



याचिका संख्या/Petition No. 226/AT/2024

कोरम/ Coram:

श्री जिशु बरुआ, अध्यक्ष / Shri Jishnu Barua, Chairperson  
श्री रमेश बाबू व., सदस्य / Shri Ramesh Babu V., Member  
श्री हरीश दुदानी, सदस्य / Shri Harish Dudani, Member

आदेश दिनांक/ Date of Order 24<sup>th</sup> February, 2025

**IN THE MATTER OF:**

Petition under Section 63 of the electricity Act, 2003 for adoption of tariff of 3000 MW renewable energy (re) power projects connected with the inter-State transmission system (ISTS) and selected through a competitive bidding process as per the guidelines dated 9.6.2023 of the Ministry of Power, Government of India as amended from time to time.

**AND**

**IN THE MATTER OF:**

NTPC Limited,  
NTPC Bhawan,  
Core – 7, Scope Complex, 7, Institutional Area,  
Lodhi Road, New Delhi-110003

... Petitioner

**VERSUS**

1. M/s ABC CleanTech Private Limited,  
P.No. 03, 2<sup>nd</sup> Floor, PMR Plaza Thakur Mansion Lane,  
Somajiguda, Hyderabad,  
Telangana- 500082
2. M/s Juniper Green Energy Private Limited,  
F-9, First Floor, Manish Plaza-1,  
Plot No. 7 MLU, Sector-10  
Dwarka, New Delhi- 110075
3. M/s BN Dispatchable-1 Private Limited,  
Unit 4A, Skootr Managed Office,  
2<sup>nd</sup> Floor, Infinity Tower-A,  
DLF Cyber City, Gurugram-122002

4. M/s Hero Solar Energy Private Limited,  
Plot No. 201, Ground Floor  
Okhla Industrial Estate Phase- III  
New Delhi- 110020
5. ReNew Solar Power Private Limited,  
ReNew. Hub, Commercial Block-1,  
Zone 6, Golf Course Road,  
DFL City Phase-V  
Gurugram, Haryana- 122009
6. M/s Serentica Renewables India 11 Private Limited,  
DLF Cyber Park, Block B, 9th Floor,  
Udyog Vihar, Phase III,  
Sector 20, Gurugram122 008, Haryana
7. M/s Tata Power Renewable Energy Limited,  
The Tata Power Company Limited,  
Corporate Center, 34 Sant Tukaram Road,  
Carnac Bunder, Mumbai 400009.

. . . Respondents

**Parties present:**

Ms. Shikha Ohri, Advocate, NTPC  
Ms. Ritika Singh, Advocate, NTPC  
Shri Kartik Sharma, Advocate, NTPC

**ORDER**

The Petitioner, NTPC Limited (“NTPC”), has filed the present petition for the adoption of tariff for the procurement of 3000 MW from Inter-State Transmission System (ISTS) connected Renewable Energy (RE) Power Projects under the “Guidelines for Tariff Based Competitive Bidding Process for Procurement of Firm and Dispatchable Power from Grid Connected Renewable Energy Power Projects with Energy Storage Systems” dated 09.06.2023 issued by the Ministry of Power, Government of India. The Petitioner has made the following prayers:

*“(a) Adopt the tariff discovered in the tariff based competitive bid process for the power projects as stated above on the terms and conditions contained in the LoAs dated 22.04.2024 issued to the successful bidders, and;*

*(b) Approve the trading margin of INR 0.07/kWh.”*

## **Submission of the Petitioner**

2. The (NTPC) in India is an intermediary agency in the purchase and sale of power under Power Purchase Agreements (PPAs) and Power Sale Agreements (PSAs) under the Renewable Purchase Obligations (RPO) under Section 86 (1) (e) of the Electricity Act 2003. The Ministry of Power (MoP) notified the "Guidelines for Tariff Based Competitive Bidding Process for Procurement of Firm and Dispatchable Power from Grid Connected Renewable Energy Power Projects with Energy Storage Systems" (Guidelines, 2023). NTPC invited online bids by issuing the Request for Selection (RFS) IFB No. NTPC/RE-CS/2023-24/FDRE/BOO-12 along with standard draft of PPA and PSA documents for setting up a 3000 MW firm and dispatchable energy from ISTS connected Renewable Energy (RE) Power project. The tender was floated on the ISN Electronic Tender System (ISN ETS) e-Tender portal followed by e-reverse auction, on International Competitive Bidding (ICB) basis. NTPC constituted a Standing Tender Committee to evaluate the bids and submit award recommendations for the tenders invited by NPTC. The total bid capacity of all techno-commercially qualified bidders was 1980 MW. The Standing Tender Committee submitted its report on financial bid evaluation and details of the shortlisted bidders for the e-reverse auction (e-RA) for the supply of 3000 MW Firm and Despatchable Power from ISTS-Connected Renewable Energy (RE) Power Projects under the RfS.

