

SAURYA URJA COMPANY OF RAJASTHAN LIMITED

(A Joint Venture Company of Govt. of Rajasthan and IL&FS Energy Development Company Ltd.)

05 May 2015

To

Smt. Shubha Sarma
Secretary
Central Electricity Regulatory Commission (CERC)
3rd Floor, Chanderlok Building
Janpath
New Delhi - 110001

Subject: Saurya Urja Company of Rajasthan Limited's representation on CERC (Grant of Connectivity, Long-term Access and Medium-term Open Access in inter-State Transmission and related matters) (Fourth Amendment) Regulations, 2015

Dear Madam

We would like to thank the Honorable Commission for considering the Solar Power Park Developer as an "Applicant" in the Draft CERC (Grant of Connectivity, Long-term Access and Medium-term Open Access in inter-State Transmission and related matters) (Fourth Amendment) Regulations, 2015.

IL&FS Energy Development Company Limited (IEDCL), a subsidiary of Infrastructure Leasing & Financial Services Limited is a leading Renewable Energy (RE) developer in the country with around 850 MW of operational RE projects including 40 MW solar power project under the Jawaharlal Nehru National Solar Mission (JNNSM) Phase II Batch I scheme, and around 300 MW of under construction RE capacity. IEDCL has set up a JV Company with the Government of Rajasthan (GOR) (50:50 JVC structure) which has been incorporated as Saurya Urja Company of Rajasthan Limited on 7 April 2015 to develop Solar Parks in the State that can house solar power projects of 5,000 MW capacity.

To promote large scale development of Solar Power in the country, it is critical to facilitate inter-state transactions of solar power generation and sale. Solar Park is a facility which allows large number of projects and hence large capacities to come together in a contiguous manner in a common area. A Solar Park is an ideal set-up for facilitating offtake of large capacity of solar power from a solar surplus state to a solar deficient state through inter-state transmission networks.

As per Amendment to Regulation 8 of the Principal Regulations:

"Provided also that the application by the applicant defined under Regulation 2(1) (b)(i) (f) shall be considered by CTU only if the Solar Power Park Developer is authorised by the Central Government to undertake infrastructural activities including arrangement for connectivity on behalf of the solar

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power generators and all operational and commercial responsibilities for the renewable energy generating station(s) in following the provisions of the Indian Electricity Grid Code and all other regulations of the Commission, such as grid security, scheduling and dispatch, collection and payment/adjustment of Transmission charges and losses, UI charges, congestion and other charges etc., and submit the documents to that effect to the CTU, along with the application for connectivity, with copy to the respective RLDC in whose control area it is located."

From the above proposed amendment, we understand broadly that the Park Developer is envisaged to carry out development and operational activities.

Under the proposed development role of the Park Developer, we acknowledge that the primary responsibility is to undertake infrastructural activities including arrangement for connectivity on behalf of the solar power generators. Therefore, it is the responsibility of the Park Developer to apply for open access for the capacity that will be set up in the Park. Although the generation capacity that will come up in the Park will be in a phased manner, the Park Developer is committed to ensure that the entire capacity gets commissioned in a time-bound manner. With regard to this responsibility, it is acknowledged that the Park Developer will be responsible for any related connectivity studies that need to be undertaken, filing the application for connectivity and being responsible for the open access application related charges.

It may be appreciated that to promote accelerated growth in solar capacity addition in the country, Park Developer should offer no restriction on technology at present or in the future. Therefore, the solar generators who are going to set up the solar projects are to be responsible for operational activities and need to comply with the provisions of the IEGC and the Commission's relevant Regulations. Hence, **the performance (operational and commercial) of the Solar Projects is beyond the control of the Park Developer and may be excluded from the scope of the Park Developer.** Further, other commercial and operational responsibilities and charges are generally governed by the Transmission Service Agreement between the solar generator and the transmission operator. **It is therefore our humble submission that these additional responsibilities during operations need to be carried forward to the solar generator and not the Park Developer.**

We hope you will consider our proposal favourably while finalizing the Draft Regulation. We would be happy to participate in further deliberations on the above.

With warm regards,

Yours Sincerely,



Sunil Wadhwa

Director

PROJECT COST DETAILS OF 1500 MW SOLAR PARK AT NP KUNTA MANDAL, ANANTHAPURAM
DISTRICT AP

The proposed 1500 MW Solar park consists of 1000 MW solar project at NP Kunta site, Ananthapuramu District and another 500 MW solar project in Galiveedu, Kadapa District which is adjoining district of Ananthapuramu.

