

BEFORE THE PUNJAB STATE ELECTRICITY REGULATORY  
COMMISSION, SITE NO- 3, BLOCK B, SECTOR 18-A,  
MADHYA MARG, CHANDIGARH.

Petition No. 08 of 2020.

In the matter of ;

Punjab Energy Development Agency

----- Petitioner

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Place: Chandigarh

Date: 04.08.2020

  
ADITYA GROVER, ARJUN GROVER & POOJA R SHARMA  
Advocates  
Counsel for the Petitioner

**BEFORE THE PUNJAB STATE ELECTRICITY REGULATORY  
COMMISSION, SITE NO- 3, BLOCK B, SECTOR 18 A,  
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Petition No. 08 of 2020.**

**In the matter of ;**

**Punjab Energy Development Agency (PEDA)**

-----**Applicant/ Petitioner**

Rejoinder on behalf of the petitioner to the  
reply filed by PSPCL.

A. Preliminary submissions:

1. That this Hon'ble commission vide order dated 02.07.2020 had directed PSPCL to file an affidavit stating as to whether PSPCL shall purchase power from the projects under reference on the tariff determined by this Hon'ble commission. However, PSPCL filed its reply to the captioned petition and now has filed the additional affidavit dated 27.07.2020 received by the Petitioner on dated 03.08.2020, wherein PSPCL has agreed to purchase power from the plants to be setup under the PM-KUSUM Scheme at the tariff determined by this Hon'ble Commission.
2. That the petitioner humbly submits that before filing the captioned petition, the petitioner had duly obtained consent from Respondent PSPCL with regard to the parameters mentioned in the captioned petition qua the projects under reference, to which PSPCL had duly consented upon and had proposed to have CUF at the rate of 19%. However now at the time of filing the reply, PSPCL is disregarding its own consent and has made an attempt to stall the entire scheme, which is in fact a beneficial scheme for the entire State.
3. That the petitioner places its complete reliance upon the captioned petition filed by the petitioner before this Hon'ble Commission except

the changes consented to, which may kindly be read as part and parcel of the present rejoinder.

4. That the petitioner denies each and every contents of the reply filed by PSPCL except the averments specifically admitted here in after in the present rejoinder as well as in the captioned petition.

B. Para wise comments to the reply :

- 1-6 That the contents of Paras 1-6 of the reply filed by PSPCL needs no comments being factual status of duties of PEDDA, PSPCL and details of PM-KUSUM Scheme and filing of the present petition. However Para 2 of PSPCL needs to be corrected as the subject Petition has been filed seeking determination of levelized generic tariff and not levelized feed in tariff.

- 7-10 That in response to Para 7-10 of the reply filed by PSPCL, it is submitted that PSPCL has not disputed the CUF of 17.14% being achieved by existing small capacity operating 43 number solar power projects in Punjab from which PSPCL is procuring power under the PPAs already signed (Based on power exported to PSPCL). Further, the Minimum CUF for up to 10000 KW projects has indeed been worked out as 16% in the analysis of Hon'ble CERC which is certainly of the smaller capacity projects i.e up to 4000Kw. Therefore proposed average CUF of 17.14% for 500Kw to 2 MW projects under reference is fully justified being actual of the 43 power projects of capacity 1000 to 4000 KW operating in Punjab.

It is further submitted that the regulations mentioned by respondent PSPCL are not disputed being a matter of record. The said regulations

have come into force much later to the filing of the present petition, as the present petition was filed in the last quarter of the year 2019-20.

