

Before

## UTTARAKHAND ELECTRICITY REGULATORY COMMISSION

Petition No.: 23 of 2021

**In the matter of:**

Petition to extend the Control Period of the benchmark capital cost and generic tariff as declared by the Commission vide Order dated 01.02.2019, 18.09.2019 and 23.06.2020 upto August 2021 for 283 nos. of Solar PV Plants (cumulative capacity of 203.75 MW) and Solar PV plants developers who have been allowed to execute PPA with UPCL with zero CFA for fulfilment of RPO compliance of UPCL.

**In the matter of:**

Uttarakhand Renewable Energy Development Agency ... Petitioner

AND

**In the matter of:**

Uttarakhand Power Corporation Ltd. ... Respondent

CORAM

Shri D.P. Gairola Member (Law)

Shri M.K.Jain Member (Technical)

**Date of Hearing: March 30, 2021**

**Date of Order: March 31, 2021**

This Order relates to the Petition filed by Uttarakhand Renewable Energy Development Agency (hereinafter referred to as "UREDA" or "Petitioner") under the provisions of Regulations 11, 12, 51 and 52 of the UERC (Tariff And Other Terms for Supply of Electricity from Non-conventional and Renewable Energy Sources and non-fossil based Co-generation stations) Regulations, 2018 (hereinafter referred to as "RE Regulations, 2018"), dated 06.09.2018 to extend the Control Period of benchmark capital cost & generic tariff as determined by the

Commission for solar energy based power projects vide its Order dated 01.02.2019, 18.09.2019 and 23.06.2020, upto 31.08.2021 for 283 nos. of Solar PV Plants developers selected by UREDA for fulfilment of RPO compliance of UPCL (cumulative capacity of 203.75 MW) and Solar PV Plant developers who have been allowed to execute PPA with UPCL with zero CFA.

## **1. Background & Submission**

- 1.1 UREDA, department of Renewable Energy, Government of Uttarakhand is a State Nodal Agency of Ministry of New and Renewable Energy (MNRE), Government of India for deployment of renewable energy and State Designated Agency (SDA) of Bureau of Energy, GoI for implementing various energy conservation activities and programmes in the State of Uttarakhand.
- 1.2 The Petitioner submitted that the Government of Uttarakhand has issued Uttarakhand Solar Energy Policy, 2013 on 27.06.2013 and amendment thereto on 26.09.2018. Solar energy based power projects are proposed to be setup under four categories in the Solar Energy Policy, 2013 one of which is reserved for State Discom, i.e. Uttarakhand Power Corporation Limited (hereinafter referred to as "UPCL" or "Respondent"), for meeting its Renewable Purchase Obligation (RPO) wherein the solar power projects are selected through the tariff based competitive bidding process. Further, as per the said policy, the solar energy projects upto 5 MW shall be allotted only in the hilly areas of the State and shall be reserved for the permanent residents of the State of Uttarakhand.
- 1.3 The Petitioner submitted that UPCL had requested UREDA for arrangement of 200 MW Solar Power in accordance with the provisions of Solar Energy Policy, 2013 to achieve the Renewable Purchase Obligation as specified by the Commission from time to time.
- 1.4 The Petitioner submitted that based on the request of UPCL and provisions of Solar Energy Policy, 2013 as amended from time to time, UREDA published Request for Proposal (RfP) and selected 283 nos. of developers through tariff based competitive bidding process for meeting RPO of UPCL as per type-1 category of Solar Energy Policy, 2013 of Uttarakhand for setting a Grid Connected Solar PV Power Projects in the hilly region of Uttarakhand after due approval from the Commission for extension of benchmark capital cost and generic tariff for FY 2018-19 & FY 2019-20 upto June 2020 and October, 2020 vide Orders dated 01.02.2019 and 18.08.2019 respectively. Further, due to

COVID-19 pandemic, UREDA requested the Commission for extension of the installation/commissioning of all 283 solar PV plants vide its letter dated 10.06.2020. The Commission vide its Order dated 23.06.2020 extended the schedule commissioning date till 31.03.2021 for all the selected developers for setting Solar PV Power Plant and Solar developers who have been allowed to execute PPA with UPCL with zero CFA.

