

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 311/AT/2024

Coram:

Shri Jishnu Barua, Chairperson

Shri Ramesh Babu V., Member

Shri Harish Dudani, Member

Date of Order: 24th February, 2025

In the matter of:

Petition under Section 63 of the Electricity Act, 2003 for the adoption of tariff for the 1200 MW Wind Solar Hybrid Power Projects with assured Peak Power Supply (Tranche-VI) connected with the Inter-State Transmission System (ISTS) and selected through the competitive bidding process as per the Guidelines dated 14.10.2020 of the Ministry of New and Renewable Energy, Government of India, as amended from time to time and interpreted and modified by the Central Government vide subsequent communications/notifications.

And

In the matter of

Solar Energy Corporation of India Limited,
6th Floor, Plate-B, NBCC Office Block Tower-2,
East Kidwai Nagar
New Delhi-110023

....Petitioner

Versus

- 1. AMP Energy Green Private Limited,**
309, Rectangle One, Behind Sheraton Hotel,
Saket, New Delhi - 110017
- 2. ReNew Vikram Shakti Private Limited,**
Commercial Block-1, Golf Course Road,
DLF City, Zone 6, Sector 43, Gurugram- 122009,
Haryana
- 3. Hero Solar Energy Private Limited,**
201, Ground Floor, Okhla Industrial Estate,
Phase III, New Delhi - 110020
- 4. ACME Cleantech Solutions Private Limited,**
Plot No. 152, Sector 44,
Gurugram- 122002, Haryana

5. AMP Energy Green Sixteen Private Limited,
[SPV formed by AMP Energy Green Private Limited]
309, Rectangle One, Behind Sheraton Hotel,
Saket, New Delhi– 110017

6. Clean Renewable Energy (Barmer) Private Limited,
[SPV formed by Hero Solar Energy Private Limited]
202, Ground Floor, Okhla Industrial Estate,
Phase III, New Delhi – 110020

7. ACME Urja One Private Limited
[SPV formed by ACME Cleantech Solutions Private Limited]
Plot No. 152, Sector 44,
Gurugram- 122002, Haryana

8. Assam Power Distribution Company Limited,
Chief General Manager (Commercial & EE)
Bijulee Bhawan, 5th Floor, Paltanbazar,
Guwahati - 781001

9. Chhattisgarh State Power Distribution Company Limited,
Executive Director (RA & PM)
4th Floor, Vidyut Seva Bhawan, Danganiya,
Raipur– 492013, Chhattisgarh

10. ReNew Vyoman Power Private Limited,
ReNew Hub, Commercial Block-1,
Golf Course Road, DLF City, Zone 6, Sector 43,
Gurugram-122009, Haryana

...Respondents

The following were present:

Ms. Anusha Nagarajan, Advocate, SECI
Shri Rahul Ranjan, Advocate, SECI
Shri Ravi Sharma, Advocate, CSPDCL

ORDER

The Petitioner, Solar Energy Corporation of India Limited ('SECI'), has filed the present Petition under Section 63 of the Electricity Act, 2003 (hereinafter referred to as the 'Act') for the adoption of tariff for the 1200 MW Wind Solar Hybrid Power Projects with assured Peak Power Supply (Tranche VI) connected with the Inter-State Transmission System ('ISTS') and selected through the competitive bidding process as per the *“Guidelines for Tariff Based Competitive Bidding Process for Procurement of Power from Grid Connected*

Wind Solar Hybrid Projects” (hereinafter referred to as ‘the Guidelines’) dated 14.10.2020 issued by the Ministry of New and Renewable Energy, Government of India. The Petitioner has made the following prayers:

“(a) Adopt the tariff discovered in the tariff based competitive bid process for 1200 MW Wind Solar Hybrid Power Projects with assured peak power supply;

(b) Approve Trading Margin of Rs. 0.07/kWh to be paid by the Distribution Companies/Buying Entity(ies) as specified in the Guidelines/signed PSAs;

(c) Pass any other or further order which this Commission may deem fit and proper in the facts and circumstances of this case.”

Submissions of the Petitioner

2. The Petitioner, SECI, has submitted that it issued the Request for Selection (‘RfS’) along with the draft Power Purchase Agreement (‘PPA’) and draft Power Supply Agreement (‘PSA’) for the selection of the project developers for setting up of the 1200 MW ISTS-connected Wind Solar Hybrid Power Projects with assured Peak Power Supply (Tranche-VI) as per the Guidelines and floated the same on the ISN Electronic Tender System (ETS) e-bidding portal on 2.11.2022. In response, eight bids were received offering an aggregate capacity of 2390 MW and all were found to fully meet the technical criteria. As per the eligibility criteria mentioned in the RfS, seven bidders were shortlisted for participating in the e-reverse auction. The e-reverse auction was conducted on 12.4.2023 on the ISN ETS e-bidding portal, and pursuant thereto, four bidders offering an aggregate capacity of 1200 MW were selected and issued the Letters of Awards on 20.4.2023. SECI has submitted that as on date of filing of the present Petition, SECI has signed PSA for 100 MW capacity with Respondent No. 8, Assam Power Distribution Company Limited (APDCL), and 500 MW capacity with Respondent No. 9, Chhattisgarh State Power Distribution Company Limited (CSPDCL). Moreover, the Petitioner has entered into PPA for the 50 MW capacity with Respondent No. 5, AMP Energy Green Sixteen Private Limited; 60 MW capacity with

