

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 268/AT/2024

Coram:

Shri Jishnu Barua, Chairperson

Shri Ramesh Babu V., Member

Shri Harish Dudani, Member

Date of Order: 18th February, 2025

In the matter of:

Petition under Section 63 of the Electricity Act, 2003 for adoption of tariff for 1200 MW Wind Solar Hybrid Power Projects (Tranche-VIII) connected to the Inter-State Transmission System (ISTS) and selected through competitive bidding process as per the guidelines of the Government of India.

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. Juniper Green Energy Private Limited,

Plot No. 18, 1st Floor, Institutional Area,

Sector 32, Gurugram- 122001, Haryana

2. Avaada Energy Private Limited,

C-11, Sector-65, Noida- 201301,

Uttar Pradesh

3. Adyant Enersol Private Limited,

Plot No. 51-52, Phase-IV, Udyog Vihar,

Gurugram-122015, Haryana

4. AMPIN Energy Utility Private Limited,

309, 3rd Floor, Rectangle One,

Behind Sheraton Hotel,

Saket, New Delhi-110017

5. Asurari Renewables India Project Private Limited,

Unit No. 208 & 209, Tower B,
Pioneer Urban Square,
2nd Floor, Sector 62, Gurugram- 122005,
Haryana

6. JSW Neo Energy Limited,
JSW Complex, Bandra Kurla Complex,
Bandra (East),
Mumbai- 400051, Maharashtra

...Respondents

Present Parties:

Ms. Aakanksha Bhola, Advocate, SECI
Shri Rahul Ranjan, Advocate, SECI
Shri Mudit Jain, SECI

ORDER

The Petitioner, Solar Energy Corporation of India Limited ('hereinafter referred to as 'the 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 (Tranche-VIII) 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 Power Projects*" (hereinafter referred to as 'the Guidelines') dated 21.8.2023 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 1200 MW Wind Solar Hybrid Power Projects based on e-Reverse Auction (e-RA);

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

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

Submissions of the Petitioner

2. The Petitioner, SECI has submitted that on 20.2.2024, it issued a Request for

Selection ('RfS') along with the Standard Power Purchase Agreement (PPA) and the Power Sale Agreement (PSA) documents for setting up the 1200 MW ISTS-connected Wind-Solar Hybrid Power Projects (Tranche-VIII), under Competitive Bidding as per the Guidelines dated 21.8.2023, on the ISN Electronic Tender System (ETS) e-bidding portal. In response, eight bids were received, offering an aggregate capacity of 2160 MW and all were found to fully meet the techno-commercial criteria. On 14.6.2024, as per the prescribed procedure in the RfS, the financial bids of the eight technically qualified bidders were opened on the ISN ETS e-bidding portal in the presence of the Bid Evaluation Committee. As per the eligibility criteria mentioned in the RfS, six bidders were shortlisted for participating in the e-reverse auction. The e-reverse auction was conducted on 14.6.2024 on the ISN ETS e-bidding portal, and pursuant thereto, six bidders offering an aggregate capacity of 1200 MW were selected and issued Letters of Award on 20.6.2024. In view of the above, the Petitioner has prayed for the adoption of tariff for the 1200 MW Wind-Solar Hybrid Power Projects (Tranche VIII) as discovered through a competitive bidding process carried out by SECI. The Petitioner has further prayed to approve the trading margin of Rs.0.07/kWh to be paid by the Distribution Companies/Buying Entity(ies) as specified in the Guidelines.

Hearing dated 5.9.2024:

3. During the course of the hearing on 5.9.2024, learned counsel for the Petitioner, SECI, reiterated the submissions made in the pleadings and requested the Commission for the adoption of the tariff of the 1200 MW Wind-Solar Hybrid Power Projects connected to Inter-State Transmission System and selected through the competitive bidding process as per the Guidelines.

