

**BEFORE THE GUJARAT ELECTRICITY REGULATORY COMMISSION
GANDHINAGAR**

Petition No. 2345 of 2024.

In the Matter of:

Petition under Section 63 read with 86 (1) (b) of the Electricity Act 2003 for seeking adoption of tariff discovered under Competitive Bidding Process conducted vide RFS No. GUVNL/1125 MW/Khavda/Solar (Phase XXIII) dated 29.01.2024 issued by GUVNL for Procurement of Power through Competitive Bidding Process (followed by e-reverse auction) from 1125 MW grid connected Solar Photovoltaic Power Projects to be set up in GSECL's RE Park at Khavda (GSECL Stage 3) without energy storage.

Petitioner	:	Gujarat Urja Vikas Nigam Limited
Represented By	:	Mr. H.N. Shah and Mr. A.H. Chavda V/s.
Respondent No. 1	:	Engie Energy India Private Limited
Represented By	:	Nobody was present.
Respondent No. 2	:	NHPC Limited
Represented By	:	Mr. Alok Ranjan Tiwary and Mr. Vikas
Respondent No. 3	:	JSW Neo Energy Limited
Represented By	:	Ms. Mansi Rawat and Mr. Jatin Sharma
Respondent No. 4	:	SJVN Green Energy Limited
Represented By	:	Nobody was present.
Respondent No. 5	:	NTPC Renewable Energy Limited
Represented By	:	Mr. Nabin Kumar Tripathi

CORAM:

**Anil Mukim, Chairman
Mehul M. Gandhi, Member
S.R. Pandey, Member**

Date: 14/06/2024.

ORDER

1. This Petition has been filed by the Petitioner Gujarat Urja Vikas Nigam Limited (GUVNL) under Section 63 read with Section 86(1)(b) of the Electricity Act 2003 *interalia* seeking following prayers:

(a) To admit the present petition.

(b) To adopt the tariffs discovered by the Petitioner as mentioned at para 24 of the Petition in the transparent Competitive Bidding Process conducted by the Petitioner through RfS No. GUVNL/1125 MW/Khavda/Solar (Phase XXIII) dated 29.01.2024 as per the Guidelines for Tariff Based Competitive Bidding Process for Procurement of Power from Grid Connected Solar PV Power Projects dated 28.07.2023 issued by the Ministry of Power.

(c) To condone any inadvertent omissions/errors/shortcomings and permit the Petitioner to make addition/change/modification to the Petition as may be required.

(d) The Petitioner craves relief of the Commission to allow further submissions, prayers, additions and alterations to this Petition as may be necessary from time to time.

(e) Pass any other Order as the Commission may deem fit and appropriate under the circumstances of the case, to avoid further delay and in the interest of justice.

2. The Petitioner has filed this Petition under Section 63 read with Section 86(1)(b) of the Electricity Act, 2003 seeking adoption of tariff by the Commission and hence it is necessary to refer aforesaid Sections as under:

“.....

Section 63:

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;”

.....”

As per above Section, whenever transparent competitive bidding process is

conducted under Section 63 of the Electricity Act, 2003 in accordance with the guidelines issued by the Central Government, the tariff discovered under such bidding has to be adopted by the Commission.

“.....

Section 86(1) The State Commission shall discharge the following functions, namely: -----

(b) regulate electricity purchase and procurement process of distribution licensees including the price at which electricity shall be procured from the generating companies or licensees or from other sources through agreements for purchase of power for distribution and supply within the State.”

.....”

As per the aforesaid provision, the Commission has to regulate the power procurement of the Distribution Licensees, including the procurement process, the price at which electricity shall be purchased from the generating company or the Licensees or through other sources through agreement for purchase of power for distribution and supply within the State.

3. This Petition filed by the Petitioner is within the purview of the jurisdiction of this Commission and in terms of the powers vested by the Electricity Act, 2003 and Regulations framed thereunder, the Commission admits the present Petition.
4. Facts mentioned in the Petition in brief are as under:
 - 4.1. It is stated that the Government of Gujarat has notified the Gujarat Electricity Industry (Reorganization and Regulation) Act, 2003 in May, 2003 for reorganization of the entire power sector in the State of Gujarat and pursuant thereof, the Gujarat Electricity Industry Reorganization and Comprehensive Transfer Scheme, 2003 has been notified under the Gujarat Electricity Industry (Reorganization and Regulation) Act, 2003, whereby, erstwhile Gujarat Electricity Board was reorganized and its functions have been vested in different entities.
 - 4.2. As per the above re-organization scheme, the activities undertaken by erstwhile Gujarat Electricity Board of Generation, Transmission, Distribution, Bulk Power Purchase and Supply have been entrusted to separate seven functional entities. The

