commission shall adopt the tariff if such tariff has been determined through transparent process of bidding in accordance with the guidelines issued by the Central Government.

16. The present consideration has to be guided by the above referred to statutory provisions, statutory polices and binding precedents.

17. In O.P.No.26 of 2015 on the file of this Commission, the long term PPA dated 24-04-2015 between the AP discoms and NTPC was under consideration to regulate

the price in respect of purchase of solar power from the proposed 250 MW Stage-I Solar Park at N.P. Kunta, Anantapur District.

18. NTPC and SECI are intermediary nodal agencies of the Government of India and they have interstate trading licenses issued by the Central Electricity Regulatory Commission in terms of Rule 9 of the Electricity Rules, 2005 and they rely on Section 79 (1) of the Electricity Act, 2003 and Rule 8 of the Electricity Rules, 2005 to contend that their tariff is determined by the Central Commission and cannot be re-determined by the State Commission, more so when it is determined through tariff based competitive bidding process under Section 63 of the Electricity Act, 2003. The three Solar Power Developers, who intervened, are stated to have entered into PPAs with NTPC and SECI respectively in respect of the Solar Parks which are being developed and that a capacity of 250 MW at Ananthapuramu Solar Park is in advanced stage of commissioning and declaration of commercial operation. While the regulation of renewable energy through a regulation made by a State Commission only prescribes the minimum percentage of renewable energy which a distribution licensee is required to mandatorily purchase, NTPC and SECI rightly pointed out that there is no prescription of the maximum percentage or a ceiling on such percentage. In fact, the order of the Commission on Load Forecast and Resource Plan in respect of the licensees of Andhra Pradesh dated 15-04-2019 recorded an expectation that the licensees will continue to exceed the RPPO targets given by the Commission under APERC Regulation 1 of 2017. The correspondence between the parties and the Written Submissions gave a narrative as to how the Government of India and the Government of Andhra Pradesh agreed to have solar parks developed at Ananthapur and Kadapa in tune with their declared Policies and competitive bidding process being initiated by NTPC and SECI in tune with the

guidelines notified in this regard by the Ministry of Power of the Government of India on 03-08-2017. The tariffs achieved through competitive bidding are ex-facie highly competitive and a comparison with the admitted statistical data confirms the position that the total tariff is less than some of the energy charges / variable charges payable for purchase of conventional energy by AP discoms. NTPC and SECI rightly relied on the need to factor the evident fact of environmental impact of using fossil fuel generated electricity while comparing the cost of solar power to conventional fossil fuel power and preferential tariff for solar power / energy from renewable energy sources is prescribed by the statutory provisions already referred to. The competitive bidding process through which the three Solar Power Developers became the successful bidders was not specifically alleged or shown in any manner to be deviating from the guidelines issued by the Government of India through its Ministry of Power nor are the guidelines shown or alleged to be in any way deviating from any statutory norms. The promotion of solar parks agreed to in 2015 and implemented since 2017 and requested by the AP Discoms themselves to be approved as they are in the three matters under public hearing herein placed NTPC and SECI and through them the Solar Power Developers in a situation in which the intermediary agencies and Solar Power Developers ex-facie appear to be entitled to claim the protection of the *doctrine of legitimate expectation* and *promissory estoppel*. The order of the Commission guiding the procurement process by the AP Discoms for the 4th control period commencing from FY2019-20 dated 15-04-2019 could not have legally altered the position of the parties under otherwise legally valid PPAs and PSAs executed between them. In fact, even in the order dated 15-04-2019, the Commission made it clear that inclusion of any project or plan under the sources of supply is only for the purpose of estimating the capacity

availability during the control period and not for conferring any regulatory approval which has to be obtained separately based on merits in accordance with law. In fact, the response of the AP discoms to be objections raised by Sri M. Venugopala Rao and Sri A. Punna Rao, learned objectors was forthright in supporting the request for approval made in the three matters and in law and equity, allowing AP discoms to approbate and reprobate will be contrary to the principles of natural justice. Submissions made by the AP discoms during the hearing of the arguments either orally or in writing were diametrically opposite to their pleadings and documents before the Commission and there was no application or petition withdrawing or requesting not to consider the earlier pleadings and documents filed before the Commission for any valid and acceptable factual or legal reason or ground.

