



याचिका संख्या/Petition No 88/AT/2025

कोरम/ Coram:

श्री जिशु बरुआ, अध्यक्ष / Shri Jishnu Barua, Chairperson

श्री रमेश बाबू व., सदस्य / Shri Ramesh Babu V., Member

श्री हरीश दुदानी, सदस्य / Shri Harish Dudani, Member

श्री रविन्द्र सिंह ढिल्लो, सदस्य/ Shri Ravinder Singh Dhillon, Member

आदेश दिनांक/ Date of Order 30th May, 2025

In the matter of

Petition under Section 63 of the Electricity Act, 2003 for the adoption of tariff for the ISTS Grid connected for 1400 MW Firm & Dispatchable Power Renewable Energy (FDRE) Power Projects coupled with Energy Storage System selected through Competitive Bidding Process as per the Guidelines issued by the Ministry of Power, Govt. Of India on 09.06.2023 and its amendments thereof.

And

In the matter of:

NHPC Limited,
(a Govt. of India Enterprise)
NHPC Office Complex, Sector-33,
Faridabad (Haryana)- 121003

..... Petitioner

VERSUS

- 1. Chief engineer (PPA),**
UP Power Corporation Limited,
Power Purchase agreement Directorate,
14th Floor, Shakti Bhawan Extension
14-Ashok Marg, Lucknow, Uttar Pradesh-226001
- 2. The Chairman,**
New Delhi Municipal Corporation,
NDMC Head Office, Oalika Kendra
Parliament Street, New Delhi-110001

- 3. BN Hybrid Power-1 Private Limited,**
Unit-4A, Skootr Managed Office,
2nd Floor, Infinity Tower A, DLF City Cybercity,
Gurugram-122002, Haryana
- 4. Hero Solar Energy Private Limited,**
201, Ground Floor, Okhla Industrial Estate,
Phase-III, New Delhi-110020
- 5. Solarcraft Power India 20 Private Limited**
109, First Floor, Rishabh IPEX Mall IP Extension,
Patparganj, Near Max Hospital, Delhi-110092
- 6. Juniper Green Energy Private Limited,**
Plot No-8, First floor,
Institutional Area, Sector-32
Gurugram-122001(Haryana)
- 7. Renew Solar Power Private Limited,**
Commercial Block Zone,
Golf Course Road,
DLF City, phase-5, Gurugram-122009
- 8. ACME Cleantech Solutions Private limited,**
Plot No 152, Sector-44,
Gurugram-122002, Haryana

...Respondents

Parties Present:

Shri Rajiv Shankar Dwivedi, Advocate, NHPC
Shri Rajesh Joshi, NHPC
Shri Jagpal Singh, NHPC
Ms. Molshree Bhatnagar, BN Hybrid Power
Shri Paritosh Bisen, Advocate, BN Hybrid Power
Ms. Kanya Sharma, Advocate, BN Hybrid Power

ORDER

The Petitioner, NHPC Limited (hereinafter referred to as 'NHPC'), has filed the present Petition under Section 63 of the Electricity Act, 2003 (in short 'the Act') for the adoption of tariff of the 1400 MW ISTS connected RE Power Projects coupled with Energy Storage System selected through Competitive Bidding Process under the



Bidding Guidelines issued by the Ministry of Power, Govt. of India on 09.06.2023 and its amendments thereof..

2. The Petitioner has made the following prayers:

“(a) Admit the present Petition.

(b) Condone the delay in approaching the Commission for Tariff Adoption.

(c) Adopt the Tariff discovered in the Competitive Bidding Process for individual Power Projects as listed in Table-1 at paragraph 9 above on terms and conditions contained in the PPA to be signed with RE-Power Generators being Respondent Nos 1 to 6 and a Trading Margin of Rs 0.07/kWh (as mutually agreed between the parties) in addition to above Tariff is to be recovered from buying Utilities /Distribution Licensee/DISCOM(s) in terms of the PSA signed /to be signed between NHPC & Utilities/ Distribution Licensee.

(d) Pass such other and further order / orders as are deemed fit and proper in the facts and circumstances of the case.”

Submissions of the Petitioner

3. The Petitioner, NHPC has been designated as an Intermediary Procurer/ Renewable Energy Implementing Agency (REIA) for the purpose of the Act, Guidelines for the Tariff Based Competitive Bidding (TBCB) Process for procurement of Firm and Dispatchable Power from Grid Connected Renewable Energy Power Projects with Energy Storage Systems by the Ministry of New and Renewable Energy (MNRE). Ministry of Power, GOI vide resolution dated 09.06.2023 had issued 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.