generation activity is assigned to Gujarat State Electricity Corporation Limited (GSECL), transmission activity is assigned to Gujarat Energy Transmission Corporation Limited (GETCO) and the distribution activity is assigned to four distribution companies viz. Uttar Gujarat Vij Company Limited (UGVCL), Madhya Gujarat Vij Company Limited (MGVCL), Dakshin Gujarat Vij Company Limited (DGVCL) and Paschim Gujarat Vij Company Limited (PGVCL). Further, the function of bulk purchase and bulk sale of power is assigned to the Petitioner, Gujarat Urja Vikas Nigam Limited.

- 4.3. The Distribution companies are mandated to procure power from Renewable Energy Sources as per the provision of Section 86(1)(e) of the Electricity Act, 2003 and in terms of the GERC (Procurement of Energy from Renewable Energy Sources) Regulations, 2010, as amended from time to time.
- 4.4. The Petitioner on behalf of its four Distribution companies has been entering into Power Purchase Agreement(s) amongst others with various Renewable Energy Generators for procurement of power from time to time.
- 4.5. The State Government vide G.R. dated 25.01.2019 has notified the policy for allotment of land for development of Wind/Solar/Hybrid Parks. A High Power Committee, was constituted to decide about allocation of land to various developers. The Revenue Department, Government of Gujarat has allotted approximately 72,400 hectares of land for 27,700 MW Renewable Energy capacity at Khavda in Kutch District of Gujarat, out of which 3325 MW and 2375 MW capacity has been allotted to GSECL and GIPCL respectively. GUVNL has given in-principle approval to GSECL and GIPCL for Procurement of Power from their respective projects to be set up in their RE parks at Khavda.
- 4.6. In regard to Power Procurement from 3325 MW GSECL's RE Park, it is submitted as under:
 - a) Pursuant to the Commission's approval vide its Order dated 31.07.2023 in Petition No. 2217 of 2023, GUVNL has signed PPAs for 600 MW capacity with NHPC, SJVN & NREL for 200 MW each at tariff of Rs.2.73 - 2.89 per kWh in First

Tranche Bidding of GSECL (GUVNL Phase XVII tender under TBCB Guidelines dated 03.08.2017 and amendments thereof).

- b) Pursuant to the Commission's approval vide its Order dated 23.02.2024 in Petition No. 2248 of 2023, GUVNL has signed PPAs for 1600 MW capacity with KPI Green Energy (200 MW), SAEL Industries Limited (800 MW) & NLC India Limited (600 MW) at tariff of Rs. 2.70 - 2.71 per kWh in Second Tranche Bidding of GSECL (GUVNL Phase XX under TBCB Guidelines dated 03.08.2017 and amendments thereof).
- c) With regard to Third Tranche Bidding of GSECL (remaining 1125 MW), GUVNL has floated tender (Phase – XXIII) for Procurement of Power from balance 1125 MW capacity from Solar Photovoltaic Power Projects without energy storage to be set up in Solar Park of GSECL at Khavda.
- 4.7. The Ministry of Power (MoP) on 28.07.2023, has notified the "Guidelines for Tariff Based Competitive Bidding Process for Procurement of Power from Grid Connected Solar PV Power Projects". As per the Guidelines, State Government approval is required for approval of deviations from the Guidelines. GUVNL had sought approval of State Government in the deviations from the Clauses relating to SCSD (specifically for Procurement of Power from Khavda RE Park), Change in Law and Force Majeure, Signing of PPA, etc.
- 4.8. Government of Gujarat vide letter dated 29.09.2023 has accorded approval to deviations sought by GUVNL. Accordingly, GUVNL had floated the tender vide RfS No. GUVNL/1125 MW/Khavda/Solar (Phase XXIII) dated 29.01.2024 and prepared Bid documents in accordance with new Guidelines dated 28.07.2023 of MoP, Government of India and deviations approved by State Government for Procurement of Power from 1125 MW Solar PV projects without energy storage to be set up in RE Park of GSECL at Khavda.
- 4.9. Section 63 of the Electricity Act, 2003 provides that 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. Also, as per Section 86 (1) (b) of the Electricity Act, 2003, the Commission to regulate

electricity purchase and procurement process of distribution licensees including the price at which electricity shall be procured from the generating companies or licensees or from other sources through agreements for purchase of power for distribution and supply within the State.

- 4.10. The various provisions of New Guidelines issued by MoP relating to adoption of tariff by Appropriate Commission are reproduced as under.

