



याचिका संख्या/Petition No. 404/AT/2024

कोरम/ Coram:

श्री जिशनु बरुआ, अध्यक्ष / Shri Jishnu Barua, Chairperson

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

श्री हरीश दुदानी, सदस्य / Shri Harish Dudani, Member

आदेश दिनांक/ Date of Order 20th March, 2025

In the matter of

Petition under Section 63 of the Electricity Act, 2003 for Adoption of Tariff discovered through Competitive Bidding Process for Setting up of 1200 MW ISTS-connected Solar PV Power Projects (Solar-2) anywhere in India under tariff-based competitive bidding process as per the Guidelines dated 28.7.2023 of the Ministry of Power, Government of India.

And

In the matter of

SJVN Limited,
6th Floor, Tower-1, Office Block, NBCC
Complex, East Kidwai Nagar,
New Delhi-110023

.....Petitioner

Vs

- 1. M/s ACME Solar Holdings Limited,**
Plot No.152, Sector-44,
Gurugram-122002
- 2. M/s Essar Renewables Limited,**
Essar House, 11 K.K Marg,
Mahalaxmi, Mumbai- 400034,
Maharashtra
- 3. M/s SAEL Industries Limited,**
3rd Floor, World Mark-1,
Aerocity, New Delhi-110037
- 4. M/s NTPC Renewable Energy Limited,**
E-3 Main Market Road, Ecotech-II,
Udyog Vihar, Greater Noida- 201306, U.P



5. **M/s Onward Solar Private Limited,**
906, 9th Floor, Krishna Apra Business Square,
Netaji Subash Place, Pitampura, New Delhi-110034

...Respondents

Parties Present:

Mr. Adarsh Tripathi, Advocate, SJVN
Mr. Ajitesh Garg, Advocate, SJVN

ORDER

The Petitioner, SJVN Limited (hereinafter referred to as the 'the Petitioner/SJVN'), has filed the present Petition for the adoption of the tariff of the 1200 MW ISTS-connected Solar PV Power Projects (Solar-2) anywhere in India through the competitive bidding process as per the "*Guidelines for Tariff Based Competitive Bidding Process for Procurement of Power from Grid Connected Solar PV Power Projects*" dated 28.7.2023 (In short 'the Solar Guidelines') issued by the Ministry of Power, Government of India, as amended from time to time and interpreted and modified by the Central Government vide subsequent communications/ notifications. The Petitioner has made the following prayers:

- A. *Admit the present Petition ;*
- B. *Adopt the tariff discovered in the tariff based competitive bid process for the individual power projects as stated in the Table at Para 13 as mentioned hereinabove; and*
- C. *Approve Trading Margin of Rs.0.07/kWh to be paid by the Distribution Companies/Buying Entity(ies) as specified in the Guidelines.*
- D. *Pass such other order (s) as may be deemed fit and proper in the facts and circumstances of the present case.*

Submission of the Petitioner

2. The Petitioner, SJVN, has submitted that on 30.04.2024, it issued a Request for Selection (RfS) along with the Standard Power Purchase Agreement (PPA) and the Power Sale Agreement (PSA) documents for setting up the 1200 MW ISTS connected Solar PV Power Project(s) (Solar-2), under Competitive Bidding as per the Solar



Guidelines dated 28.7.2023. In response, 12 bids were received, offering an aggregate capacity of 3990 MW. As per the RfS provisions, consequent upon the e-RA, a total of 5 bidders were found eligible for issuing a Letter of award with a total aggregate capacity of 1200MW. Accordingly, the Petitioner issued letters of Award to the successful bidders, namely M/s ACME Solar Holdings (300 MW), M/s Essar Renewable Limited (300 MW), M/s SAEL Industries Limited (300MW), M/s NTPC Renewable Energy Limited (200 MW), and M/s Onward Solar Private Limited (100MW). In view of the above, the Petitioner has prayed for the adoption of tariff for the procurement of the 1200 MW Solar Power Projects (Solar-2) discovered through a competitive bidding process.

Hearing dated 22.11.2024

3. Notices were issued to the Respondents to file their respective replies, if any.
4. Respondent No. 3, i.e., M/s SAEL Industries Limited, has filed its reply vide an affidavit dated 13.12.2024. The Respondent has submitted that it has no objection to the adoption of the tariff as sought by the Petitioner.

