

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 722/AT/2025

Coram:

Shri Ramesh Babu V., Member

Shri Harish Dudani, Member

Shri Ravinder Singh Dhillon, Member

Date of Order: 22st November, 2025

In the matter of

Petition under Section 63 of the Electricity Act, 2003 for the adoption of tariff for 420 MW RTC power from ISTS- connected Renewable Energy Power Projects (SECI-RTC-IV) and selected through competitive bidding process as per the guidelines dated 9.6.2023 issued by the Ministry of Power, 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. Hero Solar Energy Private Limited,
201, Ground Floor, Okhla Industrial Estate,
Phase- III, New Delhi – 110020.

2. Hexa Climate Solutions Private Limited,
8th Floor, Vatika Business Park, Sonha Road,
Gurugram-122018, Haryana.

3. Sembcorp Green Infra Private Limited
Building 7A, Level 5, DLF Cyber City,
Gurugram- 122002, Haryana.

4. Jindal India Power Limited,
Habita India, C-3, Qutub Industrial Estate,
Katwaria Sarai, New Delhi-110016.

...Respondents

Parties present:

Shri Aakanksha Bhola, Advocate, SECI

Ms. Mandakini Ghosh, Advocate, SECI

Shri Rahul Ranjan, Advocate, SECI
Shri Mudit Jain, Advocate, SECI

ORDER

The Petitioner, Solar Energy Corporation of India Limited (hereinafter referred to as “SECI”), has filed the present Petition for the adoption of tariff for the 420 MW RTC power from ISTS- connected Renewable Energy Power Projects (SECI-RTC-IV) under the “Guidelines for Tariff Based Competitive Bidding Process for Procurement of Firm and Dispatchable Power from Grid Connected Renewable Energy Power Projects with Energy Storage Systems” dated 9.6.2023 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 bidding process for 420 MW RTC power from Renewable Power Projects based on Letter of Award issued to successful bidders.

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 this case.”

Submission of the Petitioner

2. The Petitioner, SECI, is a Government of India enterprise under the administrative control of the Ministry of New and Renewable Energy and has been designated as the Renewable Energy Implementing Agency (hereinafter referred to as “REIA”) for implementation of schemes for setting up grid-connected Inter-State Transmission System (ISTS)-connected Renewable Energy (RE) Power Projects. It acts as an intermediary procurer in the purchase and sale of power under Power Purchase Agreements (hereinafter referred to as “PPAs”) and Power Sale Agreements (hereinafter referred to as “PSAs”) to enable the Distribution Licensees and Buying Entities to fulfil their Renewable Purchase Obligations (hereinafter referred to as

“RPO”) under Section 86(1)(e) of the Electricity Act, 2003. The Ministry of Power (MoP), Government of India, notified the “Guidelines for Tariff Based Competitive Bidding Process for Procurement of Firm and Dispatchable Power from Grid Connected Renewable Energy Power Projects with Energy Storage Systems” dated 09.06.2023 (as amended from time to time) (hereinafter referred to as “Guidelines, 2023”). Pursuant to the Guidelines, 2023, SECI invited online bids by issuing the Request for Selection (hereinafter referred to as “RfS”) dated 28.10.2024 (RfS No. SECI/C&P/IPP/13/0019/24-25) along with standard draft PPA and PSA documents for setting up 1200 MW Round-the-Clock (RTC) RE Power Projects with Energy Storage Systems connected to the ISTS on a Build-Own-Operate basis under the scheme “Selection of RE Power Developers for Supply of 1200 MW of RTC Power from ISTS-connected RE Power Projects in India (SECI-RTC-IV)”. The RfS was floated on the ISN Electronic Tender System (ISN ETS) e-bidding portal, followed by e-reverse auction, through a transparent competitive bidding process. SECI constituted a Bid Opening Committee and Bid Evaluation Committee, to evaluate the bids and submit award recommendations. In totality, 5 numbers of bids were received offering an aggregate capacity of 540 MW and all of them were found to fully meet the techno-commercial and qualified for opening of the financial bid. The financial bids of all 5 bidders were opened on 26.5.2025 and based on the financial bid evaluation report of the Bid Evaluation Committee, all 5 bidders were shortlisted for e-reverse auction to be conducted on the same date. After the conclusion of the e-Reverse Auction process, SECI, on 11.6.2025, issued a Letter of Award (LoAs) to the Selected Bidders for a total awarded capacity of 420 MW.

3. In view of the above, the Petitioner has prayed for the adoption of tariff for the procurement of the 420 MW of Round the Clock (RTC) Power from the ISTS-

Connected Renewable Energy (RE) Power Projects (SECI-RTC-IV) discovered through a competitive bidding process carried out by the Petitioner. The Petitioner has further prayed to approve a trading margin of Rs. 0.07/kWh to be recovered from the distribution companies as specified in the Guidelines.