3. The total offered contract capacity for the award is 1584 MW, with the last bidder ACME in the yellow zone. The balance capacity of 54 MW was offered to ACME, who refused to accept it. The NTPC issued Letters of Award to ABC CleanTech Private Limited, BN Dispatchable-1 Pvt Ltd., Hero Solar Energy Power Limited, ReNew Solar Power Private Limited, Juniper Green Energy Private Limited, Serentica Renewables India 11 Private Limited, and Tata Power Renewable Energy Limited.

The Power Purchase Agreement and Power Sale Agreement are for 25 years. The tariff discovered is competitive and beneficial to both the procurer(s) and consumers.

**Hearing dated: 25.07.2024**

4. During the course of the hearing on 25.7.2024, the learned counsel for the Petitioner, NTPC, reiterated the submissions made in the pleadings and requested the Commission for the adoption of the tariff of the 1530 MW Renewable Energy (RE) Power Projects connected with the ISTS and selected through the competitive bidding process as per the Guidelines.

5. Considering the submissions made by the learned counsel for the Petitioner, the Commission admitted the matter and permitted the Respondents to file their replies to the Petition, if any. The Commission also directed the Petitioner to furnish the details/information viz. (i) Status of the PPAs and PSAs and the anticipated timeline for tying up the entire awarded capacity, (ii) Certificate issued by the Bid Evaluation Committee to the effect that the bidding process is carried out in a transparent manner in accordance with the guidelines issued by the government and the price of the selected bidder is reasonable and consistent with the requirement as per Clause 11.2 of the RE Guidelines.

**Hearing dated 29.08.2024**

6. At the outset, learned counsel for the Petitioner, NTPC sought additional time to file the details/information as called for by the Commission vide Record of Proceedings for the hearing dated 25.7.2024. Considering the above request, the Commission permitted the Petitioner to file the details/information as called for, on an affidavit, within two weeks.

## **Hearing dated 09.09.2024**

7. During the course of the hearing, the learned counsel for the Petitioner submitted that the Petitioner had filed a compliance affidavit furnishing the additional details/information as called for vide Record of Proceedings for the hearing dated 25.7.2024. She further submitted that no reply has been received from the Respondents despite notice.

8. In compliance with the direction given by the Commission vide Record of Proceedings for the hearing dated 25.7.2024, the Petitioner, vide affidavit dated 20.8.2024, has mainly submitted as under:

- i. The Petitioner is engaged in discussions with multiple State Utilities and Distribution Companies concerning the sale of power. The petitioner anticipates that the Distribution Companies will execute the Power Supply Agreement subsequent to their assessment of the tariffs presented by the Renewable Energy Implementing Agencies. Moreover, subsequent to the execution of the Power Sale Agreement by the Distribution Companies and State Utilities, they shall proceed to enter into the Power Purchase Agreement with the chosen developers.*
- ii. The petitioner has submitted the Certificate Issued by the Bid Evaluation Committee, which confirms that the bidding process was conducted in a fair manner and in accordance with the applicable governmental regulations. Furthermore, the certificate attests that the price proposed by the winning bidder is reasonable and complies with the stipulations outlined in Clause 11.2 of the RE Guidelines.*
  - 1. "The bidding process and evaluation criteria as specified in the RfS document has been strictly complied with and the entire process of evaluation has been transparent.*
  - 2. The levelized tariffs quoted by the bidders for supply of solar power for 25 years have been discovered through International Competitive Bidding process under Open Tender mode followed by Reverse Auction. Total number of bidders who have participated in the tender was Ten (10) with cumulative quoted contracted capacity of 1980 MW against the total bid capacity of 3000 MW, from which it can be considered that there has been adequate participation of the bidders in the aforesaid tender. Considering above, the tariff discovered in the present tender as mentioned above*

*appears to be reasonable and consistent with the requirement of the tender.*

*The certificate is being issued for onward submission to Honourable CERC for tariff adoption.”*

**Analysis and Decision:**

9. We now proceed to consider the prayer of the Petitioner as regards the adoption of tariff under Section 63 of the Act in respect of the FDRE Power Projects discovered pursuant to the competitive bid process carried out in terms of the Guidelines issued by the Government of India.