Hearing dated 07.01.2025

5. During the course of the hearing, the learned counsel for the Petitioner, SJVN, reiterated the submissions made in the pleadings and requested for the adoption of the tariff of the 1200 MW Solar PV Power Projects (Solar-2) connected with the Inter-State Transmission System and selected through the competitive bidding process as per the Solar Guidelines.
6. None was present on behalf of the Respondents despite the notice.
7. Considering the request of the learned counsel for the Petitioner, the

Commission reserved the matter for order.

Analysis and Decision

8. We now proceed to consider the prayer of the Petitioner as regards the adoption of tariff under Section 63 of the Act in respect of the solar power projects discovered pursuant to the competitive bid process carried out in terms of the Guidelines issued by the Government of India.

9. Section 63 of the Act provides as under:

“Section 63. Determination of tariff by bidding process: Notwithstanding anything contained in Section 62, the Appropriate Commission shall adopt the tariff if such tariff has been determined through transparent process of bidding in accordance with the guidelines issued by the Central Government.”

10. Thus, in terms of Section 63 of the Act, the Commission is required to adopt the tariff on being satisfied that the transparent process of bidding in accordance with the Guidelines issued by the Government of India under Section 63 of the Act has been followed in the determination of such tariff.

11. The Ministry of Power, Government of India, has notified the Solar Guidelines under Section 63 of the Act vide Resolution No.27/01/2023-RCM on 28.7.2023. The salient features of the Guidelines are as under:

(a) The Guidelines are applicable for the procurement of power from the grid connected solar PV power projects, with or without Energy Storage, through tariff based competitive bidding to be conducted by ‘Procurer’, which includes distribution licensees, or the Authorized Representative(s), or Intermediary procurers.

(b) The Procurer shall prepare the bid documents in accordance with the Guidelines. The principles outlined in the Guidelines may be suitable expanded and made exhaustive in the Standard Bid Documents. In case of

any deviation from the provisions of the Guidelines and/or Standard Bid Documents, approval of the Appropriate Government would be necessary prior to initiation of the bid process.

(c) Bids shall be invited in Power Capacity (MW) terms specifying the total quantum to be contracted by the Procurer. The minimum quantum of power that can be offered by the bidder should be 50 MW for projects connected with the inter- State transmission systems. The bidder can quote for a part of the total quantum to be procured by the Procurer. A maximum of 50 percent of the total capacity as specified in the RfS can be allocated to a single bidder. The bid evaluation parameter shall be the tariff per unit supply of solar power fixed for the entire term of the PPA.

(d) The procurement of power - shall be in power (MW) terms. The range of the Capacity Utilisation Factor (CUF) will be indicated in the bidding documents. Calculation of the CUF will be on a yearly basis.

(e) The Draft PPA proposed to be entered into with the successful bidder and the draft PSA, if applicable, shall be issued along with the RfS. Standard provisions to be incorporated as part of the PPA shall include, *inter-alia*, the PPA period, Power Procurement, Payment Security Mechanism (PSM), Force Majeure, Generation Compensation for off-take Constraints, Event of default and consequences thereof, and Change in Law and shall be provided for, on back-to-back basis, in the PSA.

(f) The adequate payment security shall be provided as per the Electricity (Late Payment Surcharge and Related Matters) Rules, 2022 including amendments and clarification, if any, thereof, issued from time to time. In addition, the Intermediary Procurer may maintain a payment security fund. To be eligible for the coverage from the fund, the developer will undertake to pay the PSM charges at the rate of 2 paise per unit.

(g) The Procurer/intermediate procurer shall call for the bids adopting a single stage, two part (Technical Bid & Financial Bid), bidding process to be conducted through electronic mode (e-bidding). The technical bid shall be opened first. The financial bids of only those bidders, who qualify in the technical bid shall be opened. E-procurement platforms with a successful

track record and with adequate safety, security, and confidentiality features will be used.

(h) The RfS notice shall be issued in at least two national newspapers and on the websites of the Procurer to provide wide publicity. Standard provisions to be provided by the Procurer in the RfS document shall include Bid Responsiveness, Technical Criteria, Financial Criteria, Quantum of the Earnest Money Deposit (EMD), and Compliance with FDI Laws by foreign bidders, etc.