4. NHPC issued Request for Selection (RfS) document for selection of RE- Power Generators (RE-PGs). Notice Inviting Tender (NIT) for ‘Request for Selection (RfS) for ISTS Grid Connected Firm & Dispatchable Renewable Power Projects of 1500 MW to be set up anywhere in India’ was issued on 30.09.2023. Bids for Tariff Based Bidding (for 25 years) were invited on International Competitive Bidding basis in Single Stage



- Two Envelope Bidding process followed by Reverse Auction among shortlisted Bidders.

5. NIT & Tender document was uploaded on the Central Public Procurement (CPP) e-procurement portal on 30.09.2023 with last date of online submission on 13.11.2023. NIT was also uploaded on NHPC's website and published in the National Newspaper as per the extant policy guidelines of NHPC. The online bid submission and opening dates were extended from time to time and finally up to 22.12.2023 and 26.12.2023 respectively.

6. In response, eight bids were received on the CPP Portal. The offline and online bids Part-1: (Techno commercial) were opened by duly constituted TOC on 26.12.2023. The evaluation of submitted bids as done by the Tender Evaluation Committee (**TEC**) constituted by NHPC management and eight bidders were found technically successful.

7. Financial Bids were opened on 16.02.2024, in presence of the TEC. As per the final recommendation of TEC, eight bidders were declared successful for participating in E-reverse Auction (E-RA). Additionally, the e-reverse auction of bidding was conducted on 22.02.2024.

8. Notably, out of the total bid capacity of 1500 MW, only 1400 MW was allocated to bidders through the e-RA. The following bidders were successful, along with their allocated capacity and quoted rate for tariff.

S.No	Name of RE-PG	Allocated Capacity (MW)	Tariff (Rs/kWh)
1	BN Hybrid Power-1 Private Limited	120	4.55



2	Hero Solar Energy Private Limited	100	4.63
3	Solarcraft Power India 20 Private Limited	50	4.63
4	Juniper Green Energy Private Limited	200	4.64
5	Renew Solar Power Private Limited	250	4.64
6	ACME Cleantech Solutions Private limited	680	4.64
	Total	1400	

9. Letter of Awards were issued to above six Renewable Energy (RE) Power Generators on 11.03.2024 for 1400 MW capacity.

10. The Petitioner has stated that as per Clause 11.4 of Guidelines dated 09.06.2023 *the distribution licensee or the Intermediary Procurer, as the case may be, shall approach the Appropriate Commission for adoption of tariffs discovered, in terms of Section 63 of the Act, within 15 (fifteen) days of discovery of tariffs through e-reverse auction or otherwise, in the transparent competitive bidding process conducted in accordance with these Guidelines.* As per the above clause, NHPC was required to file the Petition for adoption of tariff within 15 days of the e-Reverse Auction. The Petitioner has submitted that NHPC was unable to tie up power in 1400MW scheme within 15 days of E-RA, as stipulated by the Guidelines. Accordingly, NHPC has approached this Commission for the adoption of tariff only after obtaining consent /signing of the PSA with the DISCOM(s).

11. With regard to Clause 11.4 of the Guidelines referred above, the Petitioner made a request, vide letter dated 25.05.2024, to the MNRE, GOI to review this provision and to allow a period of 60 days after signing of the PPA/PSA for approaching the Commission for the adoption of tariff.

12. NHPC approached States/Discom(s) for providing the “In-Principle” consent for procurement of the 1400 MW Power through NHPC as REIA in the above scheme. Consent for procurement of power is received from NDMC, Delhi for the 120 MW vide



letter dated 07.06.2024 and UPPCL has provided consent for the 1280 MW vide letter dated 01.10.2024. Power Sale Agreement (PSA) between UPPCL and NHPC has been signed on 27.11.2024 for the 1280 MW capacity. Draft PSA with NDMC is under approval at NDMC end. As per the RfS and PPAs to be signed with RE-PGs, the commissioning of the project shall likely to be done in 2026-27 (24 month from date of signing of the PPAs).

13. The Petitioner has submitted that under Section 63 of the Act, the tariff for generation for sale of electricity by RE-PGs to NHPC and further resale of procured power by NHPC to the buying Utilities at the tariff plus trading margin of Rs 0.07/kWh has to be individually adopted for each of the RE-PGs as listed in table-1 hereinabove.

14. The Petitioner has further added that tariff of Rs 4.55/kWh for 120 MW, tariff of Rs 4.63/kWh for 150 MW and tariff of Rs 4.64 /kWh for 1130 MW is discovered through Competitive Bidding process and even after including trading margin of Rs 0.07/kWh, the tariff is less than the procurement cost of conventional power of DISCOM(s) and as such it shall be beneficial for the Distribution Licensee / Buying Utilities and the consumer at large. Also, there will be no preferential tariff sought within Section 86(1) of the Act.