- 1.5 The Petitioner submitted that as per the amended Solar Energy Policy, 2013, this type of scheme is being implemented for the first time through the permanent residents of Uttarakhand for installation of solar power plants in hilly area of Uttarakhand. Due to COVID-19 pandemic, GoI and GoUK had issued various restrictions for entry in State/Districts, permission for transportation, mandatory COVID-19 test etc. from time to time due to which the availability of manpower, transport was hampered resulting into delay in commissioning of the Solar Power Plants in the State of Uttarakhand.
- 1.6 The Petitioner submitted that the selected developers have also faced various difficulties for getting land on lease/purchase, conversion of land and permission from single window clearance system. Some of the difficulties faced by developers which has caused delay in commissioning of these projects are as under:

#### 1.6.1 Delay in finalisation of Land

- a) Land holders in hills have small and fragmented land holdings.
- b) Consolidation process of land in hills have not happened. All the land records are in the form of Gol Khata due to which it is difficult to reunion the different land owners for the sale/lease of the land,
- c) Due to mass migration of people from the hills to different multiple place, it is extremely difficult to reach to the land owners.
- d) Before the allotment of solar power plants for the hilly areas, the land is not utilised for other activities hence most of the land are in the name of ancestors and have not been transferred in the name of the current successor.
- e) Previously the provision of leasing of agriculture land for the installation of solar power plant was not in vogue in Uttarakhand. Hence, the GoUK vide Order dated 28.22.2019 allowed leasing of agriculture land for solar projects.

#### 1.6.2 Delay in Sanctioning of Bank Loan

- a) As the projects are implemented by first time in the hills through financially weak developers the developers face problems to arrange the loan. In this regard, several meetings were organised with SLBs (State level Bankers Committee) by UREDA and GoUK to provide fast track loan sanction to the developers and for giving assurance of timely monthly payment to the Bankers, ESCROW account provision was also finalised.
- b) The bankers agreed for providing loan, without collateral upto Rs. 2 Crore under CGMTSE Scheme.
- c) UREDA also organised Loan Melas in Garhwal and Kumaon region of Uttarakhand for smooth and fast loan sanctions to the developers. Now various banks are keen to provide loan for the solar power plant. As the last date of commissioning of solar power plants is 31.03.2021, the banks are not taking interest to sanction loans as they say that there is very less time left on the project execution.

#### 1.6.3 Delay in commissioning due to COVID-19 pandemic:

- a) The supply of major components got affected due to COVID-19. This has affected in the global supply chain of the material.
- b) The availability of manpower in the remote areas has also affected the project planning and execution.

1.7 The Petitioner submitted that 249 nos. of developers (176.25 MWp), has already signed PPA with UPCL out of which Solar PV power plants having cumulative capacity of 4.20 MW have been installed and Solar PV Power Plants having cumulative capacity of 103 MW are under installation. Further, Solar PV plants of total capacity of 68.85 MW whose PPA has been signed are under process for sanction of bank loan.

1.8 The Petitioner also submitted that MNRE, GoI vide its notification dated 09.02.2021 allowed further extension of additional 5 months for the schedule commissioning date of renewable energy projects considering the impact created by COVID-19 lockdown. The Petitioner also submitted that UREDA vide its letter dated 22.12.2020, in reply to the request of time extension for commissioning of the projects, informed all the developers that clause of Force Majeure of RfP shall prevail which specifies as follows:

*“For other justified cases also, not covered under force majeure conditions, UREDA may consider*

*the request of Bidders and additional time for completion of the work may be granted. However in such cases the developers shall pay UPCL an amount equivalent to cost of REC against energy to be provided by generator against allotted capacity (MW) considering CUF of 19% as provided in UREC RE Regulations, 2018 for the whole period of delay. Further the tariff admissible to such bidders shall be either the tariff quoted by the Bidders or the prevailing tariff at the time of COD as decelerated by Hon'ble UERC, whichever is lower."*

- 1.9 The Petitioner also submitted the tentative projection for installation of Solar PV Power Plants in the next 5 months as follows:

<b>Particular Plants installed/to be installed</b>	<b>Capacity in MW</b>
Up to February, 2021	4.20
Up to March, 2021	11.40
Up to May, 2021	32.40
Up to June, 2021	51.75
Up to July, 2021	44.30
Up to august, 2021	17.20

As per the above, about 176.25 MW capacity Solar PV Power Plants may be commissioned within next five months.