(i) The bidders shall be required to submit separate technical and price bids. The bidders shall also be required to furnish the necessary bid guarantee in the form of an Earnest Money Deposit (EMD) along with the bids. The technical bids shall be evaluated to ensure that the bids submitted meet the eligibility criteria set out in the RfS document on all evaluation parameters. Only the bids that meet the evaluation criteria set out in the RfS document shall be considered for further evaluation on the price bids. To ensure competitiveness, the minimum number of qualified bidders should be two. If the number of qualified bidders is less than two, even after three attempts of bidding, and the Procurer still wants to continue with the bidding process, the same may be done with the consent of the Appropriate Commission.

(j) The Procurer shall constitute a committee for the evaluation of the bids (Evaluation Committee), with at least three members, including at least one member with expertise in financial matters/bid evaluation. After the conclusion of the bidding process, the Evaluation Committee constituted for the evaluation of RfS bids shall critically evaluate the bids and certify as appropriate that the bidding process and the evaluation has been conducted in conformity with the provisions of the RfS document. The Evaluation Authority should also satisfy itself that the price of the selected offer is reasonable and consistent with the requirement.

(k) The PPA shall be signed with the successful bidder/ project company or an SPV formed by the successful bidder.

(l) After the execution of the PPA, the Procurer shall publicly disclose the

name(s) of the successful bidder(s) and the tariff quoted by them together with the breakup into components, if any. The public disclosure shall be made by posting the requisite details on the website of the Procurer for at least 30 (thirty) days.

(m) The distribution licensee or the Intermediary Procurer, as the case may be, shall approach the Appropriate Commission for the adoption of the tariffs discovered, in terms of Section 63 of the Act, within 15 (fifteen) days of the discovery of the tariffs through e-reverse auction or otherwise, in the transparent, competitive bidding process conducted in accordance with these Guidelines. In case the Appropriate Commission does not decide upon the same within 60 (sixty) days of such submission or within 120 (one hundred and twenty) days from the date of the PSA, whichever is more, the Procurer shall grant the appropriate extension of time in Scheduled Commencement of Supply Date (SCSD) to the generators corresponding to the delay (beyond 60 days of submission or 120 days of PSA, whichever is more) in the adoption/ approval by the Appropriate Commission till the date of the adoption/ approval by the Appropriate Commission.

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

13. The Petitioner has been designated as the nodal agency for the implementation of the scheme for setting up the ISTS-connected solar power projects with the mandate to invite bids under the Tariff Based Competitive Bidding process and enter into the Power Purchase Agreements at the tariff discovered in the competitive bid process and enter into the Power Sale Agreements with the distribution licensees to enable them to fulfil their Renewable Purchase Obligations under Section 86(1)(e) of the Act.

14. The Petitioner has been designated as the Intermediary Procurer/Renewable

Energy Implementing Agency (REIA) vide Office Memorandum F. No. 283/33/2020-GRID SOLAR dated 24.04.2023 issued by the Ministry of New and Renewable Energy (MNRE), Government of India.

15. The Solar Guidelines provide for the procurement of solar power at a tariff to be determined through a transparent process of bidding by the Procurer(s) from the grid-connected solar power projects with or without energy storage. As per the Guidelines, SJVN, in the capacity of intermediary procurer, invited proposals for the selection of the Solar Power Developers for setting up the 1200 MW ISTS connected Solar Power Projects (Solar-2). As per the arrangements, SJVN is to procure the power by entering into the PPAs with the successful bidder with back-to-back PSAs for the sale of power to the distribution licensees.