Hearing dated 19.02.2025

15. Notice was issued to the parties to file their respective replies and rejoinders. During the course of the hearing, the learned counsel for the Petitioner reiterated the submissions made in the Petition and prayed for the adoption of tariff and submitted that there had been a delay in obtaining consent from the buyers, and there was an



apprehension that NHPC might not be able to secure consent for the full capacity from the DISCOMs.

16. The Petitioner was directed to submit the reasons for delay in approaching the Commission for the adoption of tariff as per the Guidelines, status of communications with the MNRE in this regard, and to file the status of the PPA/PSA for entire capacity allocated to the bidders who participated in the e-Reverse Auction.

17. Respondent No. 8 (ACME Cleantech Solutions Private Limited) and Respondent No. 3 (BN Hybrid Power-1 Private Limited) have filed their respective replies vide an affidavit dated 07.03.2025 and 15.04.2025 respectively. The Respondents in their replies have submitted that they have no objection with respect to the adoption of tariff as sought by the Petitioner.

18. The Petitioner in response to the Commission's query related to delay in approaching the Commission for the adoption of tariff has submitted that, as per clause 11.4 of the Guidelines dated 09.06.2023, NHPC was required to file the Petition for the adoption of tariff within 15 days of e-Reverse Auction i.e. by 08.03.2024. However, the instant Petition has been filed on 20.12.2024. The Petitioner has submitted that there is delay in obtaining consent from the buyers, since DISCOM(s) take considerable time in evaluation of the prices of various tenders floated by REIAs. Therefore, a request letter dated 25.05.2024 was made to the MNRE, GOI to review the provision of Clause 11.4 of the Guidelines dated 09.06.2023 and period of 60 days after signing of the PPA/PSA may be allowed for approaching the Commission for the adoption of tariff. However, till the date of filing of the present Petition, no clarification was issued by the MNRE.



19. The Petitioner has submitted that the MNRE vide its Gazette Notification dated 12.02.2025 has amended Clause 11.4 of the Guidelines for TBCB process for procurement of Firm and Dispatchable Power from Grid Connected Renewable Energy Power Projects with Energy Storage Systems. As per amended clause, a period of 30 days has been provided to the distribution licensees or traders to approach the appropriate Commission for the adoption of tariff after discovery of tariff through e-RA. As NHPC was not able to tie up power in the 1400 MW scheme within 15 days of E-RA and there was apprehension that NHPC would not be able to tie up / obtain consent for full capacity from the DISCOMs, NHPC waited to obtain consent from the DISCOMs before filing of Petition for the adoption of tariff. Accordingly, NHPC approached this Commission for the adoption of tariff after obtaining consent / signing of the PSA with the DISCOM(s). Presently PSA / PPA for 1280 MW has been signed & balance 120 MW is pending for signing. The details of the PPA are as under:

Sl. No.	Name of HPG	Capacity (MW)	Discovered Tariff including Trading Margin (Rs. /kWh)	PPA status
1.	BN Hybrid Power-1 Private Limited	120	4.62	NDMC, Delhi has given consent for 120 MW.
2.	Hero Solar Energy Private Limited	100	4.70	PPA signed on 24.12.2024
3.	Solarcraft Power India 20 Private Limited	50	4.70	PPA signed on 18.12.2024
4.	Juniper Green Energy Private Limited,	200	4.71	PPA signed on 24.12.2024
5.	Renew Solar Power Private Limited	250	4.71	PPA signed on 26.12.2024
6.	ACME Cleantech Solutions Private Limited	680	4.71	PPA signed on 27.01.2025
		1400		

Hearing dated 02.04.2025

20. During the course of the hearing, the learned counsel for the Petitioner submitted that vide affidavit dated 4.3.2025, the Petitioner has furnished the additional



information/ clarification in compliance with the direction of the Commission vide Record of Proceedings for the hearing dated 19.02.2025. Considering the submissions made by the learned counsel for the Petitioner, the Commission deemed it appropriate to permit all the Respondents, as a last opportunity, to file their respective replies. Learned counsel for Respondent No.3, BN Hybrid Power-1 Private Limited, prayed for time to file a reply in the matter, if required. Considering the submissions made by the learned counsel for the parties, the Commission deemed it appropriate to provide all the Respondents, a last opportunity, to file their respective replies and accordingly order in the matter was reserved.