Hearing dated 28.8.2025

4. Notice was issued *vide* Record of Proceedings (hereinafter referred to as the “RoP”) dated 28.8.2025, directing the Respondents to file their respective replies, if any, with a copy to the Petitioner, who may thereafter file its rejoinder. Further, *vide* the said RoP, the Petitioner was directed to submit, on an affidavit, a certificate to the effect that the rates of the discovered tariff are reasonable.

5. In compliance with the RoP dated 28.8.2025, the Petitioner, *vide* affidavit dated 10.9.2025, has submitted that the Bid Evaluation Committee undertook a comprehensive evaluation of the bids and the prices discovered through the e-reverse auction in accordance with the Guidelines dated 9.6.2023. The process was conducted diligently and transparently, ensuring fair assessment of all bids as per the prescribed criteria. Based on the evaluation, the Committee recommended issuance of Letters of Award (hereinafter referred to as “LoAs”) to the successful bidders, which were duly issued by SECI and accepted by the Renewable Power Developers without any reservation, thereby confirming the reasonableness and competitiveness of the discovered tariff. It was further submitted that the Bid Evaluation Committee found the discovered tariff to be reasonable and consistent with the provisions of the RfS dated 28.10.2024. Accordingly, the Petitioner has certified that the discovered tariff is reasonable and in line with the tender requirements.

Hearing on 26.9.2025

6. During the course of the hearing on 26.9.2025, the learned counsel for the

Petitioner, SECI, submitted that the Petitioner has complied with the directions issued *vide* RoP dated 28.8.2025 and has placed on record the certificate issued by the Bid Evaluation Committee to the effect that the price of the selected offer is reasonable and consistent with the requirements of the tender. The learned counsel also submitted that none of the Respondents has filed any reply/objection in response to the notice issued. After hearing the learned counsel for the Petitioner, Petitioner was directed to file the rate reasonability certificate on an affidavit and the Respondents were permitted another opportunity to file their respective replies.

7. In compliance with the RoP dated 26.9.2025, the Petitioner *vide* affidavit dated 8.10.2025 has mainly submitted as under:

a. The Bid Evaluation Committee, after detailed deliberations and market analysis, observed that the RTC-IV tender was the first-of-its-kind Round-the-Clock (RTC) renewable energy tender issued by SECI or any other Renewable Energy Implementing Agency. The Committee compared the discovered tariff with that of the SJVN FDRE-3 tender issued in February 2025, where the tariff ranged between INR 4.82/kWh and INR 4.91/kWh. The Committee noted that the SJVN tender had less stringent performance and dispatchability criteria compared to the SECI RTC-IV tender. Considering the higher firmness obligations, enhanced round-the-clock availability, and stricter integration requirements with energy storage systems under RTC-IV, the slightly higher discovered tariff of INR 5.06 – 5.07/kWh was considered logical and justified. The Committee also noted that the time gap between the two tenders and the intervening market and supply-chain changes had materially influenced tariff determination. Accordingly, the tariff discovered under RTC-IV was stated to represent a competitive, market-based price reflective of prevailing technology and financial conditions.

b. The RTC-IV tender's stringent requirement for continuous firm power delivery, coupled with significant penalties for shortfalls, compelled developers to adopt higher utilisation factors, advanced dispatch optimisation models, and

greater energy storage capacity. The associated costs of storage, balancing power, and flexibility infrastructure essential for grid stability and reliability contributed to the tariff level. Hence, the tariff was to be viewed not merely as an energy cost, but as the price of firm renewable capacity and reliability, which justifies the discovered tariff in the range of INR 5.06 – 5.07/kWh.

c. Therefore, the discovered tariff under the SECI RTC-IV tender is a fair reflection of the true cost of delivering firm renewable energy on a 24×7 basis. The same satisfies the twin objectives of ensuring competitive market-based procurement and enabling reliable clean power supply to procurers and consumers, in line with the policy direction of the Ministry of Power and the broader objectives of India's energy transition.

Hearing Dated 16.10.2025

8. During the course of the hearing, the learned counsel for the Petitioner submitted that, in compliance with the directions issued *vide* RoP dated 26.9.2025, the Petitioner has filed an affidavit enclosing the final evaluation report of the Bid Evaluation Committee. He submitted that the discovered tariff in the present case is Rs. 5.06 per unit as against the earlier tariff of Rs. 4.79 per unit, and that the instant tender is the first-of-its-kind *Round-the-Clock (RTC)* renewable tender issued by SECI or any other implementing agency, incorporating stringent performance criteria under the RfS conditions. It was further submitted that, upon detailed analysis, the Bid Evaluation Committee has found the discovered tariff to be reasonable. After hearing the submissions, the Commission reserved the matter for order.

