wednesday | 21 february 2024 Case Update



CENTRAL ELECTRICITY REGULATORY COMMISSION STOPS CURTAILMENT OF SOLAR PROJECTS ON ISSUE OF COMPLIANCE OF REACTIVE POWER SUPPORT AS PER WORKING GROUP REPORT, 2022



Central Electricity Regulatory Commission (CERC) by way of its Order dated 20.02.2024 has granted interim relief to Tata Power Renewable Energy Limited (TPREL) and Electro Solaire Private Ltd. (ESPL) by staying the operation of the instructions issued by the Western Regional Load Dispatch Centre (WRLDC) for restricting scheduling of solar power.

TPREL and ESPL own solar power projects of 100 MW and 200 MW respectively, in the Raghnesda Solar Park in Gujarat, which were commissioned in August 2021. On 30.11.2023, Central Electricity Authority (CEA) issued directions to WRLDC to curtail generation from the 20 RE plants which were granted conditional First Time Charging Approval based on Minutes of Meeting dated 05.03.2023 and 22.05.2023 but had not fulfilled the requirements of the Working Group Report, 2022 with respect to providing reactive power support.

Relying upon CEA's directions, WRLDC on 20.12.2023 and 26.12.2023 issued directions restricting scheduling from TPREL and ESPL's projects to the extent of 18%. TPREL and ESPL filed petitions under Section 29(5) of the Electricity Act, 2003 challenging the instructions issued by WRLDC.

TPREL and ESPL's case was based on the fact that they do not fall within the list of 20 RE plants directed to be curtailed by CEA. TPREL and ESPL also contended that the instructions issued by WRLDC are de hors the provisions of the Electricity Act,2003 and that having commissioned their projects prior to the issuance of the Working Group Report,2022 they should be given one year from the notification of non-compliance to comply with the regulations as per the provisions of the Working Group Report, 2022.

Due to the instructions issued by WRLDC, TPREL and ESPL were incurring huge generation and revenue loss on a daily basis. The CERC appreciated the fact that TPREL and ESPL's Projects do not fall within the list of 20 RE plants directed to be curtailed by CEA and thus, stayed the operation os the instructions issued by WRLDC.

TPREL and ESPL were represented by Mr. Shri Venkatesh, Managing Partner assisted by Ms. Priya Dhankhar and Mr. Abhishek Nangia (Senior Associates), Mr. Aditya Tiwari and Mohit Gupta (Associates).

Link to the order: Click Here