- 1.10 The Petitioner also submitted the status of the Solar PV Power Plants developers who have been allowed to execute PPA with UPCL with zero CFA which is as follows:

<b>S. No.</b>	<b>Name of Applicants</b>	<b>Capacity in kW</b>	<b>Present Status</b>
1	Vidywati	500	Installed
2	Mahipal Singh	500	
3	Rajendra Kumar Arora	300	
4	Neeraj	500	
5	Narendra Kumar	500	
6	Chandra Kant Singh Rawat	500	Under installation
7	Ram Mehar Singh	500	
8	Vinod Bharadwaj	500	
9	Usha Singh	500	
10	Vinay Kumar	500	
11	Neelu Jain	500	Allotment withdrawn by the Applicant
12	Gopal Batra	400	

The Petitioner submitted that the developers may commission the projects within next five months.

- 1.11 The Petitioner submitted that the Commission vide its Order dated 17.03.2021 has also allowed UPCL to meet the deficit of Solar RPO from surplus Non-Solar RPO for FY 2020-21 due to COVID-19 pandemic due to delay in commissioning of solar power plant.

1.12 Accordingly, the Petitioner requested the Commission to relax the order dated 23.06.2020 and subsequently extend the Control Period of the benchmark capital cost and generic tariff as given in the said Order upto August 2021 for 283 numbers of Solar Power Plants (cumulative capacity of 203.75 MW) and Solar PV Plant developers who have been allowed to execute PPA with UPCL with zero CFA for fulfilment of RPO compliance of UPCL.

## **2. Respondent's submissions**

2.1. The Commission forwarded the copy of the Petition to UPCL for its comments on merit, if any, in the matter. UPCL vide their letter dated 30.03.2021 submitted its reply to the Commission. The Commission has dealt with the reply of the Respondent in the subsequent paragraphs.

2.2. UPCL vide its letter dated 30.03.2021 submitted that the Petitioner has not clarified as to how the Petition falls under Regulation 11, 12, 51 and 52 of RE Regulations, 2018. The Regulations 11 and 12 of RE Regulations, 2018 mandates for annual revision of solar benchmark capital cost and the tariff and PPA period, respectively. The provisions under which the Petition has been filed and the reliefs claimed are incompatible and not legally permissible.

2.3. The Respondent submitted that the Petitioner has the onus to prove the facts alleged forming the basis of the Petition. It denied that the developers faced difficulties in getting land on lease/purchase, conversion of land etc. The Respondent submitted that generators have legally valid PPAs with the Respondent and the allotment of the projects and the terms & conditions of the purchase of power from them are to be governed by the provisions of Solar Energy Policy, 2013 and the PPA executed between the parties. It further submitted that it is the responsibility of the Petitioner to remove the difficulties being a nodal agency and also to make the generators strictly comply with the provisions of Solar Energy Policy and the RfP floated by the Petitioner.

2.4. The Respondent submitted that the Commission earlier had extended the benchmark capital cost and generic tariff considering the COVID-19 Pandemic, interestingly the other

issues were neither raised nor existed at the time which shows that the grounds are frivolous and just an afterthought for obtaining undue benefits. The Respondent also submitted that the Petitioner has mentioned that Solar PV power plants having cumulative capacity of 68.85 MW have not got bank loan sanctioned and no current status for the PV Power Plants having cumulative capacity of 103 MW have been provided.

- 2.5. The Respondent submitted that the OM of MNRE dated 09.02.2021 categorically mentioned that further extension cannot be granted in the routine matter, moreover the Para 2 of the said OM clearly specifies that extension of 5 months given earlier from 25.03.2020 to 24.08.2020 was a blanket extension and it covered the period when there was lockdown instructions due to COVID-19, thereafter further 5 months extension was permitted only in exceptional cases, meaning thereby that the extension even in exceptional circumstances was upto 5 months after 24.08.2020, in the present case initial extension due to COVID-19 pandemic had already been granted, moreover, the time period permitted is even more than what has been granted by MNRE.
- 2.6. The Respondent submitted that the Petitioner has already issued an order with regard to extension of time to all the allottees of the Solar Power Plants, hence, the present Petition in variation of the same cannot be accepted. Further, the Petitioner is not entitled to claim any relief, the relief as claimed by the Petitioner are not legally maintainable even otherwise the said reliefs are against the provisions of PPA entered between the parties and also against the provisions of applicable regulations.

### **3. Commission's Views & Decisions**

- 3.1. Before going into the merit of the present Petition, it is worth mentioning that earlier the Commission based on the Petition filed by UREDA, vide its Order dated 01.02.2019 had allowed extension of benchmark capital cost and generic tariff, i.e. Rs. 4.73/kWh, for FY 2018-19 upto June, 2020 for the upcoming Solar Power Plants having cumulative capacity of 200 MW. However, only cumulative capacity of 148.85 MW could be allotted through tariff based competitive bidding out of total capacity of 200 MW. Accordingly, a separate tender was floated by UREDA for selection of bidders for the balance capacity of 52 MW and the Commission vide its Order dated 18.09.2019 as a one-time exception allowed

extension of benchmark capital cost and generic tariff, i.e. Rs 4.49/kWh, for FY 2019-20 upto October 2020 for Solar PV Power Plants having cumulative capacity of 52 MW.