Respondent No. 6, Clean Renewable Energy (Barmer) Private Limited; and 190 MW capacity with Respondent No. 7, ACME Urja One Private Limited. The Petitioner has submitted that the price discovered is competitive and beneficial to the Buying Utilities/Distribution Companies as well as the consumers of the Buying Utilities/Distribution Companies. It has been further prayed that in addition to the tariff, there will be a trading margin of Rs. 0.07/kWh to be recovered from the distribution companies, which has been duly agreed to by the distribution companies in the PSA.

Hearing dated 10.10.2024:

3. During the course of the hearing on 10.10.2024, the learned counsel for the Petitioner reiterated the submissions made in the pleadings and requested for the adoption of tariff for the 1200 MW Wind Solar Hybrid Power Projects with assured Peak Power Supply (Tranche VI) connected with the Inter-State Transmission System and selected through the competitive bidding process as per the Guidelines. After hearing the learned counsel for the Petitioner, notices were issued to Respondents to file their respective replies.

4. The Petitioner, vide its additional affidavit dated 2.11.2024, has submitted that subsequent to the filing of the present Petition, SECI has executed the PPA for 300 MW capacity with Respondent No. 10, ReNew Vyoman Power Private Limited and has filed a revised memo of parties impleading ReNew Vyoman Power Private Limited.

Hearing dated 12.11.2024:

5. During the course of the hearing on 12.11.2024, the learned counsel for the Petitioner submitted that vide Record of Proceedings for the hearing dated 10.10.2024, the Respondents were permitted to file their respective replies. However, none of the

Respondents have filed any reply in the matter. Considering the submissions made by the learned counsel for the Petitioner, the Commission deemed it appropriate to permit the last opportunity for the Respondents to file their respective reply and reserved the matter for order. However, no reply has been received from the Respondents.

Analysis and Decision

6. 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 wind-solar hybrid power projects with assured peak supply as discovered pursuant to the competitive bid process carried out in terms of the Guidelines issued by the Government of India.

7. 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.”

8. 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 Central Government has been followed in the determination of such tariff.

9. The Ministry of New and Renewable Energy, Government of India has issued the Guidelines under Section 63 of the Act on 14.10.2020, which were further amended by OM dated 23.7.2021, 9.3.2022 and 2.11.2022. The salient features of the Hybrid Guidelines are as under:

(a) The Guidelines are applicable for the procurement of power from the Hybrid Power Projects having individual size of 50 MW and above at one site with minimum bid capacity of 50 MW through a tariff based competitive bidding to be conducted by the procurers which includes distribution licensees or intermediary procurers. The

rated power capacity of one resource (wind or solar) shall be at least 33% of the total contracted capacity.

(b) The solar and wind power projects may be located at same or different nearby locations. The minimum capacity to be injected at each injection point shall be 50 MW. Storage may be added to the hybrid power project.

(c) The Procurer shall prepare the bid documents in accordance with the Guidelines and any deviations from the Guidelines need to be approved by the Appropriate Commission.

(d) Bids shall be for a minimum 50 MW project at one site. The Procurer may also choose to specify the maximum capacity that can be allotted to a single bidder, including its affiliates. The maximum capacity for a single bidder or company or group of companies may be fixed by the Procurer, keeping in mind factors such as the economies of scale, land availability, expected competition, and need for development of the market.

(e) For procurement of wind-solar hybrid power, the tariff quoted by the bidder shall be the bidding parameter. The Procurer may select either of the following kinds of tariff-based bidding: (a) fixed tariff in Rs./kWh for 25 years or more, or (b) escalating tariff in Rs./kWh with the pre-defined quantum of annual escalations fixed in Rs./kWh and number of years from which such fixed escalation will be provided.

(f) Draft PPA proposed to be entered into with the successful bidder and draft PSA, if applicable, shall be issued along with the RfS. Standard provisions to be incorporated as a part of the PPA shall include *inter-alia*, the PPA period, Capacity Utilization Factor, Repowering, Payment Security, Payment Security by intermediary procurer to the hybrid power generator, revolving Letter of Credit and State Government guarantee, Change in Law, Force Majeure, Off-take constraints due to Back down, Event of Default and consequences thereof.

(g) Intermediary Procurer shall provide the payment security to hybrid power generator through revolving Letter of Credit of an amount not less than one month average billing and Payment Security Fund for at least three month's billing of all the projects tied up with such fund. For the purpose of this Payment Security Fund, the intermediary Procurer may collect Rs.5 lakh/MW from the hybrid power generator(s).