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

S. No.	Event	Date
1.	RfS issued by SJVN	30.04.2024
2.	Pre-bid meeting held	10.05.2024
3.	Clarification-01 to the RfS documents uploaded	14.06.2024
4.	Amendment-01 to the RfS documents uploaded	14.06.2024
5.	Last date of bid submission	11.07.2024
6.	Opening of techno-commercial bids	15.07.2024
7.	Opening of financial bids	08.08.2024
8.	e-Reverse Auction conducted	08.08.2024
9.	Issuance of Letters of Award (LoAs) to successful bidders	09.08.2024

17. The Bid Evaluation Committee (BEC) comprising of the following was constituted for the opening and evaluation of bids under RfS No. SJVN/C&P/IPP/11/0016/23-24 dated 29.12.2023:

Tender	Dept.	Members of the Tender Committee
1200 MW ISTS-connected Solar PV Power Projects (Solar-2)	C&P	Sh. Manish Kumar Kanth, DGM
	F&A	Sh. V.K. Chandravanshi, DGM
	E	Sh. Pramod Behera, Sr. Manager

18. On 30.04.2024, SJVN issued the RfS documents, along with the draft PPA and

PSA, for the selection of the Solar Power Developers for setting up the 1200 MW ISTS-connected Solar Power Projects (Solar-2) under tariff-based competitive bidding. The said tender/ RfS document was floated on the ISN Electronic Tender System (ISN ETS) e-Tender portal. As per Clause 7.5 of the Guidelines, RfS notice is required to be published in at least two national newspapers and its own website to accord wide publicity. In this regard, SJVN has placed on record the documents demonstrating the publication of the RfS on the e-publishing system, Government of India. According to SJVN, it did not publish the notices in the newspapers as per the advisory of the Ministry of Information and Broadcasting, Government of India, dated 17.5.2017, mandating the e-publishing of the advertisements on the relevant portal. Accordingly, on 3.7.2018, SJVN issued a notification in the newspapers indicating that tenders of the SJVN would be published on its website and the Government Portal but not in the newspapers.

19. Pursuant to the said RfS, bids aggregating to a total capacity of 3990 MW were received. The last date of submission of the bid was 11.07.2024, and the techno-commercial part of the bid was opened on 15.07.2024. Response to the RfS was received from the 12 bidders, and consequently, 11 bidders were found to be qualified for the opening of the financial bid. On 08.08.2024, financial bids of the technically qualified bidders were opened on the e-bidding portal in the presence of members of the Bid Evaluation Committee. As per the eligibility criteria mentioned in the RfS document, five bidders for aggregating were shortlisted for an e-reverse auction.

20. The e-reverse auction was carried out on 08.08.2024 in the presence of the members of BEC. After completion of the e-reverse auction, the following were declared as the successful bidders:

S. No	Name of the Successful Bidder	Final Tariff (Rs/kWh)	Allotted Capacity (MW)
1	M/s ACME Solar Holdings Limited	2.52	300
2	M/s Essar Renewables Limited	2.52	300
3	M/s SAEL Industries Limited	2.52	300
4	M/s NTPC Renewable Energy Limited	2.53	200
5	M/s Onward Solar Private Limited	2.52	100
Total awarded capacity			1200

21. Accordingly, on 09.08.2024, SJVN issued the Letter of Awards (LoAs) to the above successful bidders. The relevant extract of the Letter of Award issued to one of the successful bidders, namely **M/s ACME Solar Holdings Limited**, is as.

"1.0 This has reference to the following:

- 1.1 *The Guidelines for Tariff Based Competitive Bidding Process for Procurement of Power from Grid Connected Solar PV Projects vide the Gazette of India Notification No. 183 dated 28.07.2023 including subsequent amendments and clarifications thereto, if any, issued until the last date of bid submission against this RfS.*
- 1.2 *SJVN's Request for Selection (RfS) Document issued vide (RfS No.: SJVN/CC-Delhi/REIA/2024-25/SOLAR-2 dated 30.04.2024), including draft Power Purchase Agreement (PPA), draft Power Sale Agreement (PSA), for which the online bids were invited on ETS portal (<https://www.bharat-electronictender.com>.)*
- 1.3 *Subsequent Amendments/Clarification to the RfS Document referred at para 1.2 above is detailed below:*

S.	Description
1	Corrigendum No.1 dated 09.05.2024 to the RfS Document vide which Pre Bid meeting link was uploaded.
2	Corrigendum No. 2 dated 13.06.2024 to the RfS Document vide which Last date of bid submission extended till 28.06.2024.
3	Amendment No. 1 dated 14.06.2024 to the RfS Document vide Vtfhich ¹ Pre Bid queries were addressed
4	Clarification No. 1 dated 14.06.2024 to the RfS Documen [^] ewhich Pre Bid queries of the Bidder were addressed.
5	Corrigendum No. 4 dated 25.06.2024 to the RfS Document vide which Last date of bid submission extended till 04.07.2024
6	Corrigendum No. 5 dated 02.07.2024 to the RfS Document vide which Last date of bid submission was extended to 11.07.2024

The documents mentioned at para 1.2 & 1.3 shall collectively be referred as "RfS Document".