4. After hearing the learned counsel for the Petitioner, notices were issued to

Respondents to file their respective replies. However, no reply has been filed by them. Vide Record of Proceedings for the hearing dated 5.9.2024, the Petitioner was directed to file details on certain aspects, namely, (a) status of the execution of the PPAs and the PSAs and the anticipated timeline for tying up the entire awarded capacity, and (b) document/certification indicating that the bid evaluation authority has satisfied itself that the price of selected offer is reasonable and consistent with the requirement as per Clause 12.2 of the Hybrid Guidelines.

5. Pursuant to the direction of the Commission, the Petitioner vide its affidavit dated 1.10.2024 has mainly submitted as under:

(a) As per the first limb of clause 12.2 of the Guidelines, the Petitioner has already furnished and filed copies of the Conformity Certificates to the effect that no deviations were made from the Guidelines in the RfS and to the effect that Bid Evaluation Committee has conducted the Bid Evaluation in conformity with provisions of the RfS and the Guidelines.

(b) The second limb of clause 12.2 of the Guidelines states that the evaluation authority should satisfy itself that the price of the selected offer is reasonable and consistent with the requirement and not mandated to furnish any documents/certificate to such effect. In regard to the reasonableness of the price discovered under the Scheme, the Bid Evaluation Committee evaluated the bids and prices discovered in the e-reverse auction as per the requirement of Clause 12.2 of the Guidelines and recommended the issuance of the LoAs to the successful bidders. SECI has issued a Letter of Award in favour of the Hybrid Power Developers, and the same was accepted by the Hybrid Power Developers without any reservation itself, demonstrating that the price discovered seems to be reasonable.

At the conclusion of the bidding process under the Scheme, the Bid Evaluation Committee constituted for evaluation and review of the bids has found that the prices discovered under the subject tender are reasonable and consistent with the

requirements specified in the RfS. In any event, the Petitioner has issued a certificate stating that the tariff discovered in the present tender appears to be reasonable and consistent with the requirements of the tender.

(c) Pursuant to the Electricity (Amendment) Rules 2022 (Amendment Rules) notified by the Ministry of Power on 29.12.2022, which *inter-alia* provide for the implementation of uniform renewable energy tariff (URET), the Ministry of Power, Government of India on 25.10.2023, approved the procedure for implementation of the URET through Grid India, as the implementing agency (IA) for standardizing the tariff across various categories of central pool such as solar, solar-wind hybrid, at which the Intermediary Procurer (IP) will sell power generated from the renewable sources from such central pool to all the end Procurers.

(d) Furthermore, MoP vide Office Memorandum dated 14.2.2024, has notified the start date of the Solar Power Central Pool and Solar-Wind Hybrid Central Pool as 15.2.2024 for all solar and solar-wind hybrid projects bid for after the aforesaid start-date. The principle of operation of a pool shall be based on a first in, first out (FIFO) approach, i.e., solar and solar-wind hybrid projects whose Letter of Award has been placed first would be placed in their respective pools first and also sold first by the Intermediary Procurer. Also, the Ministry of Power designated the following Renewable Energy Implementing Agencies (REIAs) as Intermediary Procurers for the URET procedure – Solar Energy Corporation of India Limited, NTPC Limited, NHPC Limited, and SJVN Limited.

(e) In April 2024, the procedure for implementation of the Uniform RE Tariff (URET) was further revised by GRID-INDIA. Some notable features of the procedure for implementation of the URET include:

- i) The Central Pool shall be a pool of category-specific power from Inter State Transmission System connected with the renewable energy sources being procured by the designated Intermediary Procurers under Section 63 of the Act and as per provisions of the bidding guidelines notified by the Central Government, from time to time for supply to the end procurers of more than one State so that such power from renewable energy sources can be supplied

to all end procurers from the concerned pool at uniform tariff under these procedures.

