



ANDHRA PRADESH ELECTRICITY REGULATORY COMMISSION

4thFloor, Singareni Bhavan, Red Hills, Hyderabad 500004

FRIDAY, THE SIXTEENTH DAY OF APRIL
TWO THOUSAND AND TWENTY ONE

:Present:

Justice C.V. Nagarjuna Reddy, Chairman
Sri P. Rajagopal Reddy, Member
Sri Thakur Rama Singh, Member

O.P.Ns.61 and 74 of 2019

O.P.No.61/2019

Between :

SBG Cleantech Project Co. Pvt. Ltd. .. Petitioner

And

A.P. State Load Despatch Centre and others .. Respondents

O.P.No.74 of 2019

M/s. Azure Power India Pvt. Ltd. .. Petitioner

And

A.P. State Load Despatch Centre and others .. Respondents

ORDER:

_ The petitioners in these two O.Ps. inter alia sought the following directions :

To direct the respondents

- (i) to implement the Must Run status granted to the petitioners' solar projects in letter and spirit;
- (ii) to refrain from curtailing the solar energy generated therefrom; and
- (iii) to compensate the petitioners for the unlawful and arbitrary curtailment of generation from the petitioners' solar projects.

The gravamen of the allegation in these petitions is that despite the conferment of Must Run status on the petitioners, the respondents have indulged in deliberate curtailment in scheduling of power, resulting in huge financial losses to the petitioners. The stand of the respondents is that during the periods of high frequency operations, to maintain Grid safety, security and other conditions provided in the IEGC, after following the due procedure on some occasions the VRE generators were backed down; that as a matter of fact, even in the neighbouring States like Tamilnadu and Karnataka, backing down of VRE power is not uncommon; that in compliance of the orders of the Hon'ble High Court in I.A.No.4 of 2019 in W.P.No.9844 of 2019, the APSLDC has been uploading the curtailment written instructions of wind and solar generators together with the justifications in the web sites; that the curtailment was warranted on account of the system exigencies and that the curtailment instructions were given only in compliance of the provisions of the IEGC and

APCTI. It was also inter alia contended that on several occasions, the petitioners have not complied with the curtailment instructions and fed power into the grid.

Extensive arguments were advanced by the learned Counsel for the petitioners. During the hearing on 10-03-2021, the Commission felt that the issues whether curtailments were driven by the system exigencies or deliberate on the part of the respondents and whether the petitioners have strictly complied with the curtailment instructions, are aspects which are highly technical in nature. It was therefore suggested to both the parties that it is better to constitute an expert committee based on whose report the Commission can consider the technical and legal issues and dispose of the O.Ps. After taking time, the petitioners have filed a petition agreeing to refer to an expert committee and suggested the following persons to be considered for constitution of the committee:

Mr. Rakesh Nath
Mr. Vishwa Jeet Talwar
Mr. R.N. Nayak

Mr. Puneet Jain, learned Standing Counsel for APSLDC and Sri P. Shiva Rao, learned Standing Counsel for the licensees have also agreed in principle for reference of the said issues to the expert committee and undertook to indicate the names of the experts before the next date of

hearing. As undertaken, the respondents have filed Memo dated 5-4-2021 wherein they have suggested the following names of experts:

Mr. M. Gopal Rao, Former Director, A.P. Transco;
Mr. Sai Prasad Sarma, Retired Chief Engineer, A.P. Transco;
Mr. K. Raju, Retired S.E, A.P. Transco.

Though both the parties made certain suggestions on the scope of the reference to the Committee of experts, the Commission is of the opinion that the above mentioned two aspects viz.,

(i) Whether curtailments were driven by system exigencies or the same were deliberate acts of the respondents ?

(ii) Whether the petitioners have strictly complied with the curtailment instructions ?

are relevant for reference to the expert committee.

Accordingly, the Committee is constituted with the following members:

Mr. Rakesh Nath, Former Chairman, Central Electricity Authority
Mr. M. Gopal Rao, Former Director, APTRANSCO
Mr. M. Sivarami Reddy, Former Chief Engineer, APTRANSCO

The Committee may hold oral hearings either physical or through virtual mode. The learned Counsel for both sides as well as their respective officers shall cooperate with the Committee in presenting their respective stands and furnishing the relevant information and material as called for by the Committee for preparation of the report. The Committee is requested to submit its report within two months from the date of holding its first meeting.

The remuneration of each of the Member of the Committee is fixed as Rs.1 lakh.

Sri Sanjay Sen, learned Senior Counsel for the petitioners, has fairly agreed that the petitioners will bear the necessary expenditure. In the event physical hearings are held, the petitioners shall at their cost arrange the meeting venue apart from arranging travel and accommodation of the Members. The petitioners shall share the expenditure between them in equal proportion.

Sd/-
Thakur Rama Singh
Member

Sd/-
Justice C.V. Nagarjuna Reddy
Chairman

Sd/-
P. Rajagopal Reddy
Member