19. The restricted role of the State Electricity Regulatory Commission in the matter of adoption of tariff discovered in compliance with Section 63 of the Electricity Act, 2003 and the role of the Commission in regulating procurement and price of power under Section 86 (1) (b) of the Electricity Act, 2003 have to be blended together in tune with the interpretation by the binding precedents and the provisions are to be understood as complimentary and not conflicting to each other. If all the parameters set out under Section 63 of the Electricity Act, 2003 were satisfied as seen from the correspondence between the parties and the PPAs and PSAs they entered into, the request for approval has to be conceded as requested by the AP Discoms themselves in approaching this Commission and invoking its jurisdiction under Section 86 (1) (b) of the Electricity Act, 2003. The biddings for the projects at the solar parks were conducted on reverse auction basis, in accordance with the MOP guidelines and were within the ceiling limits prescribed by the AP Discoms,

Government of Andhra Pradesh and the Commission. The Solar Power Developers contended that the order of this Commission in O.P.No.26 of 2015 dated 04-06-2016 in effect and substance has considered the Power Supply Agreement between the AP Discoms and NTPC for 1000 MW including the present 750 MW. In the Retail Tariff Order for FY2019-20, the statement of the Government of Andhra Pradesh specifically referring to the development of solar parks at Ananthapur, Kadapa and Kurnool of a capacity of 4000 MW was extracted. The Discoms referred to these projections in addition to the existing solar parks already commissioned in their response at pages 44-45 of the order etc. The Commission considered the availability of solar energy which is the subject matter of the present consideration at Para 291 of the said order at Page 197 and variable cost payable to AP Genco thermal at Rs.2.75 ps / Rs.2.78 ps shown in the tariff order corroborates the claim of the Solar Power Developers that the competitive bidding price now sought for approval is lesser than that variable cost and even if the Discoms were forced to pay the fixed cost to AP Genco for backing down the thermal power, still they will be saving in the power purchase cost and not spending more. The AP Discoms themselves projected in their replies to the objections of Sri M. Venugopala Rao and Sri A. Punna Rao, learned objectors that there will be a saving of Rs.56 crores per annum, if there is procurement of power from these projects. The Discoms also admitted in their response that this tariff discovered through competitive bidding was the lowest than the agreements they earlier entered into with any other Solar Power Developers. The tariff discovered is much lesser than the ceiling prescribed by this Commission in various proceedings as referred to in the Written Submissions of the Solar Power Developers.

20. Coming to the licensees/utilities, in the letters dated 02-02-2018, in which the Commission was requested for approval of 750 MW each from NTPC and SECI, the APSPDCL referred to the Solar Policy, 2015 of the Government of Andhra Pradesh projecting a target of solar power capacity to achieve which the State Government directed AP Discoms to procure 1000 MW of solar power through competitive bidding process and also setting up 4000 MW solar capacity through solar parks in Kurnool, Kadapa and Anantapur Districts with the support of the Government of India, which has approval of MNRE of Government of India on 15-01-2016. Consequential PPAs/PSAs with NTPC and SECI were also referred to and it was also mentioned that by letters dated 05-12-2017, the State Government permitted NTPC and SECI to initiate tendering process for the balance of 750 MW each of Kadapa and Anantapur Districts due to which the request for approval for procurement of power is made. The Minutes of the meetings held by Principal Secretary, Energy on 24-07-2018 and the Hon'ble Chief Minister on 21-11-2017 apart to the letter dated 02-11-2018 from the APSPDCL to the Commission show that SECI has informed through its letter dated 24-07-2018 about tariff realized after a reverse auction for 750 MW at Rs.2.70 per unit for 500 MW and Rs.2.71 per unit for 250 MW. AP Discoms was stated to have signed the agreement with SECI on 27-07-2018 for 750 MW, which was included in the Resource Plan for the 4th and 5th control periods submitted to the Commission and APSPDCL requested for approval of the long term PSA and regulation of price under Section 86 (1) (b) of the Electricity Act, 2003. In respect of 750 MW to be procured through NTPC, APSPDCL addressed a letter dated 11-05-2018 informing about NTPC setting out the conduct of reverse auction and the delivery of the lowest tariff for 3 projects of 250 MW each for Ananthapuramu Solar Station quoted by the 3 Solar Power