- ii) Trading Margin shall be the margin levied by the Intermediary Procurer as per respective Power Sale Agreements executed with the End Procurer.
- iii) The Government of India shall notify the start date for each category of the Central Pool, which shall be for a duration of 3 years. All the capacity for which bid/RfS notice is published after the notification of the start date of the respective Central Pool and is within the duration of 3 years (from the start date) will be part of the respective Central Pool, provided other eligibility conditions are fulfilled. After the end of the duration of three years from the start date of the pool, no new capacity will be added to the pool. All such capacity will remain part of the pool till the expiry of their respective Agreement. The URET of this pool will be calculated considering energy from such capacities only.
- iv) The Uniform Renewable Energy Tariff for the Central Pool (URET) will be applicable only to power procured by the End Procurer and will not in any manner have any implication on the renewable energy tariff discovered under the respective tariff based competitive bidding process and payable to the renewable energy generators by the Intermediary Procurer as per the PPA.
- v) The Implementing Agency (i.e., Grid India) will compute the Uniform Renewable Energy Tariff for selling electricity to the end procurer by Intermediary Procurer on a monthly basis, as per the methodology specified in the procedure.
- vi) The contractual obligations between the generators and Intermediary Procurer, and Intermediary Procurer and end-procurer shall be governed by the respective bidding documents, including the PPAs and PSAs, and will have no bearing on URET.
- vii) The impact on the tariff due to the Change in Law provisions will be in

accordance with the bidding documents and will be reflected in the pooled tariff computed in accordance with the procedure.

viii) The role of the Implementing Agency (i.e., Grid India) includes computing monthly URET based on information submitted by the Intermediary Procurers, issuing monthly account statements for adjustment of any surplus/ deficit tariff among the Intermediary Procurers, based on information submitted by the Intermediary Procurers and publishing relevant details including the monthly accounts statements on its website.

(f) The capacity from the Central Pool of solar-wind hybrid power projects would be sold based on a first in, first out (FIFO) approach, i.e., solar-wind hybrid projects whose Letter of Award has been placed first would be placed in their respective pools first, and also sold first by the Intermediary Procurer.

Hearing dated 10.10.2024:

6. During the course of the hearing, learned counsel for the Petitioner submitted that vide Record of Proceedings for hearing dated 5.9.2024, the Respondents were permitted to file their respective reply, if any. However, none of the Respondents have filed any reply in the matter. Learned counsel added that in the present case, the supply to the Procurers would be at uniform renewable energy tariff as envisaged in the Electricity (Amendment) Rules, 2022.

7. Considering the submissions made by the learned counsel for the Petitioner, one last opportunity was granted to the Respondents to file their respective reply, if any, within a week with a copy to the Petitioner, who may file its rejoinder, if any, within four days thereafter. Subject to the above, the matter was reserved. Despite giving the above opportunity, no reply was filed by any of the Respondents.

Analysis and Decision

8. 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 as discovered pursuant to the competitive bid process carried out in terms of the Guidelines issued by the Government of India.

9. 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.”

10. 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.

11. The Ministry of New and Renewable Energy, Government of India, has notified the Hybrid Guidelines under Section 63 of the Act on 21.08.2023. The salient features of the Hybrid Guidelines are as under:

(a) These Guidelines are applicable for the procurement of power from the Hybrid Power Projects having (a) bid capacity of 10 MW and above for projects connected with the intra-State transmission system; and (b) bid capacity of 50 MW and above for projects connected with the inter-State transmission system, subject to the condition that 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 projects of the hybrid project may be located at same or different locations. Storage may be added to the hybrid power project to reduce the variability of output power from the wind solar hybrid project, for providing the higher

energy output for a given capacity (bid/ sanctioned capacity) at delivery point, by installing additional capacity of wind and solar power in a wind solar hybrid project and to ensure availability of firm power for a particular period.

(c) The Procurer shall prepare the bid documents in accordance with these Guidelines and any deviations from these Guidelines and/or Standard Bidding Documents (SBDs) in the draft RfS, draft PPA, draft PSA (if applicable) is required to be approved by the Government in accordance with the process described in Clause 19 of these Guidelines.

(d) The Procurer will invite the bids in Power Capacity (MW) terms. A bidder is allowed to bid for a minimum bid capacity as per Clause 3.1 of the Guidelines. The Procurer may also choose to specify the maximum capacity that can be allotted to a single bidder including its Affiliates. A maximum of 50 percent of total capacity as specified in RfS can be allocated to a single bidder.