- 1.4 *Bid/Offer submitted by **M/s ACME Solar Holdings Limited** comprising online submission on ETS portal <https://www.bharat-electronictender.com> vide Organization ID ETS-IN- 2019-RS0000080 as well as offline submission in response to SJVN's RfS referred at Para 1.2 above.*
- 1.5 *Your Final tariff (INR 2.52/kWh) at the end of the e-Reverse Auction (e-RA) conducted on ETS portal on 08.08.2024 for the referred RfS.*



2.0 In reference to above and subject to the provisions of RfS document, we hereby confirm having accepted your final offer as a result of e-RA and issue this Letter of Award on **M/s ACME Solar Holdings Limited, Plot No. 152/ Sector 44, Gurugram-122002, Haryana (hereinafter referred at “Solar Power Developer (SPD)”)** as per the following details:

Sr. No.	Contracted Capacity AC (MW)	Project location	ISTS connection details	Declared Annual CUF (%)	Applicable Tariff (INR/kWh) in figures
1.	300 MW	Devbhumi Dwarka District, Gujarat	220 kV SS: Jam Khambhaliya-II/West of Bhanvad	21%	2.52

It is to be noted that subsequent to issuance of LoA, SPD shall be allowed to change the Offered RE Project location(s) and Delivery point(s) /Interconnection Point(s) as per the provisions of RfS Document.

- 3.0 SJVN shall purchase the power generated from the above proposed ISTS- Connected Solar Energy Power Project under the above scheme subject to the terms and conditions stipulated under various documents referred at Para 1.0 above and briefly brought out hereinafter.
- 4.0 The applicable Tariff as mentioned at Para 2.0 above for the power generated from the proposed Solar Energy Power Project for the term of Power Purchase Agreement (PPA) to be entered between Solar Power Developer (SPD) and SJVN Ltd, for the Project shall be firm for the entire duration of the PPA.
- 5.0 The award of the above Project is subject to the Guidelines including amendments/clarifications issued by Government of India referred at Para 1.1 above and terms and conditions of the RfS Document including its clarifications/amendments/ notifications issued by SJVN.
- 6.0 The SPD shall meet the Financial Closure requirements for the Project within 18 (eighteen) months from the Effective Date of the PPA as per clause 6.12 of RfS Document. The SPD shall furnish documents for meeting the Financial Closure requirements and the noncompliance for meeting Financial Closure shall be governed as per Clause 6.12.4 of RfS & relevant provisions of PPA.
- 7.0 The SPD shall pay to SJVN, Success Charges @ Rs. INR 1.00 Lakh/ MW + 18% GST, corresponding to the Contracted Capacity awarded, within 30 days of issuance of LoA or the date at least 07 days prior to the date of signing of PPA (PPA signing date to be intimated by SJVN), whichever is later in accordance with RfS Clause 6.10.1 towards administrative overheads, coordination with State Authorities and others, DISCOM/STU/CTU, pre commissioning and commissioning expense.
- 8.0 The SPD shall submit a Performance Bank Guarantee (PBG) Payment on Order Instrument(POI) for a value @ Rs. INR 23.55 Lakhs/MW (Rs.23,55,000/MW) corresponding to the Contracted Capacity for which PPA is being signed, prior to signing of PPA as per Clause 6.9 of RfS.
- 9.0 The Power Purchase Agreement (PPA) shall be signed within 30 days of the signing of Power Sale Agreement (s). PPA will be executed between SJVN and the SPD for the Contracted Capacity in accordance with provisions of Clause 6.11 of RfS Document.
- 10.0 The SPD is required to sign PPA with SJVN within the timeline as stipulated in Clause 6.11 of the RfS. In case, SJVN offers to execute the PPA with the SPD and if the SPD does not submit the requisite documents as per Clause 6.11 of the RfS, or does not meet eligibility criteria upon submission of documents, or does not execute the PPA

within the stipulated time period, then the Bank Guarantee equivalent to the amount of the EMD shall be uncashed by SJVN from the Bank Guarantee available with SJVN(i.e. EMD or PBG) as liquidated damages not amounting to penalty, the selected Project shall stand cancelled and the selected Bidder expressly waives off its rights and objections, if any, in that respect..