(h) Discoms shall provide the payment security to the intermediary Procurer through a revolving Letter of Credit of an amount not less than one month's average billing from the project(s) under consideration and the State Government Guarantee or the Tri-Partite Agreement.

(i) Procurer shall call the bids adopting a single stage bidding process to be conducted through the electronic mode (e-bidding). The Procurer may adopt e-reverse auction. For this purpose, e-procurement platforms with a successful track record and with adequate safety, security, and confidentiality features will be used.

(j) The bidding documents, including the RfS and draft PPA, shall be prepared by the Procurer in consonance with these Guidelines. The RfS notice shall be published on the Central Public Procurement Portal website and SECI's website to accord wide publicity. Standard documentation to be provided in the RfS stage shall include technical criteria, financial criteria, net worth, liquidity, quantum of earnest money deposit, and compliance of laws by foreign bidders.

(k) The Procurer shall constitute a committee for evaluation of the bids (Evaluation Committee), with at least three members, including at least one member with expertise in financial matters/ bid evaluation. The price bid shall be rejected, if it contains any deviation from the bid conditions.

(l) Bidder shall submit a non-refundable processing fee as specified in the RfS, separate technical & price bids, and bid guarantee. To ensure competitiveness, the minimum number of qualified bidders shall be two. If the number of qualified bidders is less than two even after three attempts of bidding, and the Procurer still wants to continue with the bidding process, the same may be done.

(m) The comparison of bids shall be on the basis of the bidding criteria as specified in the RfS, i.e., the fixed tariff or the first-year tariff. Ranking of the bidders will start from the bidder quoting the “lowest tariff (L1). The selection of all successful bidders would be on bucket filling approach starting with L1 till entire capacity for which the bid has been called for is full or the capacity corresponding to the upper limit for the band for the L1 tariff is reached, whichever is earlier.

(n) After conclusion of the bidding process, the Evaluation Committee constituted for evaluation of RfS bids shall critically evaluate the bids and certify that the bidding process and the evaluation been conducted in conformity with the provisions of the RfS.

(o) The PPA shall be signed with the successful bidder/ project company or an SPV formed by the successful bidder. After execution of the PPA, the Procurer shall disclose the name(s) of the successful bidder(s) and the tariff quoted by them together with breakup into components, if any.

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

11. The Petitioner has been designated as the nodal agency for the implementation of MNRE Schemes for setting up inter-State Transmission Systems connected/ State specific wind/ solar power/ wind-solar hybrid power projects, invite bidding under tariff based competitive bidding process, entering into the PPAs with the developers at the tariff discovered in the competitive bid process, and enter into the PSAs with the distribution licensees to enable them to fulfil their Renewable Purchase Obligations under Section 86(1)(e) of the Act. SECI acts as an intermediary agency in the purchase and sale of power under the PPAs and PSAs on a back-to-back basis.

12. The Guidelines provide the framework for long-term procurement of wind-solar hybrid power at a tariff to be determined through a transparent process of bidding by the Procurer(s) from ISTS wind-solar hybrid power projects having a minimum size at one site of 50 MW. As per the Guidelines, SECI, in its capacity of intermediary Procurer, invited the proposal for setting up of the ISTS Wind-Solar Power Projects with assured peak supply on pan India basis, on a “Build, Own and Operate” basis for an aggregate capacity of 1200 MW and for the procurement of Wind-Solar Hybrid power with assured peak supply from the Projects being set-up in relation thereto. As per the arrangement, SECI is to procure the power by entering into the PPAs with the successful bidders with back-to-back PSAs for the sale of power to the distribution licensees. Highlighting the key features as provided for in the RfS Document, SECI has submitted as under:

(a) “Power Project” or “Project” or “Wind Solar Hybrid Power Project” shall consist of a Wind and Solar power generation facility where the rated power capacity of one resource is at least 33% of the Contracted Capacity. The Project also includes an Energy Storage System with a rated capacity of at least 100 MWh for each 100 MW of Contracted Capacity. The ESS component may be co-located with the Solar PV or with Wind Power generating components or may be located separately under a single Project. The ESS component may either be owned by the HPD or leased from a third party, and the same be constituted as part of the Project under this RfS.

(b) As per the RfS, “Peak Hours” in a 24-hour period shall be bifurcated into two segments as follows:

- Morning Peak Hours: Ranging between (and including) 05:00 hrs to 12:00 hrs
- Evening Peak Hours: Ranging between (and including) 12:00 hrs to 24:00 hrs

In each Peak Hour segment, the Buying Entity may choose up to a maximum of two (2) hours, thereby choosing a maximum of four (4) Peak Hours on a daily basis. For each Peak Hour segment, the Buying Entity can specify offtake of Peak power up to 200,000 kWh for each 100 MW of Contracted Capacity on a daily basis. In a 24-hour period, a minimum gap of 8 hours shall be maintained by the Buying Entity between the last hour of the Morning Peak Hour segment and the 1st hour of the Evening Peak Hour segment. Further, a minimum gap of 8 hours shall be maintained by the Buying Entity between the last Evening Peak Hour of any Day (Dn) and the first Peak Hour of the next day, i.e., Day (Dn+1) as chosen by the Buying Entity.