(e) For procurement of wind solar hybrid power, the tariff quoted by the bidder shall be the bidding parameter. The tariff quoted shall be fixed tariff in Rs./kWh for PPA period. The capacity allocation shall be on the basis of Bucket filling i.e. capacity quoted by least quoted tariff bidder (called the L1 bidder) at the rates quoted (L1 rates) shall be allocated first, then the capacity quoted by the next lowest bidder (called the L2 bidder) at the rates quoted (called the L2 rates) may be allocated and so on.

(f) The draft PPA proposed to be entered into with the successful bidder and draft PSA shall be issued along with the RfS. Standard provisions to be incorporated as part of the PPA shall include *inter alia* the PPA Period, Quantum of Power, Deviation Settlement Mechanism (DSM), Payment Security Mechanism (PSM), Change in Law, Force Majeure, Generation Compensation for Off-take Constraints, Event of Default, and consequences thereof.

(g) Adequate payment security shall be provided as per the Electricity (Late Payment Surcharge and Related Matters) Rules, 2022 including amendments and clarification, if any, thereof, issued from time to time. In addition, the intermediary

procurer may maintain a payment security fund. To be eligible for coverage from the fund, the developer will undertake to pay PSM charges at the rate of 2 paise per unit.

(h) The Procurer/intermediary procurer shall call for the bids adopting a single stage two-part (Technical Bid & Financial Bid) bidding process to be conducted through electronic mode (e-bidding). The Procurer may also opt for e-reverse auction for final selection of the bidders, in such a case, this will be specifically mentioned in the notice inviting bids and bid document. E-procurement platforms with a successful track record and with adequate safety, security, and confidentiality features will be used.

(i) The bidding documents including the RfS, draft PPA and draft PSA (if applicable) shall be prepared by the Procurer(s) in consonance with these Guidelines and the SBDs, if any. The Procurer(s) shall publish the RfS notice in at least two national newspapers or its own website, to accord wide publicity. The standard provisions to be provided by the Procurer in the RfS shall include the Technical Criteria, Financial Criteria, Net worth, Liquidity, Quantum of the Earnest Money Deposit (EMD), and Compliance of Laws by foreign bidders.

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

(k) The bidders shall be required to submit the separate technical and price bids. Bidders shall also be required to furnish the necessary bid-guarantee in the form of an EMD along with the bids. To ensure competitiveness, the minimum number of the qualified bidders should 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 with the consent of the Appropriate Commission. The detailed procedure for evaluation of the bid and selection of the bidder shall be provided for in the RfS.

(l) After the conclusion of bidding process, the Evaluation Committee constituted

for evaluation of the RfS bids shall critically evaluate the bids and certify as appropriate that the bidding process and the evaluation has been conducted in conformity to the provisions of the RfS document. The evaluation authority should satisfy itself that the price of the selected offer is reasonable and consistent with the requirement.

(m) The PPA shall be signed with the successful Bidder/ Project Company or an SPV formed by the successful Bidder. After the execution of the PPA, the Procurer shall publicly disclose the name(s) of the successful Bidder(s) and the tariff quoted by them together with breakup into components, if any.

(n) The distribution licensee or the Intermediary Procurer, as the case may be, shall approach the Appropriate Commission for the adoption of tariff by the Appropriate Commission in terms of Section 63 of the Act within 15 (fifteen) days of the discovery of the tariffs in the transparent competitive bidding process conducted in accordance with these Guidelines.

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

13. The Guidelines offer a framework for the long-term procurement of wind-solar hybrid power at a tariff that will be decided through a transparent process of bidding held by the Procurer(s) from the ISTS wind-solar hybrid power projects. In accordance with the Guidelines, SECI, in its capacity as an Intermediary Procurer, has invited proposals for the selection of hybrid power developers for setting up the 1200 MW ISTS-connected Wind-Solar Hybrid Power Projects anywhere in India (SECI-Tranche-VIII) under Competitive Bidding as per the Guidelines dated 21.8.2023. As per the arrangements, SECI is to procure the power by entering into the PPAs with the successful bidder with back-to-back PSAs for the sale of power to the distribution licensees.