10. Section 63 of the Act provides as under:

*“Section 63. Determination of tariff by bidding process: Notwithstanding anything contained in Section 62, the Appropriate Commission shall adopt the tariff if such tariff has been determined through transparent process of bidding in accordance with the guidelines issued by the Central Government.”*

11. Thus, in terms of Section 63 of the Act, the Commission is required to adopt the tariff on being satisfied that the transparent process of bidding in accordance with the Guidelines issued by the Government of India under Section 63 of the Act has been followed in the determination of such tariff.

12. The Ministry of Power, Government of India, has issued the Guidelines under Section 63 of the Act on 09.06.2023. The salient features of the same are as under:

(a) These Guidelines are applicable for the procurement of firm and dispatchable power from grid-connected Renewable Energy (RE) Projects, which may include solar, wind, or hybrid projects, with or without Energy Storage Systems (ESS). The ESS must be charged exclusively using renewable energy sources.

(b) The Procurer shall invite bids specifying the required quantum of firm and dispatchable power to meet their demand profile. The technical and financial requirements, including the capacity of ESS (if applicable), shall be outlined in the Request for Selection (RfS).

(c) The Procurer will adopt a single-stage, two-part competitive bidding process, consisting of technical and financial bids, conducted through an e-procurement platform. An optional e-reverse auction may be conducted if explicitly mentioned in the bidding documents.

(d) The minimum and maximum capacity of power procurement from a single bidder, including its affiliates, may be specified by the Procurer. Bidders must comply with the defined capacity limits and other eligibility conditions set out in the Guidelines.

(e) The tariff quoted by the bidder shall be the bidding parameter. It shall be a fixed tariff (in ₹/kWh) for the PPA period. The allocation of capacity shall follow the "Bucket Filling" method, starting with the lowest tariff (L1 bidder) and proceeding sequentially (L2, L3, etc.).

(f) Bidders shall be required to submit an Earnest Money Deposit (EMD) along with their bids. Upon selection, a Performance Bank Guarantee (PBG) equivalent to at least 5% of the estimated project cost must be submitted by the successful bidder(s).

(g) The Procurer shall issue the draft Power Purchase Agreement (PPA) and Power Sale Agreement (PSA) (if applicable) along with the RfS. The PPA must incorporate key provisions, including payment security mechanisms, force

majeure, deviation settlement mechanisms, change in law, and event of default with applicable remedies.

(h) Adequate payment security must be ensured as per the Guidelines, including provisions for escrow mechanisms and letters of credit. Additionally, the Procurer or intermediary Procurer may maintain a payment security fund to cover potential defaults.

(i) Bidders must meet the technical and financial qualification criteria outlined in the RfS, including net worth, liquidity, and compliance with laws for foreign bidders. The evaluation of technical bids will precede the opening of financial bids, and only technically qualified bids will be considered for financial evaluation.

(j) An Evaluation Committee, consisting of at least three members with expertise in financial and technical matters, shall be constituted to evaluate the bids. The Committee will ensure compliance with the Guidelines and certify the reasonableness of the discovered tariffs.

(k) The Procurer or intermediary Procurer shall disclose the names of successful bidders and the tariffs discovered through the bidding process. The disclosure shall also include a breakup of tariff components, if applicable, after the execution of the PPA.

(l) The Procurer or intermediary Procurer must approach the Appropriate Commission for adoption of the discovered tariff under Section 63 of the Electricity Act, 2003, within 15 days of its discovery through the competitive bidding process.



(m) Any deviation from these Guidelines or the Standard Bidding Documents (SBDs) in the RfS, PPA, or PSA must be approved by the Appropriate Government or Authority following the process outlined in the Guidelines.

13. In terms of the provisions of Section 63 of the Act, we have to examine whether the process as per the provisions of the FDRE Guidelines has been followed in the present case for arriving at the lowest tariff and for the selection of the successful bidder(s).