(c) The Bidder is required to declare the annual CUF of the Project during the submission of the Bid, and the HPD will be allowed to revise the same once within the first three years after the COD of the Project. The declared as well as the revised annual CUF shall, in no case, be less than 50% of the annual CUF.

(d) The Buying Entity shall be required to intimate its choice of Peak Hours and Power requirement in the selected Peak Hours to SECI and HPD on a day ahead basis latest by 09:00 Hrs., which will be deemed to have been accepted by the HPD for supply of Peak Power.

(e) The HPD is mandated to deliver up to the 4000 kWh of energy per MW rated Project capacity of the project in AC terms during Peak Hours as per the schedule given by the Buying Entity (i.e., For each 100 MW of the project capacity, HPD shall supply up to 400,000 kWh of energy during Peak Hours), on a daily basis. For each 100 MW of Contracted Capacity, as per the PSA, the Buying Entity may specify off-take of the amount of power during the Peak Hours up to 400,000 kWh of energy on a daily basis. The Buying Entity is not mandated to off-take the stored energy on a

daily basis and may choose to schedule peak power supply as per its requirement. The discharge of energy during Peak Hours shall be governed by the demand pattern of the corresponding Buying Entity (ies) as per the Buying Entity's day-ahead schedule. In case of non-receipt of peak hours schedule from the Buying Entity on the day-ahead basis, it shall mean that peak power is not required for that respective day. The requirement of electricity supply during Peak Hours is to be mandatorily met on a day-to-day basis and shall be monitored on a monthly basis.

(f) The HPD may supply the required energy during Peak Hours either from the stored energy in the ESS or from any RE generation available during the Peak Hours.

(g) After fulfilling the obligations of assured peak power supply, the ESS may be utilized for any other application by the HPD within the availability of connectivity.

13. The key milestones in the bidding process were as under:

Sr. No.	Milestone	Date
1.	RfS issued by SECI.	02.11.2022
2.	Pre-Bid Meeting held.	15.11.2022
3.	Corrigendum -01 to the RfS documents	12.12.2022
4.	Corrigendum -02 to the RfS documents	09.01.2023
5.	Clarification-01 to the RfS documents	16.01.2023
6.	Amendment -01 to RfS documents	16.01.2023
7.	Corrigendum -03 to the RfS documents	25.01.2023
8.	Amendment -02 to RfS documents	08.02.2023
9.	Corrigendum -04 to the RfS documents	13.02.2023
10.	Amendment -03 to RfS documents	28.02.2023
11.	Last date of Bid Submissions.	10.03.2023
12.	Opening of Techno-Commercial Bids.	15.03.2023
13.	Opening of Financial Bids.	12.04.2023
14.	E-Reverse Auction Conducted	12.04.2023
15.	Issuance of Letter of Awards (LoAs) to the Successful Bidders.	20.04.2023

14. On 2.11.2022, SECI issued a Request for Selection document, along with the draft PPA and the PSA documents for setting up the 1200 MW ISTS-connected Wind Solar Hybrid Power Projects with assured Peak Power Supply (Tranche-VI). As per Clause 9.4 of the

Guidelines, SECI/Procurer was required to publish the RfS notice on the Central Public Procurement Portal (CPPP) website and its own website to accord wide publicity. In this regard, SECI has placed on record the documents demonstrating the publication of the RfS on the e-publishing system, the Government of India, and its own website.

15. The Bid Opening Committee and Bid Evaluation Committee (BEC) comprising of the following was constituted for the opening and evaluation of bids under RfS No. SECI/C&P/IPP/13/0007/22-23 dated 2.11.2022:

Tender	Department	Offline and Online Techno Commercial and Financial Bid Opening	Techno Commercial and Financial Evaluation and post e-RA recommendation
1200 MW ISTS-Connected Wind Solar Hybrid Power Projects with assured Peak Power Supply (Tranche- VI)	PS	P. Venkatesan, Sr. Manager	P. Venkatesan, Sr. Manager
	Contracts	Abhishek Srivastav, Dy. Manager	Abhishek Srivastav, Dy. Manager
	Finance	Mohit Singhal, Sr. Accounts Officer	Mohit Singhal, Sr. Accounts Officer

16. The last date of submission of the bid was 10.3.2023 and the technical part of the bid was opened on 15.3.2023. Response to the RfS was received from the eight bidders and all of them met the technical criteria and, consequently, were found to be qualified for opening of the financial bid. On 12.4.2023, financial bids of eight technically qualified bidders were opened on the ISN ETS e-bidding portal in the presence of a member of the Bid Opening Committee. As per the eligibility criteria mentioned in the RfS document, seven bidders for aggregating 2300 MW were shortlisted for e-reverse auction.