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

Sr. No.	Milestone	Date
1.	RfS issued by SECI.	20.02.2024
2.	Pre-Bid Meeting held.	28.02.2024
3.	Corrigendum -01 to the RfS documents	22.03.2024
4.	Corrigendum -02 to the RfS documents	18.04.2024
5.	Corrigendum -03 to the RfS documents	08.05.2024
6.	Clarification-01 to the RfS documents	08.05.2024
7.	Amendment -01 to RfS documents	08.05.2024
8.	Last date of Bid Submissions.	20.05.2024
9.	Opening of Techno-Commercial Bids.	24.05.2024
10.	Opening of Financial Bids.	14.06.2024
11.	E-Reverse Auction Conducted	14.06.2024
12.	Issuance of Letter of Awards (LoAs) to the Successful Bidders.	20.06.2024

15. On 20.2.2024, SECI issued the RfS documents, along with the draft PPA and PSA, for the selection of the Hybrid Power Developers for setting up the 1200 MW ISTS connected with the Wind Solar Hybrid Power Projects (Tranche VIII) under tariff-based competitive bidding. Subsequently, RfS documents were amended by an amendment dated 8.5.2024 and a corrigendum dated 22.3.2024, 18.4.2024, and 8.5.2024. The tender/ RfS document was floated on the ISN Electronic Tender System (ISN ETS) e-Tender portal. As per Clause 8.5 of the Guidelines, the RfS notice is required to be published in at least two national newspapers or the website of the Procurer 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, Government of India. According to SECI, it did not publish the notices in the newspapers as per the advisory of the Ministry of Information and Broadcasting, Government of India, dated 17.5.2017, mandating the e-publishing of advertisements on the relevant portal. Accordingly, on 3.7.2018, SECI issued a notification in the newspapers indicating that tenders of the SECI will henceforth be published on its website and the Government Portal but not in the newspapers.

16. The Bid Evaluation Committee (BEC) comprising the following, was constituted for the opening and evaluation of bids under RfS-No. SECI/C&P/IPP/13/0020/23-24 dated 20.02.2024:

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 (Tranche- VIII)	PS	Priyank Jain, Sr. Engineer	Aalok Singh, Manager
	Contracts	Jayansh Gaur, Dy. Manager	Jayansh Gaur, Dy. Manager
	Finance	Mohit Singhal, Dy. Manager	Mohit Singhal, Dy. Manager

17. Last date of submission of the bid was 20.5.2024, and the techno-commercial part of the bid was opened on 24.5.2024. Response to RfS was received from the eight bidders, and all of them fully met the techno-commercial criteria and consequently, were found to be qualified for opening of the financial bid. On 14.6.2024, 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 Evaluation Committee. As per the eligibility criteria mentioned in the RfS document, out of eight, six bidders aggregating 1560 MW were shortlisted for the e-reverse auction.

18. The e-reverse auction was carried out on 14.6.2024 in the presence of the members of the BEC. 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 (INR/kWh)	Allotted Capacity (MW)
1.	Juniper Green Energy Private Limited	150	3.43	150
2.	Asurari Renewables India Project Private Limited	300	3.45	300
3.	AMPIN Energy Utility Private Limited	150	3.45	150

4.	Adyant Enersol Private Limited	60	3.45	60
5.	JSW Neo Energy Limited	300	3.45	300
6.	Avaada Energy Private Limited	600	3.46	240
			Total	1200 MW

19. Accordingly, on 20.6.2024, SECI issued the Letter of Awards (LoAs) to the above successful bidders. The relevant extract of the Letter of Award issued to one of the successful bidders, namely Juniper Green Energy Private Limited, 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:

<i>Allotted Project ID</i>	<i>Project Capacity (MW)</i>	<i>Project Location(s)</i>	<i>Interconnection Point(s) Details</i>	<i>Applicable Tariff (INR/kWh) in figures</i>	<i>Applicable Tariff (INR/kWh) in words</i>
<i>HPD-ISTS-T8-JGEPL-P1-150MW</i>	<i>150 (Solar-130 MW; Wind -50 MW)</i>	<i>Lakadia, Gujarat</i>	<i>Lakadia ISTS PS at 220 kV</i>	<i>₹3.43/-</i>	<i>Rupees Three and Forty-three paisa Only</i>

It is to be noted that the HPD is allowed to change the project location and interconnection point for the awarded project subsequent to issuance of LoA, up to the deadline for Financial Closure as per Clause 21 of the RfS.