- 3.2. Meanwhile, the Commission vide its Order dated 17.09.2019 based on the Petition filed by Akshay Urja Association on behalf of 12 numbers of solar power developers, had directed UREDA to issue a fresh LoA to said developers who were willing to establish Solar Power plants with zero CFA and allowed the developers to commission their respective plants by the end of FY 2019-20 at a tariff of Rs. 4.38/kWh (net of accelerated depreciation) as approved by the Commission vide Suo-moto Order dated 07.06.2019 for the Grid interactive Rooftop & Small Solar PV plants having capacity above 100 kW and upto 500 kW for FY 2019-20.
- 3.3. Subsequently, the Commission vide its Suo-moto Order dated 23.06.2020 based on the representations received from various Solar PV plant developers seeking time extension in the scheduled commissioning date and enhancement in tariff considering disruption on account of lockdown due to COVID-19 epidemic and letters of GoI w.r.t. extension due to COVID-19, allowed the Solar Power developers to develop and commission their respective plants by 31st of March, 2021 to get the tariff rates as specified in respective PPAs of the Solar Power plant developers executed with UPCL.
- 3.4. Many developers approached the Commission seeking time extension for commissioning of the Solar Power Plants allotted to them. In the matter, the Commission advised the developers to approach UREDA. Subsequently, UREDA vide its letters dated 16.03.2021 and 18.03.2021 requested the Commission for the extension of the Control Period upto August, 2021. In the matter, the Commission vide its letters dated 22.03.2021 and 23.03.2021 directed UREDA to file a Petition before the Commission in accordance with the provisions of RE Regulations, 2018 read with UERC (Conduct of Business) Regulations, 2014.
- 3.5. Accordingly, UREDA has filed the present Petition before the Commission under Regulations 11, 12, 51 and 52 of RE Regulations, 2018 to extend the control period of benchmark capital cost & generic tariff as determined by the Commission vide Order dated 01.02.2019, 18.09.2019 and 23.06.2020 upto August 2021 for Solar Power Plants having cumulative capacity of 203.75 MW and Solar Power plants developers who have



been allowed to execute PPA with UPCL with zero CFA for fulfilment of RPO Compliance of UPCL.

- 3.6. The Commission conducted a hearing on the merit of the Petition on 30.03.2021. The Commission heard both the parties and carefully considered their written submissions. The Commission has critically analysed contentions of the Petitioner and the Respondent in the matter. After examining the relevant material available on records, issues raised by the Petitioner have been dealt in the subsequent paragraphs of this Order.
- 3.7. With regard to the Control Period, Regulation 11 and 12 of RE Regulations, 2018 specifies as follows:

***“11. Control Period or Review Period***

- (1) The Control Period or Review Period under these Regulations shall be of five years, of which the first year shall be the financial year 2018-19.*

***Provided that the benchmark capital cost of Solar PV, Canal Bank & Canal Top Solar PV, Solar Thermal, Municipal Solid Waste based power projects, Refuse Derived Fuel based power projects and Grid interactive Roof Top and Small Solar PV projects may be reviewed annually by the Commission.***

*Provided further that the tariff determined as per these Regulations for the RE projects commissioned during the Control Period, shall continue to be applicable for the entire Tariff Period.*

***12. Tariff and PPA Period***

- (1) The Tariff Period for Renewable Energy Power projects shall be equal to Useful life of the Project as specified in Regulation 3(1)(aaa) of these Regulations.*
- (2) Tariff period under these Regulations shall be considered from the date of commercial operation or commissioning of the renewable energy plant.*
- (3) The PPA shall be required to be executed with distribution licensee for the entire Tariff Period.”*

***(Emphasis added)***

The Commission vide its Order dated 07.06.2019 had determined the benchmark capital cost & generic tariff for solar energy based power plants applicable for FY 2019-20. Subsequently, the Commission vide its Suo-moto Order dated 11.05.2020 and dated 30.09.2020, taking into consideration of the impact of COVID-19 and nation-wide lockdown, decided that the benchmark capital cost and levelized tariff determined by the Commission vide its Suo-Moto Order dated 07.06.2019 shall be applicable for FY 2020-21 while the other terms & conditions shall be applicable in accordance with the RE

Regulations, 2018.