17. The e-reverse auction was carried out on 12.4.2023 on the ISN ETS e-bidding portal. After completion of the e-reverse auction, the following were declared as the successful bidders:

S. No.	Name of Successful Bidder	Bid Capacity (MW)	Tariff (Rs/kWh)	Allotted Capacity (MW)
1.	AMP Energy Green Private Limited	100	4.64	100
2.	ReNew Vikram Shakti Private Limited	600	4.69	600
3.	Hero Solar Energy Private Limited	120	4.72	120
4.	ACME Cleantech Solutions Private Limited	1080	4.73	380
			Total	1200 MW

18. Accordingly, on 20.4.2023, SECI issued the Letter of Award (LoAs) to the above successful bidders. The relevant extract of the Letter of Award issued to one of the successful bidders, namely, AMP Energy Green Private Limited (100 MW) is as under:

"In reference to above and subject to the provisions of RfS, we confirm having accepted your final offer concluded as a result of e-RA and issue this letter of award as per the following details:

Allotted Project ID	Project Capacity (MW)	Project Location(s)	Interconnection Point(s) Details	Applicable Tariff (INR/kWh) in figures	Applicable Tariff (INR/kWh) in words
HPD-ISTS-T6-AEGPL-P1-100MW	100 (Solar-150 MW; Wind-108.9 MW; ESS- 100 MW/MWh)	Village- Maremadugula/ Nagamallakuntaa, Tehsil- Owk, District- Nandyala, State- Andhra Pradesh	200 kV level at 765/400/220 kV s/s in Kurnool, Andhra Pradesh	₹4.64/-	Rupees Four and Sixty-four paisa only

It is to be noted that as per the provisions of the RfS, the HPD is allowed to change the project location and interconnection point for the awarded project subsequent to issuance of LoA.

SECI shall purchase the power generated from the proposed ISTS-Connected Wind-Solar Hybrid Power Project under the above scheme subject to the following terms and conditions as stated in various documents referred above and briefly brought out hereinafter.

1.0 *The applicable tariff as mentioned above for power generated from the proposed Wind-Solar Hybrid Power Project for the term of Power Purchase Agreement (PPA) to be entered into between Project Company or the Hybrid Power Developer (HPD) and M/s SECI, for the Project, shall be firm for the entire term of the PPA.*

1.1 The HPD will be free to avail fiscal incentives like Accelerated Depreciation, Concessional Customs and Excise Duties, Tax Holidays, etc. as available for such projects. No claim shall arise on SECI for any liability if the HPD is not able to avail fiscal incentives and this will not have any bearing on the applicable tariff.

1.2 The award of the above Project is subject to the Guidelines including amendments/clarifications issued by Government of India and terms and conditions of the RfS document including its clarifications/ amendments/ elaborations/ notifications issued by SECI.

1.3 No change in the controlling shareholding of the Bidding Company or Bidding Consortium shall be permitted from the date of submission of response to RfS till the execution of the PPA. However, in case the Project is being set up by a listed Company, this condition will not be applicable.

1.4 In case of the selected Bidder itself executing the PPA, it shall ensure that its promoters shall not cede control (Control shall mean the ownership, directly or indirectly, of more than 50% of the voting shares of such Company or right to appoint majority Directors), till 01 (one) year after the COD, except with the prior approval of SECI. However, in case the Project is being set up by a listed Company, this condition will not be applicable.

1.5 In case of companies having multiple promoters (but none of the shareholders having more than 51% of voting rights and paid up share capital), it shall be considered as a company under joint control. In such cases, the shareholding pattern in the company as submitted at the time of bidding, shall be maintained for a period of 01 (one) year after COD.

1.6 In case of Project being executed through SPVs, the selected Bidder executing the project, if being a single company, shall ensure that its shareholding in the SPV/project company executing the Power Purchase Agreement (PPA), shall not fall below 51% at any time prior to 01 (one) year after the COD, except with the prior approval of SECI. In the event the selected bidder is a consortium, then the combined shareholding of the consortium members in the SPV/Project Company executing the PPA, shall not fall below 51% at any time prior to 01 (one) year after COD, except with the prior approval of SECI. However, in case the Project is being set up by a listed Company, this condition will not be applicable.

1.7 The HPD shall pay to SECI, Success Charges of Rs. 1.00 Lakh/MW + 18% GST within 30 days of issuance of this Letter of Award (LoA) or the date at least 07 days prior to the date of signing of PPA (PPA signing date to be intimated by SECI), whichever is earlier, in line with Clause 19.1 of the RfS, towards administrative overheads, coordination with State Authorities and others, DISCOM/ STU/ CTU, pre-commissioning and commissioning expense. Performance Bank Guarantee(s)/ Payment on Order Instrument (POI) for a value of @ Rs 18.39 Lakh/MW/Project shall be submitted by the HPD prior to signing of PPA, in line with Clause 18.1 of the RfS.

1.8 PPA will be executed between SECI and the HPD as per the breakup of the cumulative Project capacity awarded to the Bidder. This LoA is being issued in line with the Project breakup of the cumulative capacity quoted in the Covering Letter as part of your response to RfS and amended subsequently, as applicable.

