

DISCOM DIRECTED TO REFUND THE AMOUNT WITHHELD ALLEGING INSTALLATION OF ADDITIONAL MODULES BY SPDs



The Andhra Pradesh Electricity Regulatory Commission (“APERC”) has passed a Common Order dated 01.02.2023 (“Judgment”) in the petitions filed by several Solar Power Developers (“SPDs”) aggrieved by withholding of amounts by the Southern Power Distribution Company Limited (“APDISCOM”) due and payable in terms of the Power Purchase Agreements (“PPAs”). APDISCOM had alleged that the said SPDs had violated the terms and conditions of the PPAs by installing additional solar panels in the projects and have been generating excess capacity. The APERC has delved extensively with difference between ‘installed capacity’ and ‘contracted capacity’ under the Judgment, and has concluded that the SPDs were only barred from addition of extra solar modules in excess of the installed capacity existing at the time of commissioning.

While holding that the SPDs have not violated any term of the PPAs by installing additional solar modules, the APERC has directed the APDISCOM to release the amounts withheld from the SPDs with interest calculated from the date when such amounts were withheld to the date of payment. The said release of amounts has been directed to be done within a period of 30 days from the date of the Judgment.

The Order comes as a relief to the SPDs in the State of Andhra Pradesh as their legitimate dues were withheld on an allegation of installation of additional modules.

Our Managing Partner, Mr. Shri Venkatesh, assisted by Mr. Suhail Buttan, Senior Associate and Mr. Vineet Kumar, Associate represented Walwhan Renewable Energy Ltd. (group company of Tata Power Company Ltd.), which was a part of the petitions disposed of by APERC vide the Judgment.

The Common Order dated 01.02.2023 can be accessed [here](#).