Analysis and Decision

9. We now proceed to consider the prayer of the Petitioner as regards adoption of tariff under Section 63 of the Act in respect of 420 MW RTC Power Projects as

discovered pursuant to the competitive bid process carried out in terms of the Guidelines issued by the Government of India under Section 63 of the Act.

10. The Ministry of Power, Government of India, has notified the Guidelines under Section 63 of the Act vide Resolution No. 23/03/2023-R&R on 09.06.2023 for the procurement of firm and dispatchable power from grid-connected renewable energy power projects with energy storage systems. The salient features of the Guidelines are as under:

(i) The specific objectives of the guidelines are: a) to provide firm and dispatchable power to distribution companies (DISCOMs) from renewable energy sources, b) facilitate renewable capacity addition and fulfilment of Renewable Purchase Obligation (RPO)/ Storage Power obligations (SPO) requirements, provide a transparent, fair, standardized procurement framework based on open competitive bidding with appropriate risk-sharing between various stakeholders to enable the procurement of power at competitive prices in consumer interest, improve bankability of projects and ensure reasonable returns to the investors; and d) to provide a framework for the inter-State/ intra-State, long-term, sale purchase of power as a further measure to derisk the sector. The guidelines require the bid documents to be prepared in accordance with the guidelines and seek approval from the Government for deviations in the draft RfS, draft PPA, and draft PSA (if applicable) from these Guidelines and/or SBDs.

(ii) The Renewable Energy Supply (RfS) outlines the requirements for a project's commencement of supply, including land acquisition, connectivity, and regular reporting requirements. The generator must supply firm and dispatchable renewable energy power, with peak hours declared by the DISCOM as specified in the RfS. The generator must offer 100% renewable energy but can source up to 5% on annual basis from the green market sources/ bilateral agreements.

(iii) The developer must combine the renewable energy generating system with energy storage to achieve the required availability against demand profile

and performance criteria. A single tariff for supply of firm and dispatchable renewable energy power is quoted by the bidders at the delivery point which shall be at the CTUIL interconnection point. Bids are invited in Power Capacity (MW) terms, with a minimum quantum of 50 MW for economies of scale. A maximum of 50% of bid capacity can be allocated to a single bidder in a tender.

(iv) The bidding evaluation parameter is the tariff per unit supply of a firm and dispatchable renewable energy power, fixed for the entire term of the PPA. The bidder must submit separate technical and price bids. The bidders shall also provide necessary bid-guarantee in the form of an Earnest Money Deposit (EMD), and meet eligibility criteria set out in the RfS document on all evaluation parameters. To ensure competitiveness, the minimum number of qualified bidders is two, and any deviation from the tender conditions the price bid shall be rejected. The detailed procedure for evaluation of the bids and selection of the bidders is provided in the RfS document.

(v) The Power Purchase Agreement (PPA) is a document involving the purchase of power from a generator. It outlines the PPA period, which can be 20 years or 25 years, and the procurement shall be in power (MW) terms. The generator must ensure that the supply meets specified conditions, such as RTC, load profile, and number of hours. The summation of generation schedules of RE power from multiple sources cannot exceed the contracted capacity. The generator can supply power beyond the contracted capacity to third parties or power exchanges without a No-Objection Certificate (NOC). Developers who have already commissioned RE plants/ storage plants or in process of constructing such plants and have untied capacity may also participate in the bid and may be given the benefit of a longer PPA period. If there is a shortfall in project availability due to the generator, the generator must pay a penalty, which is equal to one and a half times the tariff for the number of units not supplied. The generator is responsible for scheduling and punching at different Regional Load Dispatch Centres/ SLDCs. The Deviation Settlement Mechanism (DSM) applies for deviations from the schedule, and charges are settled by the RE power generator.

(vi) 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. The PPA shall contain provisions with regard to the Force Majeure definitions, exclusions, applicability, and available relief on account of force majeure as per the Industry Standards. The generator must inform the procurer of a force majeure within 15 days and the procurer shall respond on his claim within 15 days of the receipt of the intimation. The Procurer may be constrained from scheduling power on account of unavailability of the transmission infrastructure/ grid or in-the eventuality of a Back down in accordance with the Electricity (Promotion of Generation of Electricity from Must-Run Power Plant) Rules, 2021, as amended from time to time. During plant operation, if power cannot be evacuated due to temporary transmission unavailability not attributable to the Generator, the Procurer shall bear the liability for generation compensation.