14. The Ministry of New and Renewable Energy ('MNRE') vide Office Memorandum ('OM') number 283/24/2023-GRID SOLAR/Pt dated 31.3.2023 directed the Bidding Trajectory that Renewable Energy Implementing Agencies (REIAs) were required to follow for renewable energy power projects. By means of the aforementioned OM dated 31.3.2023, REIAs were instructed to submit the bids for renewable energy capacity of fifty gigawatts (GW) annually beginning in the fiscal year 2023-2024. Subsequently, the MNRE vide another OM number 283/24/2023-GRID SOLAR dated 24.4.2023 announced the Bidding calendar for the fiscal year 2023-24 for each of the REIAs by another official notification (OM) number 283/24/2023- GRID SOLAR. According to the Bidding Calendar, NTPC was obligated to solicit bids for the selection of a variety of renewable energy producers for a capacity of 15 gigawatts (GW) during the fiscal year 2023-24. The Petitioner has been designated as the nodal agency for the implementation of the MNRE Schemes to establish the inter-State Transmission Systems connected/State-specific wind/solar power/wind-solar hybrid power projects, inviting bids through a tariff-based competitive bidding process, entering into the Power Purchase Agreements (PPAs) with the developers at the tariff discovered in the competitive bid process, and entering into the Power Supply Agreements (PSAs) with

the distribution licensees on back-to-back, NTPC functions as an intermediary agency in the process of purchasing and selling power under the PPAs and PSAs.

15. The Guidelines offer a framework for the long-term procurement of renewable energy power projects at a tariff that will be decided through a transparent process of bidding held by the Procurer(s) from the ISTS connected Renewable Energy (RE) Power Projects.

16. In accordance with the Guidelines, on 31.10.2023, NTPC invited online bids by issuing the Request for Selection (RfS) IFB No. NTPC/RE-CS/2023-24/FDRE/BOO-12 along with Standard draft of the PPA and the PSA documents for setting up of the 3000 MW firm and dispatchable energy from the ISTS connected Renewable Energy (RE) Power project, as per the Guidelines. This tender was floated on the ISN Electronic Tender System (ISN ETS) e-Tender portal followed by e-reverse auction, on International Competitive Bidding (ICB) basis. Additionally, NTPC issued Amendment Nos.1, 2, 3 to the RfS dated 30.11.2023, 28.12.2023, 05.01.2024, respectively.

17. NTPC published the RfS Document on the Central Public Procurement Portal Website of Government of India ('e-publishing system') on 31.10.2023.

18. In terms of Guidelines, 2023, NTPC, vide an email dated 01.04.2024, intimated to the Commission about the initiation of the bidding process for selection of FDRE Projects.

19. Subsequently, NTPC constituted a Standing Tender Committee to evaluate the bids and to submit award recommendation for the tenders invited by NPTC.

*"Sub: Standing Tender Committee for the packages of RE Deptt, for tenders*

invited by NTPC as Renewable Energy Implementing Agency (REIA) under Developer Mode for sale of power to End Procurer(s)

A Standing Tender Committee has been constituted comprising of following members from RE-CS, Corp. Commercial and Corp. Finance Departments to evaluate the bids and submit Award recommendation for the tenders invited by NTPC as REIA under developer mode for sale of power to End Procurer(s):

<b>Sr.No.</b>	<b>Department</b>	<b>Name &amp; Designation of Tender committee member</b>
1.	RE-CS	Sh. Dhananjay Mohapatra, AGM (RE-CS)
2	Commercial	Sh. Manish Kumar Verma, AGM (Commercial)
3	Finance	Sh. Kamal Preet Singh, AGM (Fin)

20. The Standing Tender Committee examined the bids based on the Qualifying Requirement in the RfS. After completion of the Techno-Commercial evaluation process, the Standing Tender Committee in its report dated 15.3.2024 recommended that the following ten bidders to be techno-commercially qualified and eligible for opening of the financial bids:

<b>S. No.</b>	<b>Name of the Bidder</b>	<b>Cumulative Contracted Capacity</b>
1.	M/s Juniper Green Energy Private Limited (JUNIPER)	200
2.	M/s Acme Cleantech Solutions Private Limited (ACME)	250
3.	M/s Solarcraft Power India 13 Pvt Ltd (SOLARCRAFT)	50
4.	M/s Renew Solar Power Private Limited (RENEW)	400
5.	M/s Hero Solar Energy Private Limited (HERO)	120
6.	M/s BN Dispatchable-1 Private Limited (BN DISPATCHABLE)	110
7.	M/s Tata Power Renewable Energy Limited (TATA)	200
8.	M/s Serentica Renewables India 11 Private Limited (SERENTICA)	200
9.	M/S TEQ Green Power XIV Private Limited (TEQ)	150
10.	M/s ABC Cleantech Private Limited (ABC)	300
	<b>Cumulative Contracted Capacity</b>	<b>1980</b>

21. The total bid capacity of all the techno commercially qualified bidders was 1980 MW. Based on the bids received, the shortlisting of the bidders for the e-reverse auction was completed in line with Clause 3.12.4.3 of the RfS based on the financial bids submitted by the bidders. Accordingly, on 15.3.2024, the Standing Tender

Committee submitted its report on financial bid evaluation and details of the shortlisted bidders for e-reverse auction (e-RA) are as under:

S.No.	Name of the Bidder	Quoted Tariff (in INR/kWh)	Qualified Contracted Capacity (in MW)	Ranking of Bidder
1.	ABC	4.64	300	Rank-1 (L1)
2.	JUNIPER	4.69	200	Rank-2 (L2)
3.	HERO	4.69	120	Rank-3 (L3)
4.	BN DISPATCHABLE	4.72	110	Rank-4 (L4)
5.	TEQ	4.82	150	Rank-5 (L5)
6.	SERENTICA	4.84	200	Rank-6 (L6)
7.	RENEW	4.85	400	Rank-7 (L7)
8.	TATA	4.86	200	Rank-8 (L8)
9.	ACME	5.05	250	Rank-9 (L9)
10.	SOLARCRAFT	5.25	50	Rank-10 (L10)

22. The e-RA commenced on 22.03.2024 at 14:00 Hrs. The final results after the Reverse Auction are as under:

S. No.	Name of the Bidder	Contracted Capacity (in MW)	Last Quoted Tariff (in INR/kWh)	Zone of the bidder at the time of closure of e-RA
1.	ABC	300	4.64	GREEN
2.	JUNPER	200	4.69	GREEN
3.	HERO	120	4.69	GREEN
4.	SERENTICA	200	4.71	GREEN
5.	TATA	200	4.71	GREEN
6.	BN DISPATCHABLE	110	4.72	GREEN
7.	RENEW	400	4.72	GREEN
8.	ACME	250	4.73	YELLOW
9.	TEQ	150	4.82	RED
10.	SOLARCRAFT	50	5.25	RED

23. In line with the provisions of the RfS regarding selection of successful bidders and the total offered contract capacity for award being 1584 MW, the successful bidders were as under:

S.No.	Name of the Bidder	Solar PV Component (MW)	Wind Power Component (MW)	ESS Component (MWh)	Contracted Capacity of RE Projects for allotment
1.	ABC	335	500	75	300

2.	JUNIPER	200	300	60	200
3.	HERO	120	180	30	120
4.	SERENTICA	250	250	50	200
5.	TATA	200	360	50	200
6.	BN DISPATCHABLE	115	189	50	110
7.	RENEW	400	400	100	400
Cumulative Contracted Capacity for award					1530 MW

24. It is pertinent to note that the balance capacity of 54 MW out of total offered capacity for award i.e. 1584 MW left after allotment to the aforesaid seven bidders was offered to the last bidder ACME who was in YELLOW zone at the time of Closure of Reverse Auction. ACME has refused to accept the offered partial capacity of 54 MW against his quoted capacity of 250 MW.