1.9 The project breakup for the cumulative capacity quoted in the Covering Letter, may be changed by the HPD subsequent to issuance of LoA up to the date as on 30 days from issuance of LoA. For an individual Project, any modification in the rated capacities of wind and solar components in the Project, shall be intimated to SECI within 30 days of issuance of LoA. Both the above parameters will remain unchanged, thereafter. The PPA will remain in force for a period of 25 years from the Scheduled Commissioning Date (SCD).

1.10 The HPD will have to submit the required documents as mentioned below to SECI within 70 days from the issue of this LoA. In case of delay in submission of documents beyond the period as mentioned above, SECI shall not be liable for delay in verification of documents and subsequent delay in signing of PPA:

- 1) Copy of the Certificate of Incorporation of the HPD.
- 2) The details of promoters and their shareholding in the HPD, duly certified by the practicing Chartered Accountant/ Company Secretary in original at least 7 (seven) days prior to date of their document submission (certificate date should be after the date of LoA) along with latest documents filed with ROC.
- 3) Copy of the Memorandum of Association (MoA) of the HPD highlighting the object clause related to generation of Power/ Energy/ Renewable Energy/ Solar/Wind Power plant development.
- 4) In case the project being executed by a Special Purpose Vehicle (SPV) incorporated by successful bidder, such SPV shall be at least 51% shareholding subsidiary, in line with provisions of the RfS. Further, the Successful Bidder shall submit a Board Resolution prior to signing of PPA with SECI, committing total equity infusion in the SPV as per the provisions of RfS.
- 5) Copy of Board Resolution for authorization of signing of PPA and subsequent relevant documents.

Further, the PPA shall be signed only upon receipt of the Success Charges and total Performance Guarantee/ Payment on Order Instrument of requisite value. In case SECI is not able to enter into a PSA to sell power from the awarded Projects to DISCOMs or bulk consumers within 6 months from issuance of LoAs, these Projects will be cancelled. Further, in case of signing of PSA for partial capacity until the deadline as mentioned before, the provisions as stated in Clause 44 of the RfS shall be applicable.

1.11 SECI shall have the right to verify original documents of the HPD for which copies have been submitted from the date of submission of response to RfS till date, if required. PPA as per the format given along with RfS has to be signed within 90 days from the date of issue of this LoA, if not extended by SECI. Effective Date of the PPA shall be the date as on 90 days from the date of issue of LoA, or the date of signing of PPA, whichever is later. Subsequent to expiry of the 90-day period after the issuance of LoA, in case SECI intimates to the Successful Bidder, a particular date as the date of signing of PPA, the specified date shall become the Effective Date of the PPA, irrespective of the date of signing of PPA.

1.12 In case, the SECI offers to execute the PPA with the HPD and the selected Bidder refuses to execute the PPA within the stipulated time period, then the Bank Guarantee equivalent to the amount of the EMD shall be encashed by SECI from the Bank Guarantee available with SECI (i.e. EMD or PBG) as liquidated damages not amounting to penalty, the selected Project shall stand cancelled, and the selected Bidder expressly waives off its rights and objections, if any, in that respect.

1.13 The HPD shall meet financial closure requirements for the Project in line with clause 22 of the RfS document, within 12 (twelve) months from the Effective Date of the PPA. Accordingly, the HPD shall furnish the documents pertaining to compliance of financial closure as per the above provisions.

1.14 The HPD/Project Company shall achieve commissioning of full capacity of the Project within 24 months from the Effective Date of the PPA as per the conditions stipulated in Clause 9 of the RfS

and relevant articles of PPA. In case of failure to achieve this milestone, liquidated damages not amounting to penalty shall be levied on the HPD as per the above provisions.”

19. As per the Guidelines, the Evaluation Committee is required to certify that the bidding process and the evaluation have been conducted in conformity with the provisions of the RfS. Accordingly, SECI has submitted a Conformity Certificate certifying that after the conclusion of the submission of the bid, the BEC constituted for the bid evaluation had conducted the techno-commercial as well as financial bid evaluation in conformity with the provisions of the RfS. Additionally, SECI has also furnished a Conformity Certificate to the effect that the applicable Guidelines and amendments /clarification thereof, if any, issued by the Government of India, were followed for the bidding process in the above tender, and no deviation was taken from the Guidelines in the RfS Documents for the above tender. The relevant extract of the aforesaid Conformity Certificates reads as under:

“CONFORMITY CERTIFICATE-1

With respect to the RfS no. SECI/C&P/IPP/13/0007/22-23 dated 02.11.2022, it is hereby declared as follows:

1. Applicable Guidelines and amendments/clarifications thereof, if any, issued by Government of India were followed for the bidding process in the above tender and no deviation was taken from the Guidelines in the RfS documents for the above tender.”

“CONFORMITY CERTIFICATE-2

With respect to the RfS no. SECI/C&P/IPP/13/0007/22-23 dated 02.11.2022, it is hereby declared as follows:

1. After the conclusion of bid submission, the Evaluation Committee constituted for evaluation of bids has conducted the techno-commercial as well as financial bid evaluation in conformity to the provisions of the RfS.”