(vii) For claiming compensation, generators must sell their power in the power exchange as a price taker, with compensation limited to the difference of actual generation up to declared capacity subject to a maximum of up to the contracted capacity and the quantum of power scheduled by the procurer. If a generator defaults, the procurer may terminate the PPA and further, shall be liable to pay the damages equivalent to 24 months or the balance PPA period whichever is less to the procurer. If the generator assigns or innovates rights or obligations contrary to the terms of the PPA, the procurer may recover the damages through forfeiture of bank guarantee.

(viii) The lenders shall be entitled to exercise their rights of substitution, in the event of a generator's default, but if lenders cannot substitute the defaulting generator within the stipulated period, the procurer may terminate the PPA. If the procurer/ intermediary procurer is in default due to failure in timely payment of dues or repudiation of the PPA, the generator may terminate the PPA at its discretion.

(ix) The provisions for Change in Law shall be in accordance with the Electricity (Timely Recovery of Costs due to Change in Law) Rules, 2021 as notified by the Ministry of Power.

(x) The bidding process for the project will adopt a single stage, two-part (Technical Bid & Financial Bid) conducted through electronic mode. The Procurer will invite the generators to participate in the RfS for installation of the Renewable Energy Power Plants and supply of the RE Power with Energy Storage System, in terms of these guidelines. The developers, who have already set up capacity or have spare untied capacity, may also participate in the bid.

(xi) The Procurer will prepare bidding documents, including the RfS and draft PPA, in accordance with these guidelines and any SBDs. The Procurer shall publish the RfS notice in at least two national newspapers and its own website for wide publicity. The Procurer shall provide opportunity for pre-bid conference to the prospective bidders and shall provide written interpretation of the tender documents to any bidder which shall also be made available to all other bidders.

(xii) The Request for Selection (RFS) document will include bid responsiveness, technical criteria, financial criteria (including net worth and liquidity), and the Quantum of the Earnest Money Deposit (EMD). The net worth requirement should be at least 20% of the estimated 'RE Project' cost or other criteria specified in the RfS. If a foreign company is selected as the successful bidder, it must comply with all the laws and provisions related to Foreign Direct Investment in India.

(xiii) The Power Purchase Agreement (PPA) between the RE Project and procurer/ intermediate procurer must clearly indicate the SCSD and quantum of supply. The Bid Evaluation Committee will evaluate the RfS bids and certify that the bidding process is conducted in conformity with the provisions of the RfS document. The evaluation authority has the right to reject all price bids if the rates quoted are not aligned with the prevailing market prices.

(xiv) For transparency, the Procurer shall publicly disclose the names of the successful bidder(s) and the tariff quoted by them, along with their break-up

into components, for at least 30 days. If the distribution licensee or Intermediary Procurer does not decide on the adoption of tariffs within 60 days of submission or 120 days from the date of Power Sale Agreement (PSA), the procurer(s) may grant appropriate extension of time in SCSD to the generators.

(xv) Generators must provide bank guarantees/ corporate guarantees/ letters of undertaking to pay to the procurer in terms of the RfS. These include Earnest Money Deposit (EMD) and "Payment on Order instrument"/ Letter of Undertaking. The damages/dues recovered by the intermediary procurer by encashment of the PBG upon default will be credited to the Payment Security Fund maintained by the Intermediary Procurer.

(xvi) The successful bidder must ensure that its shareholding in the SPV/ project company executing the PPA does not fall below 51% at any time prior to one year from the SCSD, except with the prior approval of the Procurer. In case of generator is in default, the lenders are entitled to undertake "Substitution of Promoter" in concurrence with the Procurers.

(xvii) The Renewable Energy (RE) Power Generation Scheme aims to ensure fairness and transparency in procurement by promoting standardization and uniformity in processes. Delays in power supply upto 6 months from (SCSD) can result in penalties for the generator, such as encashment of the Performance Bank Guarantee (PBG) or alternate instruments. In case the commencement of power supply is delayed by more than six months from the SCSD, the contracted capacity shall automatically reduce to the capacity that begins supply within this extended period, and the PPA for the remaining un-commissioned capacity shall stand terminated. Further, the RE Power Generator shall be debarred from participating in any bids issued by any Procurer or Intermediary Procurer- such debarment being for one year for the first default, and for not less than two years and up to three years for the second and subsequent defaults.

(xviii) Part Commencement of supply of power is accepted by the Procurer subject to the minimum capacity of 50 MW. However, the SCSD will not be altered due to the part-commencement of supply of power. In case of multiple

project components and If one or more such component is ready for injection of power into the grid but the remaining component is unable to commence supply, the generator may commence supply from the component outside the PPA, with the first right of refusal vested with the End Procurer.