11.0 SPD shall have to submit the required documents to SJVN within 40 days from the issuance of LoA. In case of delay in submission of documents beyond the period as mentioned above, SJVN shall not be liable for delay in verification of documents and subsequent delay in signing of PPA.

- i. Copy of Certificate of Incorporation of SPD under Companies Act 1956 /2013.*
- ii. Details of Promoters and their shareholding in the SPD, 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.*
- iii. Copy of Board Resolution from the Bidding Company in favour of the person signing PPA with SJVN and subsequent relevant documents.*
- iv. Copy of MoA/AoA of the SPD/ Special Purpose Vehicle (if the selected bidder wishes to execute the project through a Special Purpose Vehicle), highlighting the relevant provision which highlights the objects relating to Power/ Energy/ Renewable Energy/ Solar Power plant development has to be submitted prior to signing of PPA.*
- v. In case the project executed through Special Purpose Vehicle (SPV), the SPD has to register the SPV under the Indian Companies Act, 2013 with at least 51% shareholding in the SPV before signing of PPA as per the provisions of RfS. Further, SPD shall submit a Board Resolution prior to signing of PPA with SJVN, committing total equity infusion in the SPV as per the provisions of RfS.*
- vi. Copy of Board resolution from Affiliate(s) to meet the Financial requirements to contribute the required equity funding as per the clause no. 4.3.3 of RfS, if applicable.*

12.0 The SPD shall ensure to comply with the requirements with respect to Minimum Paid Up Share Capital to be held by Project Promoter in accordance with provisions stipulated under Clause 6.15 of RfS Document. The SPD shall provide information about its promoters and their shareholding in the Company before signing of PPA with SJVN.

13.0 The SPD shall commence the supply of Solar Power of full Contracted Capacity within 24 months from the Effective Date of the PPA in accordance with the provisions stipulated under Clause 6.8.2 of RfS and relevant articles of PPA.

14.0 All disputes arising out of and/or in connection with the selection of SPD under this 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.

15.0 Project implementation will be governed in line with the provisions of the RfS and PPA."

22. In light of the aforesaid discussion, it emerges that the selection of the successful bidders has been made, and the tariff of the Solar Power Projects (Solar-2) has been discovered by the Petitioner, SJVN, through a transparent process of competitive bidding and in accordance with the Guidelines issued by the Ministry of

Power, Government of India. Therefore, in terms of Section 63 of the Act, the Commission adopts the individual tariff in terms of the LoAs dated 09.08.2024 for the Solar Power Projects (Solar-2), as agreed to by the following successful bidders, subject to the Petitioner tying up the awarded capacity under the PPAs and PSAs:

S. No.	Name of the Successful Bidder	Final Tariff (INR/kWh)	Allotted Capacity (MW)
1.	ACME Solar Holdings Limited	2.52	300
2.	Essar Renewables Limited	2.52	300
3.	SAEL Industries Limited	2.52	300
4.	NTPC Renewable Energy Limited	2.53	200
5.	Onward Solar Private Limited	2.52	100
	Total awarded capacity		1200

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

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

Energy Implementing Agencies (REIAs) as Intermediary Procurers for the URET procedure – Solar Energy Corporation of India Limited, NTPC Limited, NHPC Limited, and SJVN Limited.

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

- i) The Central Pool shall be a pool of category-specific power from the Inter State Transmission System connected with the renewable energy sources being procured by the designated Intermediary Procurers under Section 63 of the Act and as per the provisions of the bidding guidelines notified by the Central Government, from time to time, for supply to the end procurers of more than one State so that such power from renewable energy sources can be supplied to all end procurers from the concerned pool at uniform tariff under these procedures.
- ii) Trading Margin shall be the margin levied by the Intermediary Procurer as per respective Power Sale Agreements executed with the End Procurer.
- iii) The Government of India shall notify the start date for each category of the Central Pool, which shall be for a duration of 3 years. All the capacity for which bid/RfS notice is published after the notification of the start date of the respective Central Pool and is within the duration of 3 years (from the start date) will be part of the respective Central Pool, provided other eligibility conditions are fulfilled. After the end of the duration of three years from the start date of the pool, no new capacity will be added to the pool. All such capacity will remain part of the pool till the expiry of their respective Agreement. The URET of this pool will be calculated considering the energy from such capacities only.
- iv) The Uniform Renewable Energy Tariff for the Central Pool (URET) will

be applicable only to power procured by the End Procurer and will not in any manner have any implication on the renewable energy tariff discovered under the respective tariff based competitive bidding process and payable to the renewable energy generators by the Intermediary Procurer as per the PPA.