20. The Petitioner, SECI, has approached the Commission seeking the adoption of tariff for the individual power project(s) for the capacity of 1200 MW upon SECI having tied up only 600 MW capacity so far under the PPA with the successful bidder/its project company

and the PSA with the Buying Utilities/Distribution Licensees. As per the submissions of the Petitioner, the 600 MW capacity is yet to be tied up under the PPAs and the PSAs. The details of the PPAs and the PSAs as entered into by SECI are as under:

S. No.	Name of Successful Bidder	Project formed by the Successful bidder for execution of PPA	Company by the Successful bidder	Date of signing PPA & Contracted Capacity (MW)	Applicable Tariff (Rs./kWh)
1.	AMP Energy Green Private Limited	AMP Energy Green Sixteen	Green Private Limited	22.7.2024 (50 MW)	4.64
2.	Hero Solar Energy Private Limited	Clean Renewable Energy (Barmer) Private Limited		31.7.2024 (60 MW)	4.72
3.	ACME Cleantech Solutions Private Limited	ACME Urja One Private Limited		23.7.2024 (190 MW)	4.73
4.	ReNew Vikram Shakti Private Limited.	ReNew Power Limited	Vyoman Private	22.10.2024 (300 MW)	4.69
	Total			600 MW	

S. No.	Buying Utilities	Date of the PSA signing	PSA Capacity (MW)	Applicable Tariff to Buying Utility (INR/kWh)
1.	Assam Power Distribution Company Limited	15.11.2023	100	As per Article 1.1 read with Schedule B of the PSA: Applicable tariff payable to individual Hybrid Power Developer under PPA Plus Rs. 0.07/kWh (Trading Margin)
2.	Chhattisgarh State Power Distribution Company Limited	2.7.2024	500	As per Article 1.1 read with Schedule B of the PSA: Applicable Tariff payable to individual Hybrid Power Developers under PPA Plus Rs. 0.07/kWh (Trading Margin)

21. In the past, the Commission has been proceeding with the adoption of tariffs only to the extent of the awarded capacity having been tied up under the PPAs and PSAs with the

successful bidders/developers and the distribution licensees, respectively. In the present case, out of the awarded capacity of 1200 MW, the Petitioner has so far tied up only 600 MW under the PPA and PSA. However, with the emphasis given to expeditious tariff adoption in recent times, the Commission has adopted the tariff without waiting for the tying up of the entire awarded capacity under the PPAs and PSAs. Therefore, in the present case, we consider it appropriate to proceed with the adoption of the tariff for total 1200 MW capacity without waiting for the tying up of the capacity under the PPAs and PSAs, albeit such adoption shall be subject to the Petitioner tying up the balance 600 MW capacity under the PPAs and PSAs.

22. In light of the aforesaid discussion, it emerges that the selection of the successful bidders has been made, and the tariff of the Wind Solar Hybrid Power Projects with assured Peak Power Supply (Tranche -VI) has been discovered by the Petitioner, SECI, through a transparent process of competitive bidding and in accordance with the Guidelines issued by the Government of India. Therefore, in terms of Section 63 of the Act, the Commission adopts the following individual tariff for the 1200 MW capacity, subject to the Petitioner tying up the balance awarded capacity under the PPAs and PSAs:

S. No.	Name of Successful Bidder	Awarded Capacity (MW)	Applicable Tariff (Rs./kWh)
1.	AMP Energy Green Private Limited	100	4.64
2.	ReNew Vikram Shakti Private Limited	600	4.69
3.	Hero Solar Energy Private Limited	120	4.72
4.	ACME Cleantech Solutions Private Limited	380	4.73
	Total	1200 MW	

23. Prayer (a) of the Petitioner is answered in terms of paragraph 22 above. Moreover, as soon as the balance 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 balance awarded capacity does not fructify into PPAs and PSAs, the Petitioner shall also place on record such development(s) on the file of the present case.

24. Article 10.3 of the PPA provides as under:

“10.3 Payment of Monthly Bills

10.3.1 Subject to the provisions of Article 10.3.4, SECI shall pay the amount payable under the Monthly Bill/Supplementary Bill by the Due Date to such account of the HPD, as shall have been previously notified by the HPD as below.

10.3.2 All payments required to be made under this Agreement shall also include any deduction or set off for

i. deductions required by the Law; and

ii. amount claimed by SECI, if any, from the HPD, will be adjusted from the monthly energy payment. In case of any excess payment adjustment, 1.25% surcharge will be applicable on day to day basis.

The HPD shall open a bank account (the “HPD’s Designated Account”) for all Tariff Payments (including Supplementary Bills) to be made by SECI to the HPD, and notify SECI of the details of such account at least ninety (90) Days before the dispatch of the first Monthly Bill. SECI shall also designate a bank account at New Delhi (“SECI Designated Account”) for payments to be made by the HPD to SECI, if any, and notify the HPD of the details of such account ninety (90) Days before the Scheduled Commissioning Date. SECI and the HPD shall instruct their respective bankers to make all payments under this Agreement to the HPD’s Designated Account or SECI’s Designated Account, as the case may be, and shall notify either Party of such instructions on the same day.”

