

GOVERNMENT OF INDIA
MINISTRY OF NEW AND RENEWABLE ENERGY
LOK SABHA
UNSTARRED QUESTION NO. 3167
TO BE ANSWERED ON 11.07.2019
SOLAR ENERGY CORPORATION OF INDIA

3167. Dr. Shrikant Eknath Shinde
Dr. Pritam Gopinathrao Munde
Shri Vinayak Raut
Shri Girish Bhalchandra Bapat

Will the Minister of NEW AND RENEWABLE ENERGY be pleased to state:

- (a) whether solar and wind power industries have been demanding dispute resolution mechanism for resolving the unforeseen disputes that may arise in implementation of contractual agreements between solar or wind power developers and Solar Energy Corporation of India (SECI) or State-run power giant NTPC and if so, the details thereof;
- (b) whether the Government has decided to set up a three-member Dispute Resolution Committee (DRC) to look into disputes beyond contractual agreements;
- (c) if so, the details thereof and the criteria adopted for selection of the member of the DRC;
- (d) the time by which the aforesaid committee will start functioning;
- (e) whether SECI has signed multiple Power Supply Agreements (PSAs) with distribution licensees across the country; and
- (f) if so, the names of the States with whom the multiple PSAs with distribution licensees have been signed?

ANSWER

THE MINISTER OF STATE (I/C) FOR NEW & RENEWABLE ENERGY AND POWER
(SHRI R. K. SINGH)

- (a) Yes Sir. The Government has been receiving representations from solar and wind power industries and their associations like Solar Power Developers Association (**Annexure-A**) for setting up a dispute resolution mechanism for resolving the unforeseen disputes that may arise in implementation of contractual agreements between solar or wind power developers and Solar Energy Corporation of India (SECI) or NTPC.
- (b) Yes Sir. The Government vide Order No. 283/124/2018-Grid Solar dated 18.06.2019 has issued the order for Setting up of a Dispute Resolution Mechanism to consider the unforeseen disputes between solar/ wind power developers and SECI/ NTPC, beyond contractual agreements.
- (c) Vide the Order No. 283/124/2018-Grid Solar dated 27.06.2019, the members of the Dispute Resolution Committee set up under this mechanism are as under:
 - i. Sh. M.F.Farooqui (former DOT Secretary/ Heavy Industry Secretary, Ex-IAS, TN:1978)
 - ii. Sh. Anil Swarup (former Coal Secretary/ School Edn. Secretary, Ex-IAS, UP:1981)
 - iii. Sh. A.K.Dubey (former Sports Secretary, Ex-IAS, Kerala:1982)The selection criteria are as per MNRE Order No. 283/124/2018-Grid Solar dated 18.06.2019.
- (d) Vide the Order No. 283/124/2018-Grid Solar dated 27.06.2019, the three member Dispute Resolution Committee has become functional.
- (e) and (f) Yes Sir, SECI has signed Power Sale Agreements (PSAs) with distribution licensees in the states of Andhra Pradesh, Assam, Bihar, Chhattisgarh, Delhi, Goa, Gujarat, Haryana, Himachal Pradesh, Jharkhand, Karnataka, Kerala, Madhya Pradesh, Maharashtra, Odisha, Punjab, Rajasthan, Tamil Nadu, Uttar Pradesh and the Union Territories of Andaman & Nicobar, Dadra and Nagar Haveli (DNH) and Puducherry.



SOLAR POWER DEVELOPERS ASSOCIATION

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Website: www.solarpda.com

Shekhar Dutt, SM, IAS(Retd)
Director General, SPDA
Former Governor of Chhattisgarh State

SPDA/DELHI/MNRE/12-2018/05

December 5, 2018

Shri Anand Kumar, IAS
Secretary to the Govt. of India
Ministry of New and Renewable Energy
Block-14, CGO Complex
New Delhi

Subject: Request for formation of Dispute Resolution Committee (DRC) for solar power sector

Dear Shri Anand Kumar,

This is in reference to our letter dated 27.04.2018 regarding formation of Dispute Resolution Committee (DRC). In the last few years, solar sector has witnessed significant increase in number of disputes, which have translated into litigations. These litigations have resulted into significant wastage of effort, time and money on part of disputing parties. This Committee would aim at resolving such issues.

The proposal was discussed in detail during a meeting held with Principle Secretary to Hon'ble Prime Minister of India on 26.11.2018. As discussed in the meeting, we propose for the formation of DRC for solar sector as illustrated below:

Scope
<ul style="list-style-type: none"> ▪ Faster resolution of contractual issues related to time extension in Financial Closures/Commissioning, delays in regulatory approvals from State /Central agencies, delays due to land acquisition, transmission lines, connectivity, law & order issues etc.
Members
<ul style="list-style-type: none"> ▪ One senior member (Retired personnel from NTPC, CEA, CERC, SERC etc.) ▪ One senior legal member (Retired judge of Supreme Court, High Court etc.) ▪ Special invitee from Industry association (optional) - Third party consultant appointed by Nodal agency
Process
<ul style="list-style-type: none"> ▪ Unresolved disputes of developers, bankers, nodal agency shall be submitted to Dispute Resolution Committee (DRC) along with all the documentations. ▪ Presentations by appellant/defendants followed by rejoinders and one-on-one discussions with relevant stakeholders. ▪ DRC may ask for additional document as required which shall be submitted by stakeholder within 2 weeks. ▪ DRC may convene monthly meetings for decision on pending disputes. ▪ Final binding order by DRC within 8 weeks after completion of proceedings.

Former

- Deputy National Security Advisor, Govt. of India
- Defence Secretary, Govt. of India
- Secretary Defence Production, Govt. of India
- Secretary Ministry of Health Govt. of India
- Director General Sports Authority of India

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It is noteworthy that agencies like National Highway Authority of India (NHAI) in road sector have taken proactive measures for faster resolution of disputes. The details of one such mechanism in National Electronic Toll Collection (NETC) program by NHAI are annexed for your reference.

The adoption of such practices by SECI, NTPC & State DISCOMs in solar power sector would really be helpful to reduce the load of litigations from judiciary and timely resolution of various issues.

We look forward to your positive consideration in this regard and early formation of the Committee.

Thanking you

Yours sincerely



Shekhar Dutt

Enclosure: As above