

APPELLATE TRIBUNAL FOR ELECTRICITY

SKV Law Offices Secures Favourable Order Before the Appellate Tribunal for Electricity Setting Aside PSERC's Rejection of the 2200 MW Solar Power Procurement under the SECI Framework

SKV Law Offices represented Eden Renewable Cadet Private Limited (“Eden”), Enren-I Energy Private Limited (“Enren”) and NTPC Renewable Energy Limited (“NTPC REL”) before the Appellate Tribunal for Electricity (“Tribunal”). By an Order dated 11.06.2026, the Tribunal set aside the Order dated 09.03.2026 of the Punjab State Electricity Regulatory Commission (“Commission” / “PSERC”) in Petition No. 77 of 2025 (“Impugned Order”), by which the Commission had rejected the procurement of 2200 MW of solar power under the Solar Energy Corporation of India Limited (“SECI”). The matter has been remanded to the Commission for fresh consideration, with a direction to take it up on 17.06.2026 and pass a fresh order as early as possible.

Background

The Punjab State Power Corporation Limited (“PSPCL”) approached the Commission seeking approval for the procurement of 2200 MW of solar power under the SECI framework, with SECI acting as the intermediary procurer. Eden, Enren and NTPC REL were among the developers allotted capacity under this framework and had signed the corresponding power purchase agreements. In March 2026, by the Impugned Order in Petition No. 77 of 2025, the Commission rejected the procurement, which included the capacity allocated to these developers.

The Impugned Order

The Commission rejected the procurement on two grounds: **first**, that the landed cost of approximately Rs. 2.84/2.85 per kWh at the State Periphery was, in its assessment, on the

higher side; and **second**, that there was no certainty regarding the commissioning dates of the power projects. Notably, however, Paragraph 8 of the Impugned Order recorded that there was no dispute about the need for power in Punjab.

The Appeals and Submissions by SKV Law Offices

Three appeals were filed against the Impugned Order: APL No. 137 of 2026 by SECI, APL No. 151 of 2026 by Eden, and APL No. 164 of 2026 by the SAEL entities. SKV Law Offices appeared for Eden, Enren and NTPC REL and made the following submissions.

On the question of landed cost, it was argued that the Commission had erred in benchmarking 2026 rates against those prevailing in 2023, a year when a 100% waiver of inter-State transmission system (“ISTS”) charges applied, as against only a 50% waiver applicable in 2026. The two periods were not comparable, and the 2023 rates could not serve as a yardstick for assessing reasonableness in 2026.

On the question of commissioning certainty, it was pointed out that under a Government of India notification dated 16.04.2026, the commissioning date of the projects had been linked to the commissioning of the associated transmission system. The developers also committed to completing the power projects before 30.06.2027, subject to the commissioning of the associated transmission system. Taken together, these developments directly addressed the Commission's concern regarding commissioning certainty.

The Order of the Tribunal

The Tribunal found prima facie merit in the submissions. On the landed cost issue, it agreed that the 2023 figures, which

reflected a 100% ISTS waiver, could not be used to assess reasonableness in 2026, when only a 50% waiver applied. On commissioning, it noted that the notification dated 16.04.2026 and the developers' commitment to complete projects by 30.06.2027 merit consideration by the Commission. The Impugned Order was accordingly set aside and the matter remanded, with directions to pass a fresh order after hearing all parties and taking note of the subsequent developments and the factual errors raised by the Appellants. Given that the Commission was next sitting on 17.06.2026, the Tribunal directed that the matter be listed on that date and a fresh order passed as soon as possible.

Significance of the Order

The Order is significant for the solar power developers whose allocations under the SECI framework had been placed in jeopardy by the Commission's rejection. By setting aside the Impugned Order, the Tribunal has protected their allocated capacity and given them an early opportunity to have the procurement reconsidered on its merits.

More broadly, the Order has implications for the renewable energy sector. It makes clear that any tariff prudence assessment must account for the ISTS waiver in effect at the relevant time, and that landed costs under materially different waiver regimes cannot be compared. It also recognises that, in view of the Government of India's notification dated 16.04.2026 linking project commissioning to the transmission system, objections based on commissioning uncertainty cannot stand where developers have given a firm outer timeline tied to transmission availability.

Team

The matter was argued by Mr. Shri Venkatesh (Founding Partner) and Mr. Shreyshth Ramesh Sharma (Senior Partner), assisted by Mr. Akash Lamba (Counsel), Mr. Mohit Mansharamani (Counsel), Mr. Siddharth Nigotia (Senior Associate) and Mr. Adarsh Singh (Associate) of SKV Law Offices.

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