

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 26/RP/2024

Subject : Petition for review of the order dated 16.5.2024 in Petition No.249/MP/2023

Petitioner : Solar Energy Corporation of India Limited ('SECI')

Respondents : National Load Despatch Centre ('NLDC') and Ors.

Petition No. 138/AT/2024

Subject : Petition under Section 63 of the Electricity Act, 2003 for adoption of tariff for Pilot Projects of 500 MW/1000MWh Standalone Battery Energy Storage Systems in India under Tariff-Based Global Competitive Bidding (ESS-I) process as per the guidelines of the Government of India.

Petitioner : Solar Energy Corporation of India Limited ('SECI')

Respondents : JSW Renew Energy Five Limited ('JREFL') and Ors.

Date of Hearing : **8.8.2024**

Coram : Shri Jishnu Barua, Chairperson
Shri Ramesh Babu V., Member
Shri Harish Dudani, Member

Parties Present : Ms. Anushree Bardhan, Advocate, SECI
Ms. Shirsa Saraswati, Advocate, SECI
Shri Aman Anand, Advocate, JREFL
Shri Aman Dixit, Advocate, JREFL
Ms. Natasha, Advocate, JREFL
Shri Gajendra Singh, NLDC
Shri Alok Mishra, NLDC

Record of Proceedings

Based on the request of the learned counsel for the Petitioner, SECI, in these matters and the other side having no objection thereof, both these matters were taken up for the hearing together.

2. During the course of the hearing, the learned counsel for the Petitioner, SECI, mainly submitted as under:

(a) Petition No. 26/RP/2024 has been filed seeking the review of the order dated 16.5.2024 ('Impugned Order') passed in Petition No.249/MP/2023 (NLDC V. SECI and Ors.) on the limited aspect of the decision that SECI shall not be entitled independently to the additional trading margin of Rs. 0.07/kWh for facilitating the sale/purchase, scheduling, accounting, charging, and discharging of the Battery Energy Storage System (BESS) for Grid Ancillary Services (150 MW) portion on behalf of NLDC / Grid Controller of India Limited.

(b) In the Impugned Order, the Commission has *inter alia* held that SECI will be entitled to charge the trading margin such that the cumulative value of the trading margin (i.e., trading margin of 0.5% of the Capacity Charge plus additional trading margin towards the charging/discharging of BESS) shall not exceed Rs. 0.07/kWh.

(c) As per the BESS Guidelines and the RfS document, the trading margin of 0.5% of capacity charges is to be paid to SECI for making the BESS capacity available to the concerned Buying entities. Whereas the additional trading margin of Rs. 0.07/kWh to SECI by NLDC/Grid Controller of India is for the purpose of facilitating the sale/purchase, scheduling, accounting, charging and discharging of BESS for the Grid Ancillary Services.

(d) Pertinently, SECI was not envisaged to provide the services of an intermediary trader for facilitating the sale/purchase, scheduling, accounting, charging, and discharging of BESS for Grid Ancillary Services on behalf of NLDC/Grid Controller of India either under the BESS Guidelines or the RfS document. In fact, the charging and discharging of the BESS project was initially to be undertaken by NVVN. However, subsequently, SECI agreed to the NLDC/Grid Controller's proposal to undertake such activities for an additional trading margin of Rs.0.07/kWh.

(e) There was no dispute raised by NLDC/Grid Controller of India in regard to the obligation to pay the additional trading margin for the additional services of the intermediary trader to be provided by SECI during the proceedings of Petition No.249/MP/2023. In fact, NLDC / Grid Controller of India, in its pleadings, had duly agreed to an additional trading margin of Rs. 0.07/kWh (in addition to 0.5% of applicable capacity charges) to SECI for facilitating the charging and discharging of the BESS for Grid Ancillary Services.

(f) SECI has also prayed to clarify an inadvertent error that has crept in paragraph 57 of the Impugned Order wherein it has been recorded that trading margin is to be paid to Respondent No. 2, BESS Developer instead of Respondent No.1, SECI therein.

(g) There is also a short delay of 11 days in filing of the Review Petition No. 26/RP/2024, which may be condoned by the Commission.

(h) Petition No.138/AT/2024 has been filed seeking the adoption of tariff of Pilot Projects of 500 MW/ 1000 MWh standalone BESS under the tariff based competitive bidding process as per the BESS Guidelines issued by the Ministry of Power, Government of India. Additionally, SECI has also prayed for the approval of the additional trading margin of Rs.0.07/kWh for charging and discharging of the BESS for Grid Ancillary Services as agreed to between SECI and NLDC/ Grid Controller of India.

3. Learned counsel of Respondent No. 2, JSW Renew Energy Five Limited - BESS Developer submitted that insofar as the clarification of an inadvertent error crept in paragraph 57 of the Impugned Order is concerned, the Commission may issue appropriate clarification as prayed for by SECI. He further submitted that aspect of the additional trading margin of Rs.0.07/kWh is between SECI and NLDC/Grid Controller of India and, as such, does not pertain to Respondent No.2. He, however, pointed out that in the proceedings of Petition No.249/MP/2023, all the parties had made a joint submission and agreed to the additional trading margin of Rs 0.07/kWh to SECI for charging and discharging the BESS for Grid Ancillary Services.

4. The representative of Respondent No.1, NLDC/ Grid Controller of India, submitted that Respondent No. 1 does not wish to make any submissions in both of these cases, and the Commission may decide these matters as may deem fit.

5. After hearing the learned counsels and the representative of the parties, the Commission directed the Petitioner and the Respondent, NLDC/ Grid Controller of India, to provide on an affidavit, within two weeks, per unit impact of trading margin of 0.5% of Capacity Charge plus additional trading margin towards the charging/discharging of BESS Subject to the above, the Commission reserved the order in Petition No. 138/AT/2024.

6. Also, keeping in view that all the parties involved have already made their respective submissions in Petition No. 26/RP/2024, the Commission reserved its order in the said case on maintainability.

By order of the Commission
Sd/-
(T.D. Pant)
Joint Chief (Law)