25. On 22.4.2024, NTPC issued the Letters of Award to M/s ABC CleanTech Private Limited, M/s BN Dispatchable-1 Pvt Ltd., M/s Hero Solar Energy Power Limited, M/s ReNew Solar Power Private Limited, M/s Juniper Green Energy Private Limited, M/s Serentica Renewables India 11 Private Limited, M/s Tata Power Renewable Energy Limited. A relevant portion of one of the LOA issued to the developers are extracted as under:

*"2.0 NTPC is pleased to accept your Response to Request for Selection for the subject tender read in conjunction with all the terms & conditions of the RfS Documents including its Amendments & Clarifications and letters/emails referred to in Para 1.0 above and issue this Letter of Award (LoA) for setting up of 200 MW (contracted capacity) ISTS-Connected Renewable Energy (RE) Power Project and Supply Of Firm And Dispatchable Power from this project to NTPC subject to the terms and conditions contained in RfS mentioned at para 1.0 above.*

*Further, the Power Purchase Agreement (PPA) shall be signed with you only after signing of Power Sale Agreement (PSA) with the end procurers and NTPC shall not be liable on any account for any delay / inability in signing of PSA and PPA.*

*3.0 In line with the terms and conditions of RfS, before signing of PPA, you have the option to form Special Purpose Vehicle (hereinafter called "Project Company") under Indian Companies Act. The company (Bidding Company or Project Company) executing the project (hereinafter called "RE Power Generators / RE-PG") shall enter into Power Purchase Agreement (PPA) as per the format given along with RfS within 90 days of issue of this Letter of Award (LOA) subject to signing of Power Sale Agreement (PSA) with the End Procurer(s) for identified capacity. All the documents referred to at para 1.0 above shall form integral part of the Power Purchase Agreement to be entered into between Project Company / RE Power Generators / RE-PG and NTPC so far these are not repugnant to the terms and conditions contained in the RfS referred to in para 1.0 above.*

The signing of PPA shall constitute the agreement for setting up of the project. As specified in Clause No 3.14 of RfS, irrespective of the date of signing of PPA, the Effective Date of the PPA shall be the date as on 90<sup>th</sup> day from the date of issuance of LOA. In extraordinary cases of unavoidable delays on the part of NTPC in signing the PPAs, the Effective Date of the PPA shall then be the date of signing of PPA.

- 4.0 As per clause 3.26 of RfS document, you shall ensure that the Shareholding of Bidding Company Tata Power Renewable Energy Limited in the SPVZ project company executing the PPA shall not fall below 51% (fifty one per cent) at any time prior to 1 (one) year from the Scheduled Commencement of Supply Date (SCSD), except with the prior approval of NTPC. Further, in case, you yourself shall be executing the PPA, you shall also ensure that the promoters shall not cede control of Tata Power Renewable Energy Limited till One (01) year from the SCSD except with the prior approval of NTPC. Any change in the shareholding after the expiry of One (01) year from the SCSD can be undertaken under intimation to NTPC.
- 5.0 The Tariff for electricity generated from the Renewable Energy (RE) Power Project to be developed by the RE-PG for the entire period of twenty five (25) years of Power Purchase Agreement (PPA) to be entered into between the RE-PG and NTPC for this project shall be **INR 4.71/kWh** (Rupees Four and Seventy One paise only per Kilowatt hour) subject to the provisions of RfS.
- 6.0 You along with your Project Company (if formed by your Company) are required to submit the following documents along with originals for verification within 15 days of issuance of this Letter of Award (LOA):
- i) Original Response to RfS referred to in para 1.0 (E) above.
  - ii) If Project Company is formed by your company for this project, Board Resolutions from your Company and your Parent and/or Affiliates duly certified by the Company Secretary or the Director, as applicable, regarding fulfilment of equity investment obligations of Project Company in the same manner as provided by you and your Affiliates in your favour at the time of submission of RfS.
  - iii) Copy of the Certificate of Incorporation along with Memorandum & Article of Association of RE-PG highlighting the relevant provision of Power/Energy/Renewable energy/Solar/Wind Energy/Solar Power Plant development as per clause 3.15 (A 12) of RfS duly certified to be True copy by Company Secretary.
  - iv) Details of promoters and current shareholding pattern of the Bidding Company and Project Company (if formed) developing the project, duly certified by the Company Secretary in original along with a copy of Return filed with Registrar of Companies (ROC) for registering the shareholding and its terms and conditions which became due for filing during this period.
  - v) If Project Company is formed by your company to execute the project, a fresh Integrity Pact between Project Company and NTPC has to be signed. Certificate for Compliance to all Provisions of RfS Document is also to be submitted by Project Company.
- 7.0 Vide Format 6.1 (Covering letter) and Format 6.9 of your bid submitted against the RfS (copy enclosed at Annexure-II), you have indicated that you shall develop One (01) project of Contracted Capacity of 200 MW with details as under:

Project No.	Contracted Capacity Offered (MW)	Firm and Dispatchable Power configuration (Installed Capacity to be committed under the PPA (Rated capacities of respective components))	Location of Project (Village, Tehsil, Distt, State)	Interconnecti on Point Details
1.	200	Solar PV component: 200 MW	Kalasar, Bikaner, Rajasthan	220 KV at Bikaner III CTU Substation
		Wind power component: 360 MW	Parli, beed, Maharashtra 180MW	400 KV at- Parli substation

			Palayam Tamil Nadu=180MW	Power evacuation at 220 KV PGCIL Pugalur Substation
		ESS component: 50 MWh	Kalasar, Bikaner, Rajasthan	
Total Contracted Capacity of RE Power Project (MW)		200 MW		
Committed Annual CUF (in %)	72.87%	Peak Hours Availability on monthly basis	90%	

In line with clause 3.6.3 of RfS documents, RE-PG are free to change the Project location until the SCSD. However, implications of any delay in obtaining connectivity and subsequently, commencement of supply of power on account of the above, will be borne by the RE-PG.

8.0 In line with the provisions of RfS, the RE-PG shall submit Performance Guarantee (PBG) for a value determined as per the following formula: Performance Bank Guarantee = [INR 29,00,000 x Rated Installed Capacity of Solar component (MW) as quoted by bidder + INR 34,70,000 x Rated Installed capacity of Wind component (MW) as quoted by bidder + INR 12,00,000 x Rated cumulative Installed Capacity of the ESS component (MWh) as quoted by bidder] within 70 days from the date of issue of Letter of Award or before signing of PPA. whichever is earlier, either in form of Bank Guarantee (BG) from any bank listed in the RfS for this purpose or Payment of Order Instrument (POI) issued by IREDA/PFC/REC as per the Performa available in RfS document. The total value of the Performance Guarantee for the project shall be INR 188,92,00,000.00. The Performance Guarantees shall be valid for a period of Seven (07) months beyond SCSD. Further, the PPA will be signed only upon successful verification of the PBG submitted by the RE-PG.

As per provision of RfS, the confirmation of PBG shall be through secure Structured Financial Messaging System (SFMS) In this regard, while issuing the physical RG, your Bank shall also send electronic message to NTPC's Beneficiary Bank whose details are provided below:

Bank Details:

- (i) Bank Name: ICICI Bank Limited
- (ii) Branch: Connaught Place Branch, New Delhi
- (iii) Bank Address: 9A, PHELPS BUILDING, INNER CIRCLE, NEW DELHI- 110001
- (iv) IFSC Code: ICIC0000007

All BGs/POIs except BG issued by a Bank outside India shall be received from issuing Bank/authority directly through post/ courier, by Unified Treasury, Dadri at the address mentioned at clause no.-3.24 (ii) of RfS documents.

The Bank Guarantee towards Earnest Money submitted by you along with your Response to RfS shall be released only after receipt & verification of the Performance Guarantee.

9.0 The RE-PG shall pay to NTPC, success charge @ INR 1,00,000/MW (Indian Rupees One Lakh/MW) + 18% GST, corresponding to the Contracted Capacity committed as per the PPA to be signed, prior to signing of PPA in line with the provisions of clause no.-3.24.3 of RfS.

10.0 The Scheduled Commencement of Supply Date (SCSD) for supplying power from the full Project capacity shall be within a period of 24 (Twenty-Four) months from the date of execution of PPA in line with clause no.-3.28.1 of RfS.

11.0 All disputes arising out of and / or in connection with this "Selection Of RE Power Generators for Supply Of 3000 MW Firm And Dispatchable Power From ISTS- Connected Renewable Energy (RE) Power Projects Anywhere In India (NTPC- TRANCHE-II) on Built-Own-Operate basis" and Supply Of Firm And Dispatchable Power therefrom and execution of PPA thereto shall be

*governed by laws of India and Courts of Delhi shall have exclusive jurisdiction.*

*12.0 This Letter of Award (LOA) is being issued to you in duplicate. You are kindly requested to return the duplicate copy of this LOA including all Annexure, duly signed on each page by your authorized signatory in token of your unequivocal acknowledgement of the same within 7 days from the date of this LOA."*

26. The Petitioner has submitted that the Power Purchase Agreement signed between the successful bidders and the Petitioner and the Power Sale Agreement signed between the Petitioner and the Buying Entity shall be for a period of 25 years. The Petitioner has submitted that the tariff discovered from the Renewable Energy (RE) Power developers under the present bidding process is competitive and will be beneficial to the Procurer as well as the consumers of the Procurer. The Petitioner has submitted that the tariff discovered in the competitive bid process as mentioned above, is required to be adopted by the Commission under Section 63 of the Electricity Act, 2003.