- 3.8. The Respondent, i.e. UPCL, vide its letter dated 30.03.2021 submitted that relief sought by the Petitioner under Regulation 11, 12, 51 and 52 of RE Regulations, 2018 is not compatible or legally permissible even otherwise the said reliefs are against the provisions of PPA entered between the parties and also against the provisions of applicable regulations. In the matter, it is to be noted that the Commission reviews the benchmark capital cost and generic tariff in the aforesaid provisions of RE Regulations, 2018 and any extension of the generic tariff determined for a particular financial year is to be dealt by the same regulations read with the provision of Regulation 51 and 52 of the RE Regulations, 2018 which deals with power to remove difficulties and power to relax respectively after giving a reasonable opportunities to the parties and recording the reasons for such relaxation. Further, it is to be noted that the PPA are entered into by the parties based on the terms & conditions approved by the Commission in accordance with the provisions of prevailing regulations. Accordingly, the Commission does not find any reason as to how the relief sought by the Petitioner is not incompatible or legally permissible.
- 3.9. The Commission issued RE Regulations in exercise of the powers conferred under section 61(h), 86 (1)(e) read with section 181 (z)(d) and (zp) of the Electricity Act, 2003 taking into account various policies of the Central and State Government, Orders, notifications, and office memorandums w.r.t. renewable energy. Further, UREDA is the State Nodal Agency of MNRE, GoI for deployment and implementation of renewable energy based policies of Central and State Government. Accordingly, UREDA is to implement all the solar schemes/projects in accordance with the State polices and Commission's regulation.
- 3.10. UPCL submitted that it is the responsibility of the Petitioner to remove difficulties being a nodal agency and also to make the generators comply strictly with the provisions of Solar Energy Policy, 2013 and RfP floated by the Petitioner. The Respondent also stated that GoUK took effective steps way back in year 2019, hence, the reasons for delay are not tenable.

In the matter, it is to be noted that many developers had approached the Commission stating the issues faced by them due to the impact of COVID-19 pandemic

on solar projects resulting in delay in project implementation. The Commission observed that the lockdown due to COVID-19 had hampered the land procurement, land conversion and related activities. Furthermore, it was observed that despite organising Loan Melas by UREDA for smooth and fast loan sanctions to the developers, successful bidders were facing problem in getting loans as the projects are located in remote locations and the loan related files are forwarded by the nearby village branches to district head branch which leads to delay in process of sanctioning of loans.

Further, as far as clause 2.21.A.4 of the Force Majeure of the tender document and UREDA letter dated 22.12.2020 is concerned, it is to be noted that UREDA vide its said letter has stated that no application for time extension shall be considered beyond the 'Force Majeure' provision of tender document. Accordingly, time extension for commissioning of the projects may be allowed to the selected developers based on the force majeure conditions.

- 3.11. The Respondent submitted that the Petitioner has not disclosed the current status of the Solar Power plants to be commissioned. In the matter, it is worth mentioning that the Petitioner has filed the present Petition under an affidavit whereby it has submitted the details regarding Solar Power plants, the date with respect to the same is provided at Para 3.10 of the Petition, and does not require further examination unless the veracity of the submissions are doubtful.
- 3.12. UPCL submitted that MNRE OM dated 09.02.2021 categorically mentioned that further extension cannot be granted in the routine manner, moreover, the OM clearly specifies that the extension of 5 months given earlier was a blanket extension and it covered the period when there was lockdown due to COVID-19, thereafter, further 5 months extension was permitted only in exceptional cases.

In the matter, the Commission has gone through the Office Memorandum dated 13.08.2020 and clarificatory Office Memorandum of MNRE, GoI dated 09.02.2021 and observed that there is no such advisory or directions to allow only total ten months including 5 months of blanket extension. It is explicitly mentioned in the aforesaid Office Memorandum that further extension beyond 5 months can be granted by implementing agencies in exceptional cases, after due diligence and careful consideration of the specific

circumstances of the case.

Here, it is important to discuss that as per the afore-mentioned Office Memorandum of MNRE, Implementing Agencies cannot allow time extension to the RE based developers beyond blanket time extension of five months in a routine manner. Accordingly, UREDA has not allowed time extension to the solar power plant developers by itself based on the submissions of various solar power plant developers and filed the present Petition seeking approval of the Commission for the time extension based on the issues are being faced by the solar power developers in the State of Uttarakhand as discussed in above paragraphs of this Order.