- 11 That in response to Para 11 of the reply filed by PSPCL it is reiterated that the petition was prepared and filed much before the notification of RE Tariff Regulations 2020 issued by CERC.
- 12 That in response to Para 12 of the reply filed by PSPCL it is submitted that section 61 of the Act provides that State Commission shall be GUIDED by CERC Regulations. Thus the same are not mandatory.
- 13 That in response to Para 13 of the reply filed by PSPCL it is submitted that the staff paper referred to by PSPCL in the reply, which has been issued by this Hon'ble commission is undisputed being a matter of record.
- 14 That in response to Para 14 of the reply filed by PSPCL it is submitted that the PPA circulated along with scheme is a matter of record as the same is a part of the scheme of MNRE,GOI.
- 15 That in response to Para 15 of the reply filed by PSPCL the Petitioner prays that this Hon'ble commission may kindly take CUF for the projects under reference as deemed fit keeping in view the CUF of 17.14% being achieved from the existing 43 numbers small capacity solar projects in Punjab.
- 16-19 That in response to Para 16-19 of the reply filed by PSPCL it is submitted that PSPCL has proposed Depreciation rate of 4.67% for first 15 years and 1.9% for balance 10 years as per which the assets have been proposed to be depreciated for 89% of the capital cost whereas

the Regulations clearly say that assets are to be depreciated for 90% of capital cost assuming 10% as salvage value. Accordingly, the Depreciation works out to 4.67% for first 15 years and 2% for the balance life of 10 years.

The Petitioner prays for adopting Debt repayment period as 15 years (against 13 years) and consequently Yearly Depreciation rate of 4.67% for first 15 years and 2% for remaining 10 years.

20 That in response to Para 20 of the reply filed by PSPCL it is submitted that comparative chart of parameters proposed in petition and now revised as per CERC regulations / suomotu order is attached as **Annexure P-6** and it is prayed before this Hon'ble Commission to take the above submission into consideration including the general financial parameters as per RE Tariff Regulations 2020 where ever proposed and others as actual for the scheme/Punjab specific and determine the levelized generic tariff for the proposed small capacity projects (500KW to 2 MW) to be setup under PM-KUSUM Component-A, as prayed for in the captioned petition. Further it is submitted that the PM-KUSUM Scheme Component-A is to be implemented in a time bound manner as per the provisions of the scheme. The solar PV capacity under KUSUM Scheme – Component-A under reference was allocated by MNRE, GOI during F.Y 2019-20 and the installation work is to be completed during the next few months. Thus, it is prayed before this Hon'ble commission to adjudicate upon the matter and to decide the tariff for the sale of power from the projects to be setup under the scheme, expeditiously.

**Place: Chandigarh**

**Date: 04.08.2020**

  
Applicant/Petitioner

Through

  
**ADITYA GROVER, ARJUN GROVER & POOJA R SHARMA**  
Advocates  
Counsel for the Petitioner

Annexure P-6			
<b>Parameters/Norms for determination of Generic tariff under Component-A</b>			
Parameter	As provided in the petition	Now proposed by PEDAs as per regulations 2020-23 or as per petition	Remarks
Capacity	1 MW	1 MW	As per petition
Aux. Cons	0%	0%	As per petition (Since CUF proposed is based on net power exported)
CUF	17.14%	17.14%	As per petition
Capital Cost	34000000	34000000	As per petition
Debt 70%	23800000	23800000	As per petition
Equity 30%	10200000	10200000	As per petition
Interest Rate (p.a.)	10.41%	9.67%	As per regulations 2020-23/Suo Motu Order for determination of tariff for 2020-21
Loan Moratorium (years)	0	0	As per regulations 2020-23
Loan Term (years)	13	15	As per regulations 2020-23
Depreciation	5.28% for first 13 years	4.67% for first 15 years	As per regulations 2020-23
Depreciation	1.78% for balance 12 years	2% for balance 10 years	As per regulations 2020-23
I Tax corporate	15%	34.94%	As per regulations 2020-23 and suo motu order for determination of tariff for 2020-21
I Tax MAT	15%	17.47%	
O&M for 1st year	4.50 Lakh	4.50 Lakh	As per petition
O&M Escalation	5.72%	3.84%	As per regulations 2020-23
Discount Rate	9.36%	8.61%	As per regulations 2020-23 and suo motu order for determination of tariff for 2020-21
ROE	16.47% 1 to 10 years	16.96% 1 to 20 years	
ROE	16.47% 11th year onwards	21.52% 21st year onwards	
Intt on working capital	11.41%	11.17%	
Life and Tariff Period	25 Years	25 Years	As per petition