Analysis and Decision

21. We now proceed to consider the prayer of the Petitioner for the adoption of tariff for the ISTS Grid connected for 1400 MW Firm & Dispatchable Power Renewable Energy (FDRE) Power Projects coupled with Energy Storage System (ESS) selected through the Competitive Bidding Process as per the Guidelines issued by the Ministry of Power, Govt. of India on 09.06.2023, as amended from time to time.

22. 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.”

23. Thus, in terms of Section 63 of the Act, the Commission is required to adopt the tariff, on being satisfied that the transparent process of bidding in accordance with the guidelines issued by the Central Government has been followed in determining such tariff.



24. 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 ESS. 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, c) standardized procurement framework based on open competitive bidding with appropriate risk-sharing between various stakeholders, and d) 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 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% from 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 CTUIL interconnection point. Bids are invited in Power Capacity (MW) terms, with a minimum quantum of 50MW 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 firm and dispatchable renewable energy power, fixed for the entire term of the PPA. The bidder must submit separate technical and price bids, provide an Earnest Money Deposit (EMD), and meet eligibility criteria set out in the RfS document. The minimum number of qualified bidders is two, and any deviation from the tender conditions is rejected. The detailed procedure for evaluation of bids and selection of 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 power procurement terms. The generator must ensure supply meets specified conditions, such as RTC, load profile, and number of hours. The summation of generation schedules from multiple sources cannot exceed the contracted capacity. The generator can supply power beyond contracted capacity to third parties or power exchanges without a No-Objection Certificate (NOC). Developers with untied capacity may participate in the bid and receive 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 Centers. The Deviation Settlement Mechanism (DSM) applies for deviations from the schedule, and charges are settled by the generator.

- vi) The Electricity (Late Payment Surcharge and Related Matters) Rules, 2022, outline the provisions for payment security and force majeure. The Generator must inform the Procurer of a force majeure within 15 days and respond within 15 days. The Procurer may be constrained from scheduling power due to transmission infrastructure or grid unavailability. Compensation for offtake constraints is provided for generators who fail to meet the forecasting and scheduling process.*
- 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. If a generator defaults, the Procurer may terminate the PPA and pay damages equivalent to 24 months or the balance PPA period whichever is less. 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 may 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 or repudiation of the PPA, the Generator may terminate the PPA at its discretion.*
- ix) The Electricity (Timely Recovery of Costs due to Change in Law) Rules, 2021, have been notified by the Ministry of Power. The bidding process for the project will adopt a single stage, two-part (Technical Bid & Financial Bid) 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. The developers, who have already set up capacity or have spare untied capacity, may also participate in the bid.*
- x) The Procurer will prepare bidding documents, including the RfS and draft PPA, in accordance with these guidelines and any SBDs. The RfS notice will be published in at least two national newspapers and its own website for wide publicity. Pre-bid conferences and written interpretation of the tender documents will be provided to the bidders.*
- xi) The Request for Selection (RFS) document will include bid responsiveness, technical criteria, financial criteria, 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.*
- xii) The Power Purchase Agreement (PPA) between the RE Project and Procurer/Intermediate Procurer must clearly indicate the SCSD and quantum of supply. The procurement 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.*
- xiii) For transparency, the Procurer shall publicly disclose the names of the successful bidder(s) and the tariff quoted by them, along with their breakup 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.

- xiv) 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.*
- xv) 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 default, the lenders are entitled to undertake "Substitution of Promoter" in concurrence with the Procurers.*
- xvi) 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 beyond the Supply Cycle Support System (SCSD) can result in penalties for the generator, such as encashment of the Performance Bank Guarantee (PBG) or alternate instruments. For delays beyond six months, the contracted capacity will be reduced to the project capacity that has commenced supply within the SCSD plus six months, and the PPA for the balance contracted capacity will stand terminated.*
- xvii) 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. If a component is ready for injection 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.*
- xviii) The Procurers must promote commercially established and operational technologies to minimize technology risk and achieve timely commencement of supply. Technical specifications for Solar PV/Wind/Hybrid Power Projects are specified by the Ministry of New & Renewable Energy.*
- xix) 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.*

25. The Guidelines provide a framework for the long-term procurement of Firm and Dispatchable Renewable Energy (FDRE) 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 the 5% of power (on energy terms) on an annual basis from the green market sources.

26. In terms of the provisions of Section 63 of the Act, we have to examine whether the process outlined in the Guidelines has been followed in the present case to arrive at the lowest tariff and for the selection of successful bidder.