Here it would be relevant to mention that the Commission does not have any jurisdiction to extend the date of commissioning of the project as envisaged in the RfP or LoI. The said matter has to be dealt by the appropriate authority in the matter. The Commission's role is limited to fixation of tariff and the control period under the Regulations.

3.13. During the hearing in the matter, UPCL submitted that the Petitioner instead of filing the Petition for extension should have cancelled the allotment of the successful bidders who have failed to comply with the Orders of the Commission and provisions of RFP and should have floated a fresh tender. In the matter, the Commission is of the view that it would not be viable to cancel the allotment when most of the Solar Power Plants are expected to be commissioned within next three to five months. Moreover, it is pertinent to mention that as per latest RPO status submitted by UPCL vide its Petition dated 25.02.2021, there is expected Solar RPO deficit of 110 MUs for FY 2020-21 and if the LoA issued to the solar developers who have failed to commission their respective solar power plant by 31.03.2021 are cancelled, a fresh tendering process needs to be initiated resulting in further delay in installation of Solar Power Plants in the State of Uttarakhand and eventually there will be Solar RPO deficit for FY 2021-22 also.

3.14. Further, it is worth mentioning that the Solar Energy Policy, 2013 aimed to target to set up 500 MW of Solar plants by the year 2017, however, due to difficult geographical conditions (tough hilly terrain) of the State and other unforeseeable reasons Solar Power Plants having cumulative capacity of around 298 MW only have been installed in the

State of Uttarakhand. The Commission observed that the Solar Power Plant developers face challenges in establishing a Solar PV plant at various levels. From acquiring a land to connectivity with the distribution licensee grid, there are many struggles faced by the developers. The hardship faced by the developers cannot be denied outrightly in the view of the prevailing circumstance, various government agencies have also taken cognizance of the fact that there are legitimate delays which had led to slow down of normal business cycle from the point of inception to final commissioning. Therefore, it is imperative that in the interest of keeping the developers motivated for developing Solar Power Plants and generating clean energy, thereby, benefiting the society, a lenient view must succeed over rigid regulatory approach.

3.15. Considering the above, the Commission exercises its power provided under regulation 51 and 52, i.e. Power to remove difficulties and Power to relax which is reproduced hereunder:

***“51. Power to Remove Difficulties***

*If any difficulty arises in giving effect to these regulations, the Commission may, of its own motion or otherwise, by an order and after giving a reasonable opportunity to those likely to be affected by such order, make such provisions, not inconsistent with these regulations, as may appear to be necessary for removing the difficulty.*

***52. Power to Relax***

*The Commission, for reasons to be recorded in writing, may vary any of the provisions of these regulations on its own motion or on an application made before it by an interested person.”*

Accordingly, in the present case, based on the above, the Commission in exercise of its powers provided under Regulations 51 and 52, taking cognizance of the issues mentioned by UREDA that are being faced by the Solar Power Plant developers due to COVID-19 Pandemic and other procedural delay at various department levels, allows the extension of the Control Period of benchmark capital cost & generic tariff as extended previously by the Commission for solar energy based power projects vide its Orders dated 01.02.2019, 18.09.2019 and 23.06.2020 for 283 nos. of Solar PV Plants developers selected by UREDA and Solar PV Plant developers who have been allowed to execute PPA with UPCL with zero CFA upto 31<sup>st</sup> of August, 2021. Further, in case of any delay beyond 31<sup>st</sup> August, 2021 the lower of the tariff determined by the Commission for the year of commissioning of the proposed plant and that determined through competitive

bidding/PPA tariff will be applicable.

3.16. However, in this regard, it is also relevant to mention that MNRE has issued a office memorandum dated March 30, 2021 wherein it has clarified that the total extension provided by implementing agencies on account of COVID-19 should in no case be more than 6 months including the 5 months blanket extension given by MNRE. The said OM also states that if the implementing agency feels that there is a requirement to give extension beyond 6 months, it shall make a reference for consideration to MNRE with due justification and supporting documents and no extension will be given by the implementing agency on their own. Accordingly, UREDA is advised to approach the MNRE so that any issue pertaining to non-grant of subsidy by MNRE, if any, does not arise and financial impact of such consequences should not devolve on to UPCL in future.

3.17. Ordered accordingly.

**(M.K. Jain)**  
**Member (Technical)**

**(D.P. Gairola)**  
**Member (Law)**