(xix) The Procurers must promote commercially established and operational technologies to minimize technology risk and achieve timely commencement of supply from the project. Technical specifications for Solar PV/ Wind/ Hybrid Power Projects are specified by the Ministry of New & Renewable Energy from time to time.

(xx) Dispute resolution is subject to the Appropriate Commission, CERC, or SERC/JERC. If difficulties arise in giving effect to any provision of these Guidelines or interpretation of the Guidelines, the Ministry of Power is empowered to do so with the approval of the Minister, New & Renewable Energy. Renewable energy components, including Energy Storage System (ESS) components charged with RE sources, are eligible for RPO compliance.

11. The Guidelines provide a framework for the long-term procurement of firm and dispatchable RE power at a tariff to be determined through a transparent process of bidding by the procurer(s) from the RE power projects having a size of 50 MW and above. The Guidelines provide that the generator shall supply firm and dispatchable RE power, with the prescribed availability against the demand profile by the procurer, so that 100% of the annual energy corresponds to RE power. However, generators can source up to 5% of power (on energy terms) on an annual basis from green market sources. The Guidelines further provide that the developer shall combine the RE generating system with energy storage to ensure that it achieves the required availability against the demand profile.

12. 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.”

13. Thus, in terms of the 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 selection of the successful bidder(s).

14. The Petitioner has been designated as the Renewable Energy Implementing Agency (REIA) for setting up the ISTS connected Renewable Power Projects for supply of Round the Clock power (SECI-RTC-IV) and selected through the competitive bidding process as per the Guidelines dated 9.6.2023.

15. The Petitioner invites bids under tariff based competitive bidding process, entering into the PPAs with developers at the tariff discovered in the competitive bid process, and enter into the PSAs with the distribution licensees to enable them to procure a firm and dispatchable RE Power. The Petitioner acts as an intermediary agency in the purchase and sale of power under the PPAs and PSAs on a back-to-back basis.

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

Sr. No.	Milestone	Date
1.	RfS issued by SECI	28.10.2024
2.	Corrigendum -01 to the RfS documents	30.10.2024
3.	Pre-Bid Meeting held	14.11.2024
4.	Corrigendum -02 to the RfS documents	13.12.2024
5.	Corrigendum -03 to the RfS documents	10.1.2025
6.	Amendment -01 to RfS documents	10.1.2025
7.	Corrigendum -04 to the RfS documents	31.1.2025
8.	Corrigendum-05 to the RfS documents	7.2.2025

9.	Corrigendum-06 to the RfS documents	10.2.2025
10.	Corrigendum-07 to the RfS documents	20.2.2025
11.	Amendment-02 to the RfS documents	3.3.2025
12.	Corrigendum-08 to the RfS documents	6.3.2025
13.	Corrigendum-09 to the RfS documents	7.3.2025
14.	Last date of Bid Submission	24.3.2025
15.	Opening of Techno-Commercial Bids	27.3.2025
16.	Opening of Financial Bids	26.5.2025
17.	E-Reverse Auction Conducted	26.5.2025
18.	Issuance of Letter of Award to Successful Bidders	11.6.2025

17. On 28.10.2024, SECI issued the Request for Selection (RfS) document along with Standard draft of PPA and PSA documents for selection of Renewable Power Developers for setting up the 1200 MW ISTS connected RTC Power Projects (SECI-RTC-IV) under the tariff based competitive bidding as per the Guidelines and floated the same on ISN Electronic Tender System (ISN ETS) e-bidding portal, for *“Selection of RE Power Developers for Supply of 1200 MW of Round-the-Clock (RTC) Power from ISTS connected Renewable Energy (RE) Power Projects in India, under Tariff-based Competitive Bidding (SECI-RTC-IV)”*. It is submitted that the RfS Document has been prepared in line with the Guidelines dated 09.06.2023 notified by the Ministry of Power, Government of India including subsequent amendments and clarification thereto, if any, issued until the last date of bid submission of this RfS. The notice of RfS was also published on e-publishing system of Govt. of India, i.e. Central Public Procurement Portal, SECI’s own website and also in two national newspapers.

18. The Bid Opening and Evaluation Committee, comprising the following, was constituted for the opening and evaluation of bids for the RfS dated 28.10.2024:

Tender	Department	Offline and Online Techno Commercial and Financial Bid Opening	Techno Commercial and Financial Evaluation and post e-RA recommendation
Supply of 1200 MW RTC Supply from ISTS-Connected RE Power Projects (SECI-RTC-IV)	PS	Anita Mohan Goel, DGM	Anita Mohan Goel, DGM
	Contracts	Jayansh Gaur, Dy. Manager	Pratik Prasun, Sr. Manager
	Finance	Nidhi Jain, Sr. Manager	Nidhi Jain, Sr. Manager

19. Last date of bid submission was 24.3.2025 (18.00 hrs) and the Techno Commercial part of Bid was opened on 27.3.2025. Response to RfS was received from the 5 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 26.5.2025, financial bids of five technically qualified bidders were opened on the ISN ETS e-bidding portal in the presence of members of the Bid Opening Committee. As per the eligibility criteria mentioned in the RfS document, all 5 qualified bidders aggregating 540 MW were shortlisted for the e-reverse auction.