Developers, who now approached the Commission at Rs.2.72, Rs.2.73 and Rs.2.73 respectively for 250 MW each. APSPDCL requested for approval of the procurement of such power and by a letter dated 07-06-2018, APSPDCL informed about signing of PPA in this regard and specified while requesting for approval of the Power Sale Agreements and adoption of tariff that the tariffs discovered through competitive bidding by NTPC for 750 MW is the lowest tariff than PPAs/PSAs entered by AP Discoms with Solar Power Developers so far. APSPDCL again addressed a communication clarifying the information sought for by the Commission once again narrating that the tariff discovered is in tune with the Commission's order dated 04-06-2016 and that the quantum was shown in the details of the projects covered in the 3250 MW capacity indicated in the Load Forecast and Resource Plan and State Electricity Plan submitted to the Commission in August, 2017. APSPDCL again addressed a letter dated 08-03-2019 reiterating that it was the lowest tariff entered for payment of lowest cost which will facilitate the AP Discoms to replace the high cost power during the day time in tune with the spirit of the directions of the Commission to avoid burdening it with high cost unwarranted power, while during the pendency of these petitions in the public hearings, steps were taken by the State Government and the Discoms to enter into supplementary Power Sale Agreements and by a letter dated 03-05-2019, the APSPDCL again requested for approval of the procurement. Similarly, in respect of procurement of 250 MW from NTPC by a letter dated 06-02-2018, APSPDCL stated about the chronology of events leading to discovery of tariff for this project through transparent bidding process duly following the guidelines issued by MNRE / Government of India and the Commission was requested to adopt the tariff under Section 63 of the Electricity Act, 2003. In a further letter dated 23-11-2018, the APSPDCL sought for information from NTPC to

furnish the information to the Commission and by a letter dated 24-11-2018, the APSPDCL while furnishing the information requested for grant of approval of PSA for purchase of 250 MW.

21. Even in the answers to the objections of Sri M. Venugopala Rao and Sri A. Punna Rao, the AP Discoms were clear in all the three matters that the concept of bundling of solar power with thermal power is to reduce the effective tariff and solar tariff discovered in the competitive bidding process in the matter of 250 MW was only Rs.3.15 kWh while the tariffs in the other two matters was stated above even Rs.3.15 per kWh is on par with the highest variable cost of AP Genco thermal stations like RTPP Stage IV and the variable cost of thermal stations is likely to increase due to escalation of price of coal over the life of 25 years of the project, making it more advantageous to AP Discoms to purchase solar power. The Discoms also stated that they have the option to surrender thermal power if it is costly even in the bundled power. Intermediaries i.e., SECI and NTPC are taking the responsibility for payment of the bills to the Solar Power Developers even if the Discoms delayed payments. The Discoms also stated about the recovery of significant amounts by sale of RE energy and sale of RE certificates and before these matters are taken up for hearing as per the directions of the Hon'ble Appellate Tribunal for Electricity, the Discoms never resiled from their request for approval of these projects. To avoid any repetition, the details given by the AP Discoms about the advantages of purchasing such solar power are not repeated herein but in their conflicting stand during the arguments, the AP Discoms did not state any of the earlier statements in their letters or responses to the objections to be untrue or incorrect in any manner.

22. It is only in their application before the Hon'ble Appellate Tribunal for Electricity in O.P.No.1 of 2019 that it was sought to be contended that there was no

prior approval of the Commission for the procurement of this power, that it was not part of the approved Power Procurement Plan and about their reluctance to continue the proceedings due to surplus power situation etc. The Hon'ble Appellate Tribunal for Electricity in the directions dated 16-09-2019 did not express any opinion on these contentions. When it came to oral and written submissions during arguments, the AP Discoms sought to refer to the same aspects mentioned in the Interlocutory Application before the Hon'ble Appellate Tribunal for Electricity and further sought to contend that the Retail Supply Tariff Order for FY2019-20 did not consider this procurement of power and that in the precedents relied on by the other side, there was specific approval for procurement of power in question therein by the appropriate Regulatory Commission. AP Discoms also sought to contend that SECI and NTPC did not inform the Commission about bidding process due to which there was no compliance with the guidelines by the Government of India. They also referred to the difficulties in grid management due to inconsistency of solar and wind power and the unjustified renewable energy burden on the Discoms due to promotion of renewable energy at an exponential rate since four years. They were referring adequacy costs, back down costs, balance costs and grid integration cost, which in their estimate, placed an additional burden of Rs.1.40 per unit in addition to the agreed tariff. They also relied on the financial position of the AP Discoms, who have to pay Rs.20,000 crores unpaid dues to power generators, have accumulated loss of Rs.15,000 crores, have exhausted the borrowing limits and have made their debt servicing impossible with loss of about Rs.2,500 crores per annum due to high cost renewable energy purchase. So, they contended that it became impossible for them to procure any additional power on long term basis as submitted to the Hon'ble High Court in W.P.No.9844 of 2019 and batch and hence, they requested for