27. The Petitioner, NHPC, has been designated as an Intermediary Procurer/ Renewable Energy Implementing agency (REIA) for the purpose of Act, Guidelines for TBCB Process for procurement of power from Grid Connected FDRE Power Projects.

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

Sr.	Event	Date
1	NIT Issued	30.09.2023
2	Pre-Bid Meeting	16.10.2023
3	Corrigendum-01	12.10.2023
4	Corrigendum-02	03.11.2023
5	Corrigendum-03	13.11.2023
6	Corrigendum-04	21.11.2023
7	Corrigendum-05	30.11.2023
8	Corrigendum-06	04.12.2023
9	Corrigendum-07	08.12.2023
10	Corrigendum-08	13.12.2023
11	Corrigendum-09	11.12.2023
12.	Corrigendum-10	15.12.2023
13.	Technical Bid Opening	26.12.2023
14.	Price Bid Opening	16.02.2024
15.	e-RA	22.02.2024
16.	LOA	11.03.2024

29. On 30.9.2023, NHPC issued a RfS document “For Selection of RE Power Developers for Supply of 1500 MW ‘Firm & Dispatchable Renewable Power from ISTS connected Renewable Energy Power Projects coupled with Energy Storage System on ‘anywhere in India’ basis under Tariff Based Competitive Bidding (TBCB)”. NIT for ‘Request for Selection (RfS) for the ISTS Grid Connected Firm & Dispatchable Renewable Power Projects of 1500 MW to be set up anywhere India.

30. Bids for Tariff Based Bidding (for 25 years) were invited on International Competitive Bidding basis in Single Stage - Two Envelope Bidding process followed by e-reverse auction among shortlisted Bidders.

31. For the execution of the project, the Petitioner constituted a Tender Evaluation Committee, which was further re-constituted, comprising of the following:

Sr. No.	Name of the Officers	Designation
1	Sh. S P Rathour	GGM (E), RE&GH Division
2	Sh. Niraj Kumar Singh	Design(E&M) Commercial Division
3	Sh. Swati Garg	GM (Civil) Contract Civil Division
4	Sh. Mahesh kumar Sharma	GM (Finance) Finance Division
5.	Sh. Sanat kumar	GM (Civil) Contract Civil Division

32. The last date of submission of the online bid was 26.12.2023 and techno commercial part of the bid was opened on the same date. Response to RfS was received from eight bidders and all of them fully met the technical criteria and consequently, were found to be qualified for opening of the financial bid.

33. The financial bids of eight technically qualified bidders were opened on 16.02.2024 in presence of the Tender Evaluation Committee (TEC). As per the final recommendation of TEC, eight bidders were declared successful for participating in



the e-reverse auction which was conducted on 22.02.2024. After completion of e-reverse auction, the following bidders were declared as the successful bidders:

S.No	Name of RE-PG	Allocated Capacity (MW)	Tariff (Rs/kWh)
1	BN Hybrid Power-1 Private Limited	120	4.55
2	Hero Solar Energy Private Limited	100	4.63
3	Solarcraft Power India 20 Private Limited	50	4.63
4	Juniper Green Energy Private Limited	200	4.64
5	Renew Solar Power Private Limited	250	4.64
6	ACME Cleantech Solutions Private limited	680	4.64
	Total	1400	

34. As per the eligibility criteria mentioned in the RfS documents, out of 1500 MW capacity of bid, only 1400 MW capacity was allotted to the bidders in e-reverse auction.

35. Accordingly, on 11.03.2024, NHPC issued a Letter of Awards (LoA) for 1400 MW capacity to the above-selected bidders. The relevant extract of the Letter of Award issued to one of the successful bidders, namely, BN Hybrid Power, is as under:

“Sub: Selection of RE Power Developers for supply of 1.5GW ‘firm & dispatchable’ power from ISTS connected RE Power Projects coupled with energy storage system on ‘anywhere in India.’

1.0 This has reference to the following:

- 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” vide Gazette Resolution no. 23/03/2023-R&R dated 09.06.2023 including its subsequent amendments and clarifications issued by Ministry of Power (MoP) (hereinafter referred to as “Guidelines”).
- B. The Request for Selection (RfS) document vide RfS no. NH/CCW/CC-III/CP-271/PR16923/20 dated 30.09.2023 including draft Power Purchase Agreement (PPA), draft Power Sale Agreement (PSA) and subsequent amendments/clarifications/revisions/notifications issued by NHPC Limited and uploaded during the process of RfS on CPP Portal.
- C. Your response to the RfS document submitted on CPP Portal Vide Bid No. 2916964 dated 22.12.2023 against RfS for Setting up of 1500 MW ISTS Connected ‘firm & dispatchable’ RE Power Projects coupled with energy storage system;
- D. Your Bank Guarantee towards Earnest Money Deposit (EMD) submitted along with RfS vide BG No. 820020093175 dated 02.12.2023 and its amendment dated 11.12.2023 & 20.12.2023 with validity upto 31.12.2024 issued by DBS Bank for an



amount of Rs.20,00,00,000/-(Twenty Crore only).