A. 1000 MW Solar park at NP Kunta Mandal, Ananthapuramu District, Ap

Govt. of AP identified Land in NP Kunta , Ananthapuramu District, AP as detailed below:

a) Un assigned Land (Govt Lands)	:	4427.59 Acres
b) Assigned Lands	:	2119.23 Acres
c) SJ Lands	:	824 Acres
d) Patta lands	:	183.71 Acres
Total Land identified	:	7554.53 Acres

Government of AP has entered an MOU with NTPC to establish 1000 MW at NP Kunta in the proposed 1500 MW Solar Park

1. Land cost details:

a) Govt Lands:

Government land to an extent of 4427.59 AC has been handed over to APSPCL

(Annual lease yet to be finalized by Govt. of AP)

b) Assigned & SJ Lands:

The cost of Assigned Lands estimated@ 2 Lakhs/acres including administration charges is about **RS: 48.84 Cr.**

The cost of SJ lands estimated@ 1 Lakhs/acres including administration charges is about **RS. 12 Cr.** (the no. of SJ dars may likely to increase).

The Assigned lands and SJ lands are also been handed over and the compensation for the above land is being disbursed by the District Revenue authorities, Ananthapuramu.

The Estimated cost of Assigned & SJ Lands is about Rs. 60.84 Cr.

c) Patta Lands:

Pattalands are being acquired by direct negotiation with land owners.

So far nearly 82 acres got registered in the name of APSPCL and incurred

an expenditure of Rs. 2.7 cr (@ Rs. 3.25 lakhs/acre and ID land @Rs. 3.45/ acre).

Negotiation is going on for the lands abutting to road side and registration is under progress for the remaining Patta lands which is not abutting to road side.

The Estimated cost of Patta lands including registration charges is about Rs. 10 Cr.

The total Estimated cost of land towards land acquisition is about Rs. 70.84 Cr.

2. Power Evacuation:

APTRANSCO was entrusted to establish 220/33kV Pooling stations including 220kV transmission net work.

The Estimated cost of 4 Nos, 220/33kV Pooling stations of each 250 MW capacity and associated connecting lines is about Rs. 210 Cr.

3. Common Infrastructure development:

a) The Estimated cost of Roads, Drains, Bridges, Culverts and Street lights etc, is about Rs: 51.8 Cr.

b) The Estimated cost Water system is about Rs. 15 Cr.

c) The Estimated cost of 33kV cable trenches is about Rs. 8 Cr.

d) The Estimated cost of Building & Staff quarters is about Rs. 11.20 Cr.

The total Estimated cost for Infra development is about 86 Cr.

The total Estimated project cost of the solar park at NP Kunta, Ananthapuramu Dt., allotted to NTPC for establishing 1000 MW is about Rs. 378 Cr.

50% of MNRE grant for Development of 1000 MW : Rs. 100 Cr.

STATUS OF 1ST PHASE OF 250 MW:

1. 1250 Acres of land required for 250 MW has been handed over to NTPC.
2. NTPC signed PPA with APDISCOMS at Levelized Tariff (Rs/kWh) 6.16
3. APSPCL will be collecting from NTPC @20 Lakhs/MW as upfront fee and 1 Lakh/MW annually towards
lease rental (yet to be fixed by Govt. of AP) and O & M costs including water supply of Solar park
4. APTRANSCO has awarded contract for establishing 220/33kV pooling station and its associated transmission lines.

B. 500 MW SOLA PROJECT AT GALIVEEDU MANDAL, KADAPA DISTRICT IN THE PROPOSED 1500 MW NP KUNTA SOLAR PARK

The developer for this project is yet to be identified by Govt. of AP

Land details:

a) Un assigned Land (Govt Lands)	:	1738.4 Acres
b) Assigned Lands	:	1556.39 Acres
c) Patta lands	:	308.39 Acres
Total Land identified	:	3603.69 Acres

1. Cost of Land:

a) Govt Lands:

Government land to an extent of 1738.4 AC has been handed over to APSPCL

(Annual lease yet to be finalized by Govt. of AP)

b) Assigned Patta Lands:

The District revenue authorities have estimated for acquisition of assigned and Patta lands tentatively about Rs: 38 Cr.

2. Power Evacuation:

APTRANSCO was entrusted to establish 220/33kV Pooling stations including 220kV transmission net work.

The Estimated cost of 2 Nos, 220/33kV Pooling stations of each 250 MW capacity and associated connecting lines is about **Rs. 105 Cr.**

3. **Common Infrastructure development**

The Estimated cost to develop infrastructure development like Roads, drains, street lights, cable trenches, water system, buildings and quarters etc., is about Rs. 57 Cr.

The total Estimated cost of Solar park at Galiveedu Mandal is about Rs. 200 Cr.

50% of MNRE grant for 500 MW @20 Lakhs/ MW: Rs. 50 Cr.