27. We have considered the submissions made by NTPC. In the past, the Commission has been proceeding with the adoption of tariffs only to the extent of the awarded capacity being tied up under the PPAs and PSAs with the successful bidders/developers and the distribution licensees, respectively. However, considering the need of timely adoption of the tariff, we consider it appropriate to proceed with the adoption of the tariff without waiting for the tying up of the awarded capacity under the PPAs and PSAs, albeit such adoption shall be subject to the Petitioner tying up the awarded capacity under the PPAs and PSAs.

28. In light of the aforesaid discussion, it emerges that the selection of the successful bidders has been made, and the tariff of the Renewable Energy (RE) Power Projects has been discovered by the Petitioner, NTPC, through a transparent process of competitive bidding and in accordance with the Guidelines issued by the Ministry of



Power, Government of India. Therefore, in terms of Section 63 of the Act, the Commission adopts the following individual tariff in terms of the LOAs dated 22.4.2024 for the Renewable Energy (RE) Power Projects, as agreed to by the successful bidder's subject to the Petitioner tying up the awarded capacity under the PPAs and PSAs. Moreover, as soon as the awarded capacity is tied-up under the PPAs and PSAs, the Petitioner shall place on record the copies of such PPAs and PSAs in the present case. Also, in the event that the awarded capacity does not fructify into the PPAs and PSAs, the Petitioner shall also place on record such development(s) on the file of the present case.

29. Prayer (a) of the Petitioner is answered accordingly.

30. The Petitioner, NTPC, has also prayed to approve the trading margin of Rs.0.07/kWh to be charged to the End Procurer or any other entity over & above the PPA tariff on the sale of power as depicted in the RfS document and specified in the FDRE Guidelines.

31. In this regard, Clause (1)(d) of Regulation 8 of the Trading Licence Regulations provides as under:

*“For transaction under long term contracts, the trading margin shall be decided mutually between the Trading Licensee and the seller.”*

32. The above provision gives the choice to the contracting parties to mutually agree on trading margin for long term transactions. However, proviso to Regulation 8(1)(d) of the Trading Licence Regulations provides as under:

*“8(1) (d) \* \* \* \* \**

*Provided that in contracts where escrow arrangement or irrevocable, unconditional and revolving letter of credit as specified in clause (10) of*

*Regulation 9 is not provided by the Trading Licensee in favour of the seller, the Trading Licensee shall not charge trading margin exceeding two (2.0) paise/kWh.”*

33. Regulation 8(1)(f) of the Trading Licence Regulations provides as under:

*“For transactions under Back to Back contracts, where escrow arrangement or irrevocable, unconditional and revolving letter of credit as specified in clause (10) of Regulation 9 is not provided by the Trading Licensee in favour of the seller, the Trading Licensee shall not charge trading margin exceeding two (2.0) paise/kWh.”*

34. The above two provisions are exceptions to the main provision as regards trading margin. In the present case, awarded capacity is yet to be tied up with the distribution licensees, and accordingly, the trading margin shall be as per the provisions of the PSAs to be entered into between NTPC and the distribution licensees. However, in case of failure by the NTPC to provide an escrow arrangement or irrevocable, unconditional, and revolving letter of credit to the FDRE generators, the trading margin shall be limited to Rs.0.02/kWh specified in Regulation 8(1)(d) and Regulation 8(1)(f) of the Trading Licence Regulations.

35. Prayer (b) of the Petitioner is answered accordingly.

36. The Petition No. 226/AT/2024 is disposed of in terms of the above.

sd/-  
(श्री हरीश दुदानी)  
सदस्य

sd/-  
(श्री रमेश बाबू व.)  
सदस्य

sd/-  
(श्री जिशु बरुआ)  
अध्यक्ष