rejection of their request for approval of procurement of this power and not to adopt the tariff. All these factors were available to the Discoms since inception and the narration of chronology of events in their counters before the Hon'ble High Court claimed in effect and substance about the wind power tariff being too high which is the subject matter of O.P.No.17 of 2019 on the file of this Commission, which was directed by the Hon'ble High Court to be disposed of within six months on merits in accordance with law. Hence, no expression of opinion can be made herein on the reasonableness or justification for the generic tariff payable for wind power fixed in accordance with the Regulations then in force. In fact, in the counter affidavit in O.P.No.1 of 2019 before the Hon'ble Appellate Tribunal for Electricity, it was stated on behalf of the Discoms that the decision to accept or not the proposed procurement plan is with the Commission and AP Discoms are not in haste to terminate or withdraw the PSAs. It was also stated therein that they reiterate that they are not going to withdraw or terminate the PSA and were only requesting the Commission to hold the agreements for some time to enable them to arrive at a decision about the requirement of power that may arise in the newly born State. Even the decision of APPCC in their meeting on 19-06-2019 is only to address NTPC and SECI to reduce their price to Rs.2.50 per unit and to defer the decision by the Commission on the request for grant of approval of PSA till such time the developers reduce the tariff. While the details of the very low solar tariffs said to have been discovered in competitive bidding conducted by various States are not before the Commission, the allegation that AP Discoms are running into huge losses due to additional payments and backing down fixed costs is not substantiated in view of the variable cost of AP Genco thermal stations itself being more than the tariff discovered through competitive bidding for 750 MW each by NTPC and SECI.

The written submissions during arguments or the oral submissions made at the hearing are conflicting with the contents of both the communications between the parties and the communications to the Commission throughout including response of the AP Discoms to the objections of Sri M. Venugopala Rao and Sri A. Punna Rao. Mere non-communication of competitive bidding process to the Commission being violative of the guidelines issued by the Government of India under Section 63 of the Electricity Act, 2003 is not shown to be supported by any provision or principle or law and such non-communication, even if it is true, may be a curable irregularity but not a fatal illegality as the Commission can always check whether the guidelines issued by the Government of India were observed in letter and spirit in the conduct of competitive bidding process. As already stated, there is no material on record to show that any guidelines issued by the Government of India in this regard were violated in the relevant bidding process by NTPC or SECI in any of the three matters. Prior non-approval of the procurement of this power and the adoption of tariff discovered in a competitive bidding, notwithstanding any omission to grant specific approval for the same in the Retail Supply Tariff Order of FY2019-20 or order on Load Forecast etc., for the Multi-Year Control Period, are similarly curable irregularities but not fatal illegalities. While the matters where procurement of such power was on specific approval may stand on a stronger footing, the present proceedings cannot be wished away as having any incurable defects as ex-post-facto approval for the same cannot be considered prohibited. The exercise of its functions by the Commission under the Electricity Act, 2003 or the Rules or Regulations made thereunder give adequate flexibility to the Commission in this regard. The alleged difficulties in the management of the grid are too wide statements without details and the tariffs discovered as already stated do not appear to reflect any prohibitive cost

and in fact lesser than the variable cost for thermal power due to which it will be profitable and not loss making for the Discoms to purchase such power, apart from declared policies of the Government of India and the State Government to have more and more green power without any pollution or adverse environmental impact. The alleged financial difficulties of the Discoms cannot be attributed to the consequences of approving these procurements and hence, the oral and written submissions during arguments against the pleadings, communications and agreements between the parties cannot be considered efficient or sufficient to resile from the original request of the AP Discoms for approval.

23. Coming to the objections of Sri M. Venugopala Rao and Sri A. Punna Rao, they were strongly complaining about lack of opportunity for the required background work and research for filing their submissions as too many matters of public hearing were coming up with short notice. Of-course they also stated that they will be constrained to come to the inescapable conclusion that the Commission is acting deliberately in this questionable manner, forcing objectors to do the work incompletely or even not to file their submissions against the practice and spirit of public hearings. It can only be said that the Commission is not responsible for a number of matters requiring public hearing coming up before it at the instance of the parties or otherwise within a short period requiring issuance of public notices inviting comments and suggestions. At any rate, no objector or stakeholder has been denied an opportunity to state their comments or suggestions or views or objections before the Commission in any matter so far, time being extended whenever requested for the same. Similarly, the learned objectors also referred to the Telanagana State Electricity Regulatory Commission showing professional integrity, intellectual honesty and moral courage in directing the Discoms to amend the PPA with NTPC.