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 ISTS-connected 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 Successful 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) of the Bidding Company/Consortium until 01 (one) year after the SCSD, except with the prior approval of SECI.

1.5 In case of companies having multiple promoters (but none of the shareholders having more than 50% 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 SCSD.

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 SCSD, 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 SCSD, except with the prior approval of SECI. Further, the successful bidder shall ensure that its promoters shall not cede control of the bidding company till 1 (one) year from the SCSD, except with the prior approval of SECI.

1.7 The HPD shall pay to SECI, Success Charges @Rs. 1,00,000/MW (Indian Rupees One Lakh only/MW)+ 18% GST, corresponding to the Installed Capacity committed as per the PPA to be signed, to SECI towards administrative overheads, project monitoring activities, coordination with State Authorities and others including the DISCOM/STU/CTU, etc. 1st installment of the Success Charges, i.e. 50% of the above amount shall be paid to SECI within 30 days after issuance of LoA, and remaining 50% amount (i.e. the 2nd installment of the Success Charges) shall be paid prior to signing of PPA (PPA signing date to be intimated by SECI), in line with Clause 18.1 of the RfS. For the second installment, the due date shall be the date as intimated by SECI, which shall be at most 7 days prior to signing of PPA. In case of modification in Installed Capacity prior to signing of PPA, the 2nd installment of Success Charges will be calculated based on the revised value of the total Success Charges calculated @Rs. 1,00,000/MW + 18% GST of the revised Installed Capacity.

1.8 Performance Bank Guarantee(s)/ Payment on Order Instrument (POI) for a value @ [INR 23,20,000 x Rated Installed Capacity of Solar component (MW) + INR 31,60,000 x Rated Installed capacity of Wind component (MW)] shall be submitted by the HPD prior to signing of PPA, in line with Clause 17 of the RfS.

1.9 PPA will be executed between SECI and the HPD as per the breakup of the cumulative Contracted 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.

1.10 The project breakup for the cumulative Contracted 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 this 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 this LoA. Both the above parameters will remain unchanged, thereafter.

The PPAs shall be valid for a period of 25 years from the Scheduled Commencement of Supply Date (SCSD).

1.11 The HPD will have to submit the required documents as mentioned below to SECI within 70 days from the issue of this LoA or 30 days prior to the date of signing of PPA as intimated by SECI, whichever is earlier. 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) In line with Clause 36.3 of the RfS, in the case of submission of letter from CEO/Managing Director of the respective Affiliate(s), undertaking to contribute the required equity funding and Performance Bank Guarantees/POI in case the Bidder fails to do so, at the time of bid submission, the requisite Board Resolution from the Affiliate(s) shall be required to be submitted prior to signing of PPA. [Not required if requisite documents already submitted at the bidding stage]
- 2) Copy of the Certificate of Incorporation of the HPD.
- 3) 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.
- 4) Copy of the Memorandum of Association (MoA) of the HPD highlighting the object clause related to Power/ Energy/ Renewable Energy/ Solar/ Wind/ Wind-Solar Hybrid power plant development.
- 5) 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. Also, the SPV shall submit a Board Resolution for execution of the Project.
- 6) Copy of Board Resolution of HPD for authorization of signing of PPA and subsequent relevant documents.

Further, the PPA shall be signed with HPDs subsequent to the signing of Power Sale Agreements with the Buying Entities for the cumulative awarded capacity and upon submission of the Success Charges along with total Performance Guarantees/ Payment on Order Instrument of requisite value.

1.12 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. Effective Date of the PPA shall be the date of signing of PPA. In case SECI intimates to the Successful Bidder a particular date as the date for signing of PPA and the PPA signing gets delayed on account of reasons attributable to the HPD, the date as specified by SECI shall become the Effective Date of the PPA, irrespective of the date of signing of PPA.

