

**IN THE APPELLATE TRIBUNAL FOR ELECTRICITY
(Appellate Jurisdiction)**

**APPEAL No. 268 OF 2017
&
Appeal No. 242 of 2017**

Dated: 29.01.2025

**Present: Hon'ble Sandesh Kumar Sharma, Technical Member
Hon'ble Mr. Virender Bhat, Judicial Member**

IN THE MATTER OF:

Indian Wind Power Association (IWPA)
Through its President, 513-514, 5th Floor,
World Trade Centre, Barakhamba Lane,
New Delhi - 110001

...Appellant

Versus

1. Punjab State Electricity Regulatory Commission
Through Its Secretary
SCO No. 220-221, Sector 34-A,
Chandigarh – 160022.
2. Punjab State Power Corporation Limited (PSPCL)
Through Its Chairman–Cum-Managing Director,
PSEB Head Office,
The Mall, Patiala – 147001.
3. Punjab Energy Development Agency
Through Its Director
Solar Passive Complex,
Plot No. 1 & 2, Sector- 33D,
Chandigarh – 160020.

...Respondents

Counsel for the Appellant(s) : Mr. Vishal Gupta
Mr. Kumar Mihir

Counsel for the Respondent(s) : Mr. Sakesh Kumar for R-1

Mr. Anand K. Ganesan
Ms. Swapna Seshadri
Ms. Neha Garg for R-2

Mr. Aditya Grover
Mr. Arjun Grover for R-3

ORDER

PER HON'BLE MR. SANDESH KUMAR SHARMA, TECHNICAL MEMBER

1. The Appellant, Indian Wind Power Association, has filed the captioned appeals, Appeal No. 268 of 2017 and Appeal No. 242 of 2017, challenging the orders dated 21.03.2017 and 22.05.2017 passed by the Punjab State Electricity Regulatory Commission (in short, the "State Commission") in Petition No. 61/2016 and Petition No. 60 of 2015, respectively.

2. The Appellant is aggrieved by the decision of the State Commission whereby the State Commission erroneously allowed carry-forward of the shortfall in RPO Compliance of Respondent No.2 of FY 2015-16 to FY 2016-17 rendering the REC mechanism completely otiose, and its refusal to pass any directions in respect to

RPO Compliance by the Distribution Licensees in view of shortfall for FY 2015-16 being carried forward to FY 2016-17 despite availability of RECs.

3. After hearing the contesting Parties herein, we found it appropriate to direct the 2nd Respondent to submit their compliance report in respect of RPO. The affidavit has since been filed by the 2nd Respondent, furnishing the information as sought for, the relevant extract of the Affidavit is quoted as under:

*“3. I say that the present appeal has been filed by Indian Wind Power Association – IWPA against order dated 22.05.2017 passed by Punjab State Electricity Regulatory Commission (“**State Commission**”) in Petition No. 60 of 2015. By way of the impugned Order, the State Commission carried forward the shortfall in RPO for FY 2015-16 to FY 2016-17. Since the present appeal concerns the RPO for only FY 2015-16, it is infructuous as explained hereinbelow.*

4. I say that the State Commission had not exempted PSPCL from complying with the RPO compliance for FY 2015-16, but had merely permitted PSPCL to carry forward the shortfall in RPO compliance to the subsequent years.

5. I say that the deficiency in RPO compliance which was allowed to be carried forward was not complied by PSPCL. Therefore, the State Commission vide order dated 21.12.2018 in Petition No. 34 of 2018

imposed a penalty of Rs. 1,00,000/- on PSPCL and directed to comply with the RPO for FY 2018-19 along with shortfall of previous years (@Pg. No. 76 of PSPCL' written submissions dated 21.08.2024).

6. I say that since there was still a deficit in complying with the carry forwarded RPO, the State Commission vide tariff order dated 27.05.2019 for FY 2019-20 imposed an additional penalty of Rs. 10,00,000/-. (@Pg. No. 83 of PSPCL' written submissions dated 21.08.2024).

7. I say that PSPCL has deposited the total amount of Rs. 11,00,000/- with the State Commission in terms of the penalty imposed. I say that PSPCL has also purchased RECs to comply with its RPO obligations. Resultantly, PSPCL has fully complied with its RPO obligation for FY 2015-16.

8. I say that compliance of RPO by PSPCL have been pointed out in detail in the written submissions filed on 21.08.2024. I also say that I have read the contents of the written submissions as filed on 21.08.2024 and that the same are true to the best of my knowledge and no part of it is false."

4. The above affidavit was discussed during the final hearing and the Appellant accepted the said submission made by the 2nd Respondent.

5. It is seen from the affidavit, that Respondent No. 2 has complied with the RPO targets for 2015-16 by purchasing the RECs later, however, paid the penalty also for the delay in the purchase.
6. Accordingly, the Appeal stands disposed of in terms of the compliance report filed by the 2nd Respondent.
7. We make it clear that we have not passed any observation on the submission made. However, in the light of the provisions of the Electricity Act, 2003 and the relevant regulations of the State Commission, the 2nd Respondent is duty bound to comply with the RPO obligations. Therefore, for future orders, they should adhere to the regulations within the timelines specified.
8. The Appeal and IAs, if any, are disposed of in the above terms.

PRONOUNCED IN THE OPEN COURT ON THIS 29th DAY OF JANUARY, 2025.

(Virender Bhat)
Judicial Member

(Sandesh Kumar Sharma)
Technical Member

REPORTABLE / NON-REPORTABLE

pr/mkj