While the reasons for such directions by that Commission are not before this Commission, this Commission also never compromised its professional integrity, intellectual honesty and moral courage in discharging any of its functions or in adjudicating any matters to the best of its ability, knowledge and belief and in tune with the dictates of its conscience and its perception of the requirements of justice, equity and good conscience and principles of natural justice.

24. The learned objectors, of-course considered their points for consideration to be providing irrefutable evidence and justification for rejecting the consents to these PSAs. It can only be said that it is uncharitable to dub any different opinion as leading to disastrous consequences. If democratic dissent from their perception were to be considered by the learned objectors to be inexcusable, the Commission does not wish to say anything further and leaves it to the judgment of the power sector and its stakeholders to ponder over the correctness or otherwise of the manner of discharge of its functions by the Commission.

25. The learned objectors mainly brought to notice various clauses in the agreements which required to be amended and modified to project or protect the interests of the consumers and the Discoms and without expressing any opinion at this stage on the same, both parties can be requested to consider the same by themselves and between themselves and come back to the Commission within a fixed time with their views on the proposed changes in the agreements to enable the Commission to consider them on merits in accordance with law. Non-consideration of sources of supply from HNPCL and Simhapuri may not have any direct impact on the procurement of power from NTPC and SECI and taking recourse to more and more green power is a matter of environmental protection and not a mere mathematical calculation of profit and loss, apart from the fact that no loss appears

to be the result of any approval of these projects. While the order in O.P.No.26 of 2015 dated 04-06-2016 of this Commission dealt with some of these issues, the responses of the Discoms to the objections ex-facie corroborate the justification for procurement of such power.

26. Though it is true that the RPPO obligations prescribed by the appropriate Regulation of this Commission have been exceeded by the Discoms and though the burden of paying fixed charges from backing down any thermal power will ensue, an overall consideration of all the facts and circumstances shows that in pursuance of the policies of the Central and State Governments and as a result of understanding arrived at from time to time in various meetings and through communications, the process of having the solar parks in question and developing the solar parks under consideration had taken place and that ultimately PPAs and PSAs have been entered into between the parties and acted upon. As already discussed, it may not be permissible for the AP Discoms to resile from the entire process on grounds that were never pleaded till the arguments in these three matters and notwithstanding that there are some acts of omission and the Commission, as pointed out by the learned objectors, on balancing the rights and interests of the parties, the power sector and the stakeholders, the balance of convenience leans in favour of approving the request in all the three matters, which of-course is made subject to further consideration of amendments proposed by the learned objectors, by the parties some of which were stated by the Discoms themselves to be beneficial to the Discoms. These three matters have to be ordered accordingly subject to any further or future directions of the Hon'ble Appellate Tribunal for Electricity in Appeal or otherwise.

Therefore, all the three matters under public hearing under consideration herein are ordered approving the procurement of solar power by Southern Power Distribution Company of Andhra Pradesh Limited (APSPDCL) and Eastern Power Distribution Company of Andhra Pradesh Limited (APEPDCL) respectively from M/s. National Thermal Power Corporation Limited (NTPC) and M/s. Solar Energy Corporation of India Limited (SECI) of a total quantum of 750 MW, 250 MW and 750 MW respectively at the specified Solar Parks under the Power Sale Agreements (PSAs) / Power Purchase Agreements (PPAs) respectively at the tariffs discovered through competitive bidding process, as per the guidelines issued by the Government of India, which stand adopted by the Commission under Section 63 of the Electricity Act, 2003, subject to the amendments to the Power Sale Agreements (PSAs) / Power Purchase Agreements (PPAs) respectively suggested by Sri M. Venugopala Rao and Sri A. Punna Rao, learned objectors being considered by the Distribution Companies of Andhra Pradesh, M/s. NTPC, M/s. SECI and the Solar Power Developers and their reporting back to the Commission within two (2) months from now their respective views on the proposed amendments. The Commission will examine the proposed amendments and views of the stakeholders received and after hearing in accordance with law, order incorporation of any amendments in the Power Sale Agreements (PSAs) / Power Purchase Agreements (PPAs) respectively considered relevant and necessary by the Commission.

These three matters are ordered accordingly. No costs.

This common order is corrected and signed on this the **5th day of October, 2019.**

Sd/-
P. Rama Mohan
Member

Sd/-
Dr. P. Raghu
Member

Sd/-
Justice G. Bhavani Prasad
Chairman