- E. Your Final tariff at the end of the e-Reverse Auction conducted on 22.02.2024 for the referred RfS for selection for ISTS Connected 'firm & dispatchable' RE Power Projects coupled with energy storage system. With reference to above and subject to the provisions of RfS Document, 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:

Allocated Capacity (MW)	Project Location	Projects coupled with energy storage system Configuration	Declared Capacity Utilization Factor (CUF)	Applicable Tariff (Rs. per kWh) in figures and words
120	District: Barmer State: Rajasthan	Solar Component: 115 MW (AC)	74 % (Peak Hours Availability on monthly basis is 90%)	4.55 (Rupees Four and paise Fifty Five only)
	District: Barmer and Lakha & Jaisalmer State: Rajasthan	Wind Component: 189 Mw		
	District: Barmer State: Rajasthan	ESS Component: 25MW/50 MWh		

NHPC shall purchase the power generated from the proposed ISTS-Connected 'firm & dispatchable' RE Power Projects coupled with energy storage system under the above scheme subject to the terms and conditions as stated in various documents referred above and briefly brought out hereinafter.

- 2.0 The applicable tariff as mentioned above for power generated from the proposed 'firm & dispatchable' RE Power Projects coupled with energy storage system for the term of Power Purchase Agreement (PPA) to be entered into between Hybrid Power Developers (HPDs) / Project Company and NHPC Limited, for the project, shall be firm for the entire term of the PPA. The Capacity Utilization Factor (CUF) shall be governed in terms of Clause 3.10 of RfS Document.
- 3.0 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 issued by NHPC.
- 4.0 In terms of Clause 3.26 of RfS Document, the shareholding in the Project Company/SPV executing the Power Purchase Agreement (PPA), shall not fall below 51% at any time prior to 1 (One) year from the SCSD, except with the prior approval of NHPC.
- 5.0 Bidders selected by NHPC based on this RfS shall submit Performance Guarantee before signing of PPA for each project as per Format 6.3 B/ 6.3 B (I) for a value determined as per the following formula:

Performance Bank Guarantee - [INR 28,20,000 x Rated Installed Capacity of Solar component (MW) + INR 31,60,000 x Rated Installed capacity of Wind component (MW) + INR 36,60,000 x ESS Component (MW)].

For online confirmation of Bank Guarantee against Performance Security, the bank details of NHPC to be communicated to the issuing Bank is as under:

Name of the beneficiary : NHPC Ltd.
Account No. : 10813608692
IFSC Code : SBIN0017313
Branch Code : 17313
Address of the Bank : State Bank of India, 5th Floor, Red Fort Capital, Parsvnath Towers, Bhai Veer Singh Marg, Gole Market, New Delhi - 110 001.



- 6.0 Success charges @ INR 1.00 Lakh/MW + GST@ 18% shall deposited by RE-PG corresponding to contracted capacity awarded vide this letter of award in terms of RfS clause 3.13.
- 7.0 PPA will be executed between NHPC and the selected bidder as per the breakup of the cumulative Project capacity awarded to the Bidder. The LOA is being issued in line with the Project capacity quoted in the Covering Letter (Format 6.1) as part of your response to RfS and subsequently allotted capacity during e-RA and your confirmation to the same as applicable. However, the successful bidder shall have option to change the Project location before the Financial Closure as per Clause 3.27 of RfS Document. Any change in location of the Project(s) awarded shall not be permitted subsequent to the above deadline.
- 8.0 Power Purchase Agreement shall be signed between NHPC and successful bidders. The PPA shall be executed within 90 (Ninety) days of the date of issue of Letter of Award, if not extended by NHPC. Separate PPA will be executed between NHPC and RE-PG for each Project. The Installed Capacity break-up, as submitted as part of the Bidder's response to RfS shall remain unchanged until issuance of LOA. The above configuration can be changed subsequent to issuance of LOAs until the date as on achievement of 'Financial Closure for the project subject to minimum contracted capacity of each Project shall not be less than 50 MW. Delays in meeting the project execution timeline on account of changes in the project parameters from the data as submitted in the Covering Letter (Format 6.1), shall be at the risk and cost of the Successful Bidder. The PPA shall be for a period of 25 years from the Scheduled Commissioning Date of the Project. The PPA(s) will be signed after signing of PSA(s) for the respective Project(s). The RPD/RE-PG shall meet financial closure requirements for the Project in line with clause-3.27, Section-3 of the RfS document, within 18 (Eighteen) months from the Effective Date of the PPA. Accordingly, the RPO/RE-PG shall furnish the documents pertaining to compliance of financial closure as per the above provisions.
- 9.0 The RPD/RE-PG /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 3.28, Section-3 of the RfS and relevant articles of PPA. In case of failure to achieve the milestone, the RPO/RE-PG /Project Company shall pay the liquidated damage, which shall be levied on the RPD/RE-PG as per above provisions.
- 10.0 All disputes arising out of and/or in connection with the selection of ISTS-Connected 'firm & dispatchable' RE Power Projects coupled with energy storage system 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 Faridabad.
- 11.0 PPA shall be signed only after signing of Power Sale Agreement (PSA) with the end procurer and NHPC shall not be liable on any account for any delay / inability in signing of PSA and PPA.
- 12.0 You are requested to report Executive Director (Renewable Energy & Green Hydrogen) Ahmedabad, NHPC Limited, Office No. 1710-1712, U^h Floor, Tower-A, Navratna Corporate Park, Ambli Road, Ahmedabad, Gujarat- 380057 for further direction and action in the matter. email re-co@nhpc.nic.in

