

MINUTES OF THE SPECIAL MEETING OF FORUM OF REGULATORS

DATE : 28.02.2025

TIME : 11.00 AM

Virtually on MS-Teams

List of participants: Appendix-I

1. At the outset, Chairman, FOR/CERC welcomed all participants, highlighting that the sole agenda of the Special meeting was to discuss the FOR Working Group's report on PSP & hydropower and informed the FOR Secretariat to take up the agenda item for discussion.

AGENDA ITEM NO 1: REPORT OF FOR WORKING GROUP ON “ACCELERATING THE DEVELOPMENT OF HYDROPOWER FOR GRID STABILITY”.

2. Introducing the study, Chairman of the WG/ Chairperson, HPERC provided the Forum with an overview of the WG’s progress when the WG’s first meeting took place in New Delhi on 9th May 2024. The group's objective was to explore strategies and propose actionable measures for promoting hydropower and PSP projects in India. Over the course of seven meetings, including visits to two PSP plants, the group gathered feedback from CPSUs, State utilities, and approximately 12 hydropower entities. The TOR covered the evaluation of the current regulatory framework policies exploring measures to encourage hydropower, suggest strategies for accelerating the hydropower, and address other related issues. The FOR was also briefed about data collection through a questionnaire on a number of policy issues, challenges, etc. After a thorough discussion, the WG drafted a comprehensive report, which was subsequently approved by its members. This first report was presented for discussion at the Forum.
3. The discussion emphasized the need for long-term options like hydropower. The Working Group conveyed a strong commitment to promoting hydropower as a critical component for sustainable energy development.
4. Thereafter, the Senior Advisor (RE), CERC provided a detailed, clause-by-clause briefing of the report, including its key recommendations. After discussion, the Members of the Forum made the following suggestions :

- i. Input energy for pumping in a PSP should not be treated as ‘consumption,’ and hence, electricity duty should not be levied on PSP. Exempting Pumped Storage Plants (PSPs) from Electricity Duty and Cess can reduce input energy costs and promote hydropower. This exemption could be recommended for broader implementation.
 - ii. Reducing costs in acquiring land for PSPs, leasing government land at a nominal cost, exempting stamp duty, etc, can be implemented in States, which will eventually reduce the capital cost of the project and attract private players for new investment in this sector
 - iii. With respect to the identification of contractors, it was suggested that a government-led nodal agency could identify reliable contractors for PSP development, streamlining the process for developers who want to collaborate with trusted contractors.
 - iv. The Members also suggested a reduction in interest on loans for PSPs. The Members recommended adjusting the debt-to-equity ratio to 80:20 for public sector projects, which could lower the cost of generation by 10-20%, making PSPs more financially viable.
 - v. The Members suggested setting up of specialised Tribunals for priority resolution of disputes (such as land acquisition, R &R issues, etc) involving implementation of Hydro / PSP projects
5. At the end of the discussion, the Forum decided that the report, after incorporating the above suggestions, can be finalised by the FOR Secretariat and sent to the Ministry of Power.
 6. Concluding the session, the Secretary, FOR/CERC extended the Vote of thanks to the FOR and Chair, acknowledging the fruitful contributions and productive discussions that transpired during the meeting.

APPENDIX – I

LIST OF PARTICIPANTS FOR THE SPECIAL MEETING OF FOR
HELD ON 28TH FEBRUARY, 2025.
THROUGH VIDEO CONFERENCING (MS TEAM)

S. No.	NAME	ERC
01.	Shri Jishnu Barua Chairperson	CERC/FOR – in Chair.
02.	Shri R.K. Joshi Chairperson	APSERC
03.	Shri Amir Subhani Chairperson	BERC
04.	Shri Hemant Verma Chairperson	CSERC
05.	Shri Anil Mukim Chairperson	GERC
06.	Shri Nand Lal Sharma Chairperson	HERC
07.	Shri D.K. Sharma Chairperson	HPERC
08.	Shri Alok Tandon Chairperson	JERC for State of Goa & UTs
09.	Shri P. Ravi Kumar Chairperson	KERC
10.	Shri T.K. Jose Chairperson	KSERC
11.	Shri Rengthanvela Thanga Chairperson	MnERC
12.	Shri Chandan Kumar Mondol Chairperson	MSERC
13.	Shri Khose Sale Chairperson	NERC
14.	Shri Viswajeet Khanna Chairperson	PSERC
15.	Dr. Rajesh Sharma Chairperson	RERC
16.	Shri R. Manivannan Chairperson	TNERC
17.	Dr. (Justice) Devaraju Nagarjun Chairperson	TSERC
18.	Shri Arvind Kumar Chairperson	UPERC
19.	Dr. M.V. Rao Chairperson	WBERC

20	Shri Gajendra Mohapatra Member/Officiating Chairperson	OERC
.21.	Shri P.V.R. Reddy Member/Chairperson I/c.	APERC
22.	Shri Prashant Kumar Chaturvedi Member	MPERC
23.	Shri Harpreet Singh Pruthi Secretary	CERC/FOR
24.	Dr. Sushanta K. Chatterjee Chief (RA)	CERC
SPECIAL INVITEES		
25.	Shri Ramesh Babu Veeravalli Member	CERC
26.	Shri Harish Dudani Member	CERC
27.	Shri Ravinder Singh Dhillon Member	CERC
28.	Shri Awdhesh Kumar Yadav Chief (Engg.)	CERC
29.	Shri Rajeev Pushkarna Chief (Fin.)	CERC
FOR SECRETARIAT		
30.	Ms. Rashmi S. Nair Jt. Chief (RA)	CERC
31	Shri Ravi Kadam Sr. Advisor (RE)	CERC
32.	Shri Debasish Roy Asst. Chief (RA)	CERC
33.	Ms. Jijnasa Behera RO	FOR
34.	Ms. Nausheen RA	CERC
35.	Shri Sushil Kumar Arora Administrative Officer	CERC