20. On 26.5.2025, e-Reverse Auction was conducted on the ISN ETS e-bidding portal. After completion of e-Reverse auction, the following bidders declared as successful bidder:

S. No.	Name of Successful Bidder	Bid Capacity (MW)	Tariff (INR/kWh)	Allotted Capacity (MW)
1.	Hero Solar Energy Private Limited	120	5.06	120
2.	Hexa Climate Solutions Private Limited	100	5.06	100
3.	Sembcorp Green Infra Private Limited	50	5.07	50
4.	Jindal India Power Limited	150	5.07	150
	Total awarded capacity			420 MW

21. SECI issued a LoA dated 11.6.2025 to the successful bidders. The relevant portion of the letter of award issued to one of the successful bidders, namely Hero Solar Energy Private Limited, is as under:

“Sub: Selection of RE Power Projects under RfS for Selection of RE Power Developers for Supply of 1200 MW of Round-the-Clock (RTC) Power from ISTS-connected Renewable Energy (RE) Power Projects in India (SECI-RTC-IV): Letter of Award for RE Power Project of 120 MW Contracted Capacity (Project ID: RPD-ISTSRTC-4-HSEPL-P1-120MW)”

References:

- A. *The "Guidelines for Tariff Based Competitive Bidding Process for Procurement of Firm and Dispatchable Power from Grid Connected Renewable Energy Power Projects with Energy Storage Systems" issued by the Ministry of Power vide Gazette Resolution dated 09.06.2023 including subsequent amendments and clarifications thereto, if any, issued until the last date of bid submission of the RfS (herein referred to as "Guidelines");*
- B. *The Request for Selection (RfS) document for Selection of RE Power Developers for Supply of 1200 MW of Round-the-Clock (RTC) Power from ISTS Connected RE Power Projects in India, under Tariff-Based Competitive Bidding (SECI-RTC-IV) vide RfS No. SECI/C&P/IPP/13/0019/24-25 dated 28.10.2024 including draft Power Purchase Agreement (PPA), draft Power Sale Agreement (PSA) and subsequent amendments/ clarifications/ revisions/ / notifications issued by Solar Energy Corporation of India Limited (SECI) and uploaded during the process of RfS on ETS portal (<https://www.bharat-elcctronictendcr.com>);*
- C. *Your response to the RfS document uploaded on ETS portal vide Organization ID (ETS-IN-2019-RS0000090) against RfS for 1200 MW RTC Supply from ISTSConnected Renewable Energy (RE) Power Projects (SECI-RTC-IV);*
- D. *Your Insurance Surety Bond towards Earnest Money Deposit (EMD) submitted along with RfS vide No. 12-6621-0006793510-00 issued by Bajaj Allianz General Insurance Company Limited, Bajaj Allianz House, Yerawada, Pune - 411 006, for an amount of Rs. 47,48,30,000/- (Rupees Forty-Seven Crore Forty-Eight Lakhs and Thirty Thousand Only);*
- E. *Your Final tariff (INR/kWh) at the end of the e-Reverse Auction conducted on ETS portal on 26.05.2025 for the referred RfS for selection of ISTS-connected RE Power Projects.*

Sir,

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)	Interconnection Point(s) Details	Applicable Tariff (INR/kWh) in figures	Applicable Tariff (INR/kWh) in words
RPD-ISTSRCTC-4-HSEPL-P1-120MW	120 (Solar-175 MW; Wind- 160 MW; ESS-75 MW/300 MWh)	220 kV level at 765/400/220 kV Lakadia-II CTU Substation	₹ 5.06/-	Rupees Five and Six Paise Only

It is to be noted that the RPD 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 RE 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 RE Power Project for the term of Power Purchase Agreement (PPA) to be entered into between Project Company or the RE Power Developer (RPD) and M/s SECI, for the Project, shall be firm for the entire term of the PPA.
- 1.1 Energy Storage Systems (ESS) shall mandatorily constitute part of the Project. It is clarified that ESS charged using a source other than RE power would not qualify as RE power. ESS may be owned by the RPD or may be tied up separately with a third party by the RPD, for supply of power.
- 1.2 The RPD 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 RPD is not able to avail fiscal incentives and this will not have any bearing on the applicable tariff.
- 1.3 The award of the above Project is subject to the Guidelines including amendments/ clarifications issued by Government of India and terms & conditions of the RfS document including its clarifications/ amendments/ elaborations/ notifications issued by SECI.
- 1.4 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.
- 1.5 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.