“Clause 10.5 – “Subsequent to the distribution licensee or Intermediary Procurer, as the case may be, approaching the Appropriate Commission for adoption of tariffs under Section 63 of the Act, 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 Power Sale Agreement (PSA), whichever is more, the Procurer(s) shall grant appropriate extension of time in SCSD to the generators, corresponding to the delay [beyond 60 (sixty) days of submission or 120 (one hundred and twenty) days of PSA, whichever is more] in adoption/ approval by the Appropriate Commission, till the date of adoption/ approval by the Appropriate Commission.”

Clause 13.2 (c) – “It is presumed that in terms of Clause 10.5 of these Guidelines, the tariff will be adopted by the Appropriate Commission within 60 days of such submission or within 120 days from the date of Power Sale Agreement (PSA), whichever is more. However, notwithstanding anything contained in these Guidelines, any delay in adoption of tariff by the Appropriate Commission, beyond 60 days of submission or 120 days from of PSA, whichever is more, shall entail a corresponding extension in SCSD.”

- 4.11. Considering the fact that the generation benefit from the PPAs executed under Competitive Bidding shall be made available after a lapse of about 15-21 months and that the same shall be useful in achieving RPO compliance of ensuing years as well for keeping overall power purchase cost under control, the Petitioner GUVNL had invited Tender dated 29.01.2024 through Competitive Bidding Process followed by e-reverse auction for Procurement of Power from 1125 MW Grid Connected Solar Photovoltaic Power Projects to be set up in GSECL's RE Park at Khavda (GSECL Stage 3) vide RfS No. GUVNL/1125 MW/Khavda/Solar (Phase XXIII), with intimation of initiation of bidding process to the Commission vide letter dated 30.01.2024. The Petitioner had also published the Notice Inviting Tender in two national newspapers regarding these Tender(s).

4.12. With regard to processing of tender, the Petitioner has submitted as under:

- (a) Delivery Point is at CTU periphery. GNA Regulations has come into effect from October 2023. Accordingly, GUVNL is required to make application for transmission of power up to GETCO periphery and all applicable charges and losses, beyond the delivery point are to be borne by GUVNL.
- (b) As per Ministry of Power Order dated 23.11.2021, solar projects commissioned upto 30.06.2025 are entitled for 100% ISTS Transmission Charges. Thereafter, ISTS Transmission Charges shall be gradually made applicable from 25%-100% to RE Projects commissioned after 30.06.2025.
- (c) As per the tender condition, Scheduled Commencement of Supply Date (SCSD) of project is “the date falling immediately after completion of 21 months from the date of execution of PPA or actual COD of Associated Transmission System of Khavda Solar Park whichever is earlier, subject to minimum time period of 15 months from the date of execution of PPA”. Accordingly, SCSD can be expected by June 2025 i.e., before the deadline of 100% ISTS Transmission Charges waiver; if the PPA(s) are signed latest by end of March, 2024.
- (d) However, connectivity for 1125 MW capacity under tender is granted by CTUIL in Phase-IV, i.e., January 2026. Thus, evacuation of power from the projects could be possible from January 2026, i.e., after the deadline of 100% ISTS Transmission Charges waiver.
- (e) The said power is aimed to be utilized for supply of day time cheaper power to Agricultural consumers of State under prestigious Kisan Suryoday Yojana of State Government.
- (f) Since, there were significant financial implications in terms of applicability of transmission charges and deemed generation, a meeting was held under the chairmanship of Additional Chief Secretary - Revenue, Government of Gujarat on 18.11.2023 wherein the matter regarding grant of early connectivity for remaining 3.5 GW capacity was discussed at length and CTUIL was requested to issue the clarity in the matter and take necessary action for granting

transmission connectivity for 3.5 GW before June 2025 so as to enable GUVNL to go ahead with the tendering process.