1.13 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 penalty, the selected Project shall stand cancelled, and the selected Bidder expressly waives off its rights and objections, if any, in that respect.

1.14 The HPD shall meet financial closure requirements for the Project in line with clause 21 of the RfS document, by the date as on 6 months prior to the SCSD/ extended SCSD.

Accordingly, the HPD shall furnish the documents pertaining to compliance of financial closure as per the above provisions.

1.15 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, penalty for delay in commencement of supply shall be levied on the HPD as per the above provisions.”

20. As per Clause 12.2 of the Hybrid 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 document. Also, the Evaluation Authority should satisfy itself that the price of the selected offer is reasonable and consistent with the requirement. In compliance with the above, the Petitioner has furnished the various conformity certificates on record. *Vide* conformity certificate-1 dated 18.6.2024, the Petitioner has certified that the applicable Guidelines and amendments /clarifications 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 certificate is as under:

“CONFORMITY CERTIFICATE – 1

With respect to the RfS no. SECI/C&P/IPP/13/0020/23-24 dated 20.02.2024, 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.”

21. Moreover, *vide* conformity certificate-2, the Petitioner has stated that after the conclusion of bid submission, the Evaluation Committee constituted for evaluation of the bids has conducted the techno-commercial as well as financial bid evaluation in conformity with the provisions of the RfS. The relevant extract of the above conformity certificate is as under:

“CONFORMITY CERTIFICATE - 2

With respect to the RfS no. SECI/C&P/IPP/13/0020/23-24 dated 20.02.2024, 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”

22. Pursuant to the direction of the Commission vide Record of the Proceedings for the hearing dated 5.9.2024, the Petitioner also filed a conformity certificate-3 dated 11.9.2024 indicating that the tariff discovered under the subject tender are reasonable and consistent with the requirements of the tender. The relevant extract of the said conformity certificate is as under:

“CONFORMITY CERTIFICATE – 3

With respect to the RfS no. SECI/C&P/IPP/13/0020/23-24 dated 20.02.2024, it is hereby declared as follows:

1. The tariffs quoted by the bidders for supply of wind-solar hybrid power for 25 years have been discovered through Global Competitive Bidding process under Open Tender mode followed by e-Reverse Auction. Total number of bidders who have participated in the tender were eight (08) with cumulative quoted Contracted Capacity of 2160 MW against the total bid capacity of 1200 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 appears to be reasonable and consistent with the requirements of the tender.”

23. In light of the aforesaid discussion, it emerges that the selection of the successful bidders has been done, and the tariff of the Wind Solar Hybrid Power Projects (Tranche VIII) has been discovered by the Petitioner, SECI, 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 individual tariff in terms of the LoAs dated 20.6.2024 for the Wind Solar Hybrid Power Projects (Tranche VIII), as agreed to by the following successful bidders subject to the Petitioner tying up the awarded capacity under the PPAs and PSAs:

S. No.	Name of Successful Bidder	Allotted Capacity (MW)	Tariff (INR/kWh)
1.	Juniper Green Energy Private Limited	150	3.43
2.	Asurari Renewables India Project Private Limited	300	3.45
3.	AMPIN Energy Utility Private Limited	150	3.45
4.	Adyant Enersol Private Limited	60	3.45
5.	JSW Neo Energy Limited	300	3.45
6.	Avaada Energy Private Limited	240	3.46
	Total	1200 MW	

24. Prayer (a) of the Petitioner is answered in terms of paragraph 23 above. 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. 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.

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

26. 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:”

27. The above provision gives a 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.”

28. 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.”

29. 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 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 License Regulations. Further, in case of failure by the SECI to provide an escrow arrangement or irrevocable, unconditional, and revolving letter of credit to the wind solar power 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.

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

31. Petition No. 268/AT/2024 is disposed of in terms of the above.

Sd/-
(Harish Dudani)
Member

sd/-
(Ramesh Babu V.)
Member

sd/-
(Jishnu Barua)
Chairperson