- 1.6 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.*
- 1.7 In case of Project being executed through SPVs, the Successful Bidder, if being a single company, shall ensure that its shareholding in the SPV/ Project Company executing the 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 01 (one) year from the SCSD, except with the prior approval of SECI.*
- 1.8 The Selected Bidder shall pay to SECI, Success Charges @ INR 1,00,000/MW (Indian Rupees One Lakh/MW) + applicable taxes, 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 + applicable taxes of the revised Installed Capacity. In line with Clause 42.46 of the RfS, rated capacity of the ESS component (in MWh) shall be considered for the submission of PBG and payment of Success Charges by the RPD, irrespective of the fact whether separate connectivity has been sought by the RPD for such ESS component or not.*
- 1.9 Performance Bank Guarantee(s)/ Payment on Order Instrument(s) (POI)/ Insurance Surety Bond(s) for a value determined as per the formula specified in Clause 17.1 of the RfS shall be submitted by the RPD prior to signing of PPA, in line with Clause 17 of the RfS.*

1.10 PPA will be executed between SECI and the RPD 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.

1.11 The project breakup for the cumulative contracted capacity quoted by the Bidder in the Covering Letter may be changed by the RPD subsequent to issuance of LoA up to the date as on 30 days from issuance of LoA. Further, the RPD is allowed to change the Project configuration, i.e. the Installed Capacity until the SCSD/ extended SCSD of the Project. Delay in meeting the PPA timelines on account of such changes in the Installed Capacity, which differ from the details provided in the Covering letter, shall be at the risk and cost of the Successful Bidder. The PPAs shall be valid for a period of 25 years from the Scheduled Commencement of Supply Date (SCSD).

1.12 The RPD 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) Copy of the Certificate of Incorporation of the RPD.
- 2) The details of promoters and their shareholding in the RPD, 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 RPD highlighting the object clause related to generation of Power/ Energy/ Renewable Energy/ Solar/ Wind Power plant development.
- 4) In case the project is being executed by a Special Purpose Vehicle (SPV), which may either be incorporated by successful bidder or may be an existing subsidiary of the 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.
- 5) Copy of Board Resolution of RPD for authorization of signing of PPA and subsequent relevant documents.

Further, the PPA shall be signed with RPDs 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 Bank

Guarantees/ Payment on Order Instruments/ Insurance Surety Bonds of requisite value.

- 1.13 SECI shall have the right to verify original documents of the RPD 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 RPD, the date as specified by SECI shall become the Effective Date of the PPA, irrespective of the date of signing of PPA.*
- 1.14 In case, the SECI offers to execute the PPA with the RPD 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.*
- 1.15 The RPD 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 RPD shall furnish the documents pertaining to compliance of financial closure as per the above provisions.*
- 1.16 The RPD/ Project Company shall commence supply of power from full Project Capacity 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 RPD as per the above provisions.*
- 1.17 You are requested to make it convenient for signing of Power Purchase Agreement (PPA) as per clause 20 of RfS, failing which, provisions as per Clause 16, 17 and 20 of the RfS shall be applicable.*
- 1.18 All disputes arising out of and/ or in connection with the selection of RE Power Projects under the said RfS and execution of PPA thereto shall be governed by laws of India and shall be subject to the jurisdiction of Courts of New Delhi.*
- 1.19 Project implementation will be governed in line with the provisions of the PPA.*

This LoA is being issued in duplicate and you are requested to kindly acknowledge receipt and acceptance of this LoA by sending the duly stamped and signed duplicate copy of LoA to SECI within 07 days from date of this LoA.”

22. 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. In this regard, the Petitioner has submitted Conformity Certificates and the relevant extract of the aforesaid Conformity Certificates is as under:

“CONFORMITY CERTIFICATE – 1

“With respect to the RfS no. SECI/C&P/IPP/13/0019/24-25 dated 28.10.2024, 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.”

CONFORMITY CERTIFICATE - 2

“With respect to the RfS no. SECI/C&P/IPP/13/0019/24-25 dated 28.10.2024, 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.”

23. Further, pursuant to the direction of the Commission vide Record of Proceedings for the hearing dated 28.8.2025, the Petitioner vide its affidavit dated 10.9.2025 has also submitted a certificate by the Bid Evaluation Committee stating that the tariff discovered in the present tender appears to be reasonable and consistent with the requirements of the tender. The relevant extract of the said certificate is as under:

CONFORMITY CERTIFICATE - 2A

“...With respect to the RfS no. SECI/C&P/IPP/13/0019/24-25 dated 28.10.2024, the assessment of reasonability of tariff has already been brought out in the 'final evaluation report after e-Reverse Auction and recommendation for placement of LoAs' by the committee.