v) The Implementing Agency (i.e., Grid India) will compute the Uniform Renewable Energy Tariff for selling electricity to the end procurer by Intermediary Procurer on a monthly basis, as per the methodology specified in the procedure.

vi) The contractual obligations between the generators and Intermediary Procurer, and Intermediary Procurer and end-procurer shall be governed by the respective bidding documents, including the PPAs and PSAs, and will have no bearing on URET.

vii) The impact on the tariff due to the Change in Law provisions will be in accordance with the bidding documents and will be reflected in the pooled tariff computed in accordance with the procedure.

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

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

27. As per Article 12.2 of the Guidelines, the Evaluation Committee is required to ensure that the bidding process and the evaluation have been conducted in conformity with the provisions of the RfS document. Also, the Evaluation Committee should satisfy itself that the price of the selected offer is reasonable and consistent with the requirement. It is noted that the Petitioner has not placed on record a copy of the conformity certificate issued by the Evaluation Committee constituted for the evaluation of the bids. However, the Petitioner, vide its affidavit dated 04.01.2025 has submitted that the competitive bidding process was executed in accordance with the Guidelines for Tariff-Based Competitive Bidding Process for Procurement of Power from Grid-Connected Solar PV Projects, which were issued on 28.07.2023, along with any subsequent amendments thereto. The Petitioner additionally asserted that throughout the process of selecting successful bidders, complete transparency and fairness in the procurement process were upheld. The Petitioner has further asserted that an optimal tariff has been identified through the process of e-Reverse Auction. Moreover, the Petitioner has stated that after the conclusion of the bid submission, the Evaluation Committee constituted for evaluation of the bids has conducted the techno-commercial as well as financial bid evaluation in conformity with the provisions of the RfS. We express our strong displeasure with the conduct of the Petitioner for non-compliance with the Guidelines. The Petitioner is directed to comply with the provisions of the Guidelines strictly in the future.

28. 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,

out of the total awarded capacity of 1200 MW, the Petitioner has submitted that it is actively engaging with the end procurers to finalize the awarded capacity. 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 tying up of the entire awarded capacity under the PPAs and PSAs.

29. 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, SJVN, 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 Solar Power Projects, 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 the Successful Bidder	Final Tariff (INR/kWh)	Allotted Capacity (MW)
1.	ACME Solar Holdings Limited	2.52	300
2.	Essar Renewables Limited	2.52	300
3.	SAEL Industries Limited	2.52	300
4.	NTPC Renewable Energy Limited	2.53	200
5.	Onward Solar Private Limited	2.52	100
	Total awarded capacity		1200

30. Prayer (a) of the Petitioner is answered in terms of paragraph 21 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 in the present case. Also, in the event that the awarded capacity does not fructify into PPAs and PSAs, the Petitioner shall also place on record such development(s) on the file of the

present case.

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

32. In this regard, Clause (1)(d) of Regulation 8 of the Trading Licence Regulations provides as under:

“For transaction under long term contracts, the trading margin shall be decided mutually between the Trading Licensee and the seller.”

33. 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.”

34. 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.”

35. The above two provisions are exceptions to the main provision as regards trading margin. In the present case, awarded capacity is yet to be tied up with the distribution licensees, and accordingly, the trading margin shall be as per the provisions of the PSAs to be entered into between SJVN 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 the

SJVN 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.

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

37. Petition No. 404/AT/2024 is disposed of in terms of the above.

Sd/-
(श्री हरीश दुदानी)
सदस्य

sd/-
(श्री रमेश बाबू व.)
सदस्य

sd/-
(श्री जिशु बरुआ)
अध्यक्ष