This Letter of Award (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 NHPC within 07 day from the date of this LOA."

36. As per the Guidelines, the Evaluation Committee is required to certify that the bidding process and evaluation have been conducted in conformity with the provisions



of the RfS. We observe that the Petitioner has submitted that all the conditions as per the RfS documents have been compiled with from issue of NIT till date. The Petitioner has further submitted that there is no deviation made in the bid documents from the provisions of the FDRE Guidelines and this has been certified by the Petitioner through the confirmation certificates i.e. CONFORMITY CERTIFICATE (Bid Evaluation in conformity with provision of the RfS) and CERTIFICATE (No deviation certificate in RfS w.r.t Bidding guidelines) both dated 16.09.2024. The relevant extract of the said conformity certificates dated 16.09.2024 is as under:

“CONFORMITY CERTIFICATE – 1

.....
This is to certify that all conditions as per RfS documents has been compiled from NIT issue date to till date.”

37. We further observe that the Petitioner vide the another conformity certificate has also stated that the Evaluation Committee constituted for the evaluation of bids has conducted the techno-commercial and financial bid evaluation in conformity with the provisions of the RfS. The relevant extract of the conformity certificate-2 is extracted as under:

“CONFORMITY CERTIFICATE – 2

.....
This is to certify that there is no deviation in RFP document and subsequent corrigendum issued by NHPC in the RfS No. 2023_NHPC_773818_1 from the TBCB guideline issued by MOP, GOI and its subsequent amendments.”

38. As per Clause 11.4 of Guidelines dated 09.06.2023, *“the distribution licensee or the intermediary procurer, as the case may be, shall approach the Appropriate Commission for adoption of tariffs discovered, in terms of Section 63 of the Act, within fifteen days of the discovery of the tariffs through e-RA or otherwise, in the transparent,*



competitive bidding process conducted in accordance with these Guidelines.” In the present case, the e-RA was concluded on 22.02.2024, and accordingly, the Petitioner was required to approach the Commission for the adoption of tariff by 08.03.2024. However, the Petitioner, NHPC, filed the present Petition only on 20.12.2024 (e-filing portal). Accordingly, vide Record of Proceedings for the hearing dated 19.02.2025, the Petitioner was directed to indicate the reasons for the delay in approaching the Commission as per Clause 11.4 of the Solar Guidelines. In response, the Petitioner has submitted that this Commission, in previous cases, had directed the Petitioner to only seek adoption of tariff once capacity is tied up and the PPAs and PSAs for that capacity have been executed, and in the present case, although NHPC had offered the entire capacity to UPPCL after the conclusion of e-RA and the identification of the successful bidders, neither PPAs with the bidders had been executed nor had the Petitioner received UPPCL’s consent for execution of the PSA. NHPC has submitted that immediately after UPPCL accepted and consented to its offer on 27.11.2024; the Petitioner filed the present Petition for the adoption of tariff on 20.12.2024, anticipating execution of the PPAs and PSA at a later stage. We have considered the justification provided by NHPC for delay in approaching the Commission for the adoption in tariff in terms of Clause 10.4 of the Solar Guidelines and accordingly, we condone the delay in approaching the Commission by the Petitioner. Keeping in view that, unlike the previous Solar Guidelines of 2017, the Solar Guidelines of 2023 specifically provide a timeline for distribution licensee or intermediary procurers to approach the Appropriate Commission for the adoption of tariff, we expect the Petitioner to strictly adhere to the said timelines in future.