Based on the above and consequent to acceptance of committee's recommendations by the competent authority, the tariff discovered in the present tender appears to be reasonable and consistent with the requirements of the tender."

24. The Petitioner has also pointed out the Bid Evaluation Committee, in its final evaluation report dated 5.6.2025, has assessed in depth the reasonability of Tariff discovered in the first-of-its kind RTC tender issued in this case and has concluded as under:

"3) Assessment of reasonability of Tariff:

The committee considered the tariff discovered subsequent to the e-RA. Based on the internal deliberations and market analysis carried out by the Committee, following points emerged:

i. The subject tender is an RTC tender with the following performance criteria, which make it a 'first-of-its kind' RTC tender issued so far by SECI/ other REIAs:

- Min. DFR of 75% on monthly basis and at least 80% on annual basis*
- Min. DFR of 90% during Peak Hours.*

where, Demand Fulfilment Ratio (DFR) = [Power Injection Scheduled by the RPD (MW) in a particular time block ÷ Contracted Capacity (MW)], subject to the maximum value of DFR being 1. Separate penalties are applicable against shortfall in meeting the above criteria. Thus, in the absence of any tender containing identical or similar performance criteria, there is no reference tariff to carry out any possible comparative analysis of this tariff.

ii. Based on market analysis, a remote similarity may probably be drawn with a recently concluded FDRE-3 tender by SJVN (Feb-2025), wherein a tariff range of Rs. 4.82/kWh - 4.91/kWh has been discovered. However, this tender had a performance criterion in the form of annual CUF which is required to be maintained at minimum of 75% and minimum supply of 50% of contracted capacity in all the time-blocks (excerpt of performance criteria of SJVN's tender is attached as Annexure-III).

iii. While the above tariff may appear on the lower side than the discovered tariffs in the subject tender, the performance criteria in SJVN's tender are less stringent than those in the subject tender. It is imperative to highlight that the performance criteria stipulated in the tender is one of the critical factors in the tariff model of bidders and the tariffs they quote reflect the complexity in terms of firmness and dispatchability of power output expected from such Projects.

iv. Since the firmness and dispatchability in the subject tender is higher than the criteria stipulated in SJVN's tender, the differential between the two tariffs may be attributed to this difference in performance criteria between the two tenders.

v. It is also highlighted that there is a time lapse between the two tenders, and the fact that the market supply-chain dynamics in the intervening period also have a bearing on the tariff modelling by the bidders.

Based on the above, and especially in the absence of any similar tender for benchmarking purposes, in view of the deliberations laid out above, the committees of the view that the tariffs discovered in this auction maybe accepted subject to approval of Competent Authority."

25. In view of the aforesaid discussions, it emerges that the selection of the successful bidders has been done, and the tariff of the Renewable Energy Power Projects (SECI-RTC-IV) has been discovered by the Petitioner, SECI, through a transparent process of competitive bidding in accordance with the Guidelines dated 9.6.2023 issued by the Ministry of Power, Government of India under Section 63 of the Act. Therefore, in terms of Section 63 of the Act, the Commission adopts the individual tariff in terms of the LoAs dated 11.6.2025 for Renewable Energy Power Projects (SECI-RTC-IV), as agreed to by the successful bidders, as under:

S. No.	Name of Successful Bidder	Allotted Capacity (MW)	Tariff (INR/kWh)
1.	Hero Solar Energy Private Limited	120	5.06
2.	Hexa Climate Solutions Private Limited	100	5.06
3.	Sembcorp Green Infra Private Limited	50	5.07
4.	Jindal India Power Limited	150	5.07
	Total awarded capacity	420	

26. The Prayer (a) of the Petitioner is answered in terms of paragraph 26 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.

27. The Petitioner, has also prayed to approve the trading margin of Rs. 0.07/kWh to be charged from the End Procurer on the sale of power as specified in the RfS document and specified in the Guidelines.

28. 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 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, PSAs have not yet been signed by the distribution licensees. Once the PSAs are signed with distribution licensees, the trading margin shall be as per the provisions of such PSAs to be entered into between SECI and the

respective distribution licensees. However, in case of failure by SECI to provide an escrow arrangement or irrevocable, unconditional, and revolving letter of credit to the renewable power generators, the trading margin shall be subject to a ceiling of 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. 722/AT/2025 is disposed of in terms of the above.

Sd/-
(Ravinder Singh Dhillon)
Member

sd/-
(Harish Dudani)
Member

sd/-
(Ramesh Babu V.)
Member