25. Article 10.4 of the PPA provides as under:

“10.4 Payment Security Mechanism

Letter of Credit (LC):

10.4.1 SECI shall provide to the HPD, in respect of payment of its Monthly Bills and/or Supplementary Bills, a monthly unconditional, revolving and irrevocable letter of credit (“Letter of Credit”), opened and maintained which may be drawn upon by the HPD in accordance with this Article.

10.4.2 SECI through a scheduled bank open a Letter of Credit in favour of the HPD, to be made operative from a date prior to the Due Date of its first Monthly Bill under this Agreement. The Letter of Credit shall have a term of twelve (12) Months and shall be renewed annually, for an amount equal to:

i) for the first Contract Year, equal to 110% of the estimated average monthly billing;

ii) for each subsequent Contract Year, equal to 110% of the average of the monthly billing of the previous Contract Year.

10.4.3 Provided that the HPD shall not draw upon such Letter of Credit prior to the Due Date of the relevant Monthly Bill and/or Supplementary Bill, and shall not make more than one drawal in a Month.

10.4.4 Provided further that if at any time, such Letter of Credit amount falls short of the amount specified in Article 10.4.2 due to any reason whatsoever, SECI shall restore such shortfall before next drawl.

10.4.5 SECI shall cause the scheduled bank issuing the Letter of Credit to intimate the HPD, in writing regarding establishing of such irrevocable Letter of Credit.

10.4.6 SECI shall ensure that the Letter of Credit shall be renewed not later than its expiry.

10.4.7 All costs relating to opening, maintenance of the Letter of Credit shall be borne by SECI.

10.4.8 If SECI fails to pay undisputed Monthly Bill or Supplementary Bill or a part thereof within and including the Due Date, then, subject to Article 10.4.6 & 10.5.2, the HPD may draw upon the Letter of Credit, and accordingly the bank shall pay, an amount equal to such Monthly Bill or Supplementary Bill or part thereof, in accordance with Article 10.4.3 above, by presenting to the scheduled bank issuing the Letter of Credit, the following documents:

i.a copy of the Monthly Bill or Supplementary Bill (only for energy related bills) which has remained unpaid to HPD and;

ii.a certificate from the HPD to the effect that the bill at item (i) above, or specified part thereof, is in accordance with the Agreement and has remained unpaid beyond the Due Date;”

26. Regulation 9(10) of the Central Electricity Regulatory Commission (Procedure, Terms and Conditions for grant of trading licence and other related matters) Regulations, 2020 (hereinafter referred to as the “Trading Licence Regulations”) provides as under:

“9(10) The Trading Licensee shall make payment of dues by the agreed due date to the seller for purchase of the agreed quantum of electricity through an escrow arrangement or irrevocable, unconditional and revolving letter of credit in favour of the seller. Such escrow arrangement or irrevocable, unconditional and revolving letter of credit in favour of the seller shall be equivalent to:

(a) one point one (1.1) times the average monthly bill amount (estimated average of monthly billing amounts for three months or actual monthly billing amount for preceding three months as the case may be) with a validity of one year for long term contracts;

(b) one point zero five (1.05) times of contract value for short term contracts.”

27. The above provisions provide for the payment security mechanism to be complied with by the parties to the present Petition. Accordingly, the provisions of Articles 10.3 and 10.4 of the PPAs and Clause 10 of Regulation 9 of the Trading Licence Regulations shall be abided by all the concerned parties to the present Petition.

28. The Petitioner has also prayed to approve the trading margin of Rs.0.07/kWh. In this regard, Regulation 8(1)(d) of the Trading Licence Regulations dealing with trading margin provides as under:

“For transactions under long term contracts, the trading margin shall be as mutually decided between the Trading licensee and the seller:...”

29. 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.”

30. 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.”

31. The above two provisions are exceptions to the main provision as regards trading margin. In the present case, the distribution licensee, Assam Power Distribution Company Limited, and Chhattisgarh State Power Distribution Company Limited have agreed to a trading margin of Rs. 0.07/kWh as agreed in the PSA, which would be in consonance with Regulation 8(1) (d) of the Trading Licence Regulations. The balance 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 SECI and the distribution licensees and with due regard to the provisions of the PSM in the Guidelines/PPA, and be subject to the provisions of the Trading Licence Regulations. Further, in case of failure by the SECI to provide an escrow arrangement or irrevocable, unconditional, and revolving letter of credit to the generators, the trading margin shall not exceed Rs.0.02/kWh specified in Regulation 8(1)(d) and Regulation 8(1)(f) of the Trading Licence Regulations.

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

33. The Petition No. 311/AT/2024 is disposed of in terms of the above.

Sd/-
(Harish Dudani)
Member

Sd/-
(Ramesh Babu V)
Member

Sd/-
(Jishnu Barua)
Chairperson