39. The Petitioner has submitted that it has approached States/Discoms for providing “consent” for procurement of the 1400 MW Power through NHPC as REIA



in the above scheme. Thereafter, consent for procurement of power was received from New Delhi Municipal Corporation (NDMC), Delhi for 120 MW vide letter dated 07.06.2024 and Uttar Pradesh Power Corporation Limited (UPPCL) for 1280 MW vide letter dated 01.10.2024. Subsequently, PSA was signed between UPPCL and NHPC on 27.11.2024 for the 1280 MW capacity. The details of allotted capacity and quoted tariff are as under:

(Allocation of Capacity)

State	Date of consent from DISCOM(s)	Capacity Allocated (MW)	RE- Power Generators	Tariff (Rs/kWh)
NDMC, Delhi	18.06.2024	120	BN Hybrid Power-1 Private Limited	4.55
UPPCL, Uttar Pradesh	27.11.2024	1280	Hero Solar Energy Private Limited	4.63
			Solarcraft Power India 20 Private Limited	4.63
			Juniper Green Energy Private Limited	4.64
			Renew Solar Power Private Limited	4.64
			ACME Cleantech Solutions Private limited	4.64

40. We have considered the submissions made by the parties. In the past, the Commission has been proceeding with the adoption of tariffs only to the extent of the awarded capacity having been tied up under the PPAs and PSAs with the successful bidders/developers and the distribution licensees, respectively. In the present case, the PSA/PPA for the 1280 MW has been signed and balance 120MW is pending for signing. However, keeping in view the overall emphasis of the Guidelines on the expeditious adoption of the tariff, we consider it appropriate to proceed with the adoption of the tariff without waiting for tying up of the entire awarded capacity under the PPAs and PSAs subject to the Petitioner tying of the awarded capacity under the PPAs and PSAs.



41. In view of the aforesaid discussions, it emerges that the selection of the successful bidders has been made, and the tariff of the Solar Power Projects has been discovered by the Petitioner, NHPC, through a transparent process of competitive bidding 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 for the ISTS Grid connected for the 1400 MW Firm & Dispatchable Power Renewable Energy (FDRE) Power Projects coupled with Energy Storage System, as agreed to by the following successful bidders, subject to the Petitioner tying of the awarded capacity under the PPAs and PSAs:

S.No	Name of RE-PG	Allocated Capacity (MW)	Tariff (Rs/kWh)
1	BN Hybrid Power-1 Private Limited	120	4.55
2	Hero Solar Energy Private Limited	100	4.63
3	Solarcraft Power India 20 Private Limited	50	4.63
4	Juniper Green Energy Private Limited	200	4.64
5	Renew Solar Power Private Limited	250	4.64
6	ACME Cleantech Solutions Private limited	680	4.64
	Total	1400	

42. The Petitioner, NHPC, has also prayed to approve the trading margin of Rs.0.07/kWh in addition to the above tariff to be recovered from the Buying Utilities/DISCOMS in terms of the PSA signed /to be signed between NHPC & Utilities/ Distribution Licensee.

43. Regulation 8(1)(d) of the Central Electricity Regulatory Commission (Procedure, Terms and Conditions for grant of trading licence and other related matters) Regulations, 2020 (hereinafter 'Trading Licence Regulations, 2020') provides for trading margin as under:

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

The above provision gives choice to the contracting parties to mutually agree on trading margin for long-term transaction.

44. 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."

45. 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."

46. The above two provisions are exceptions to the main provision as regards trading margin. In the present case, awarded capacity is tied up with the UPPCL and NDMC Delhi, and accordingly, the trading margin shall be as per the provisions of the PSAs to be entered into between NHPC and the distribution licensees and with due regard to the provisions of the PSM in the Guidelines/PPA, and be subject to the provisions of the Trading Licence Regulations. Further, in case of failure by NHPC to provide an escrow arrangement or irrevocable, unconditional, and revolving letter of credit to the 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.

47. In view of the above, the prayer(s) of the petitioner is answered accordingly.

48. Petition No. 88/AT/2025 is disposed of in terms of the above.

Sd/-
(रविन्द्र सिंह ढिल्लो)
सदस्य

sd/-
(हरीश दुदानी)
सदस्य

sd/-
(रमेश बाबू व.)
सदस्य

sd/-
(जिश्नु बरुआ)
अध्यक्ष