- (g) In the above matter, Energy & Petrochemicals, Government of Gujarat has issued a letter dated 22.11.2023 to the Ministry of New & Renewable Energy, whereby it is requested to impress upon CTUIL for grant of connectivity for evacuation of 3.5 GW power from Khavda Pooling Station 1 or 2 prior to June-2025.
- (h) Further, a meeting was held on 07.12.2023 under the Chairmanship of MD-GPCL with Khavda RE Park Developers, CTUIL, PGCIL and GUVNL to review the progress of Khavda RE Park. In the meeting, the matter regarding delayed connectivity of 3.5 GW power from RE Parks of GSECL and GIPCL was discussed at length. GUVNL briefed regarding the financial implications on GUVNL due to applicability of ISTS charges due to delayed connectivity, deemed generation liability as per provisions of PPA due to SCSD timelines of project not commensurate with connectivity timelines. GUVNL also surfaced the aspect that objective of implementation of KSY Scheme for which the said power procurement is planned is getting hampered. In view of the same, CTUIL was emphasized to grant early connectivity for remaining 3.5 GW capacity of GSECL and GIPCL Parks before June 2025 under special circumstances.
- (i) In the meantime, a meeting was conducted under the chairmanship of Hon'ble Chief Minister of Gujarat, wherein, it was directed to complete the tendering process & sign the PPA(s) for procurement of power from Khavda RE Park at the earliest.
- (j) In order to avoid financial implications due to delayed connectivity and on either parties in terms of liquidated damages of deemed generation compensation, following clause were added in the tender documents (RfS and PPA) – *“In case there is delay in operationalization of transmission evacuation network, SCSD of the project shall stand auto extended upto 30 days from the date of operationalization of connectivity and there shall be no liability on both the parties in terms of deemed generation or liquidated damages.”*

(k) Accordingly, GUVNL has proceeded with tendering process.

4.13. GUVNL had constituted Bid Evaluation Committee consisting following members for technical & financial bid evaluation.

1.	Shri H.N. Shah	General Manager (RE)
2.	Shri Parthiv Bhatt	Company Secretary, GUVNL
3.	Smt. Bhavani Ghattamaneni	Chief Finance Manager (RE)
4.	Shri Nilay D. Joshi	Controller of Accounts (F&A)

4.14. It is stated that the Tender/Bid Documents viz. RfS and PPA were hosted on the website of GUVNL for information as well as on e-bidding portal for downloading the official copy of the Tender Documents for participation in bidding procedure including e-reverse auction. Further, a Pre-Bid Meeting also held through video conference on 02.02.2024 at GUVNL's Office, Vadodara, wherein key bid parameters, provisions of bid documents & timelines were discussed. The Minutes of Pre-bid meeting were also issued and hosted on websites of GUVNL and on e-bidding portal. The copy of Notice Inviting Tender with relevant extract of newspapers, Bid Documents including RfS, Draft PPA, Corrigendum & Addendums are filed with the Petition.

4.15. The last date of bid submission in the tendering process was 15.02.2024 (Online Submission which was further extended upto 23.02.2024 taking into consideration time extension requests of the prospective bidders.

4.16. The Petitioner had received online as well as offline bids from following 6 (six) bidders offering aggregate capacity of 1500 MW against 1125 MW capacity tendered. The list of bidders along with their quoted capacity and CUF are as under:

SN	Name of Bidders	Quoted Capacity (MW)	% CUF
1	SJVN Green Energy Limited	200	28.8%
2	NHPC LIMITED	200	27%
3	Engie Energy India Private Limited	200	30%
4	NTPC Renewable Energy Limited	400	30.20%
5	JSW Neo Energy Limited	300	27.50%
6	NLC India Limited	200	30.97%
	Total	1500	

4.17. Technical Bid Opening was held on 27.02.2024 on e-bidding portal as per tender timeline. The Bids submitted by all six bidders have been scrutinized as per terms and conditions of RfS. As per the Technical Bid Evaluation Report signed by the Bid Evaluation Committee, all six Bidders have been found technically qualified as per the terms & conditions of RfS and recommended for financial bid opening. The Technical Bid Evaluation Report signed by the Bid Evaluation Committee is also filed with the Petition.

4.18. Pursuant to the recommendation of the Bid Evaluation Committee, the online Financial Bids of above mentioned 6 (Six) technically qualified Bidders were opened on the e-bidding portal on 02.03.2024. As per the terms of the RfS, the total eligible Bidders shortlisted for e-reverse auction are as under:

Rank	Name of bidder	Quoted Capacity (MW)	Quoted Tariff Rs/kWh	Eligibility Status
L1	Engie Energy India Private Limited (Formerly known as Solairedirect Energy India Private Limited)	200	2.62	Qualified for E-RA (1300 MW)
L2	NHPC Ltd	200	2.68	
L3	JSW Neo Energy Ltd	300	2.69	
L4	SJVN Green Energy Ltd	200	2.70	
L5	NTPC Renewable Energy Ltd	400	2.78	
H1	NLC India Ltd	200	2.81	Not Qualified being H1
Total		1500		

4.19. Based on the financial bid evaluation in terms of the RfS, NLC India Limited being the H1 Bidder was not qualified for e-RA. The above mentioned 05 (Five) nos. of bidders aggregating to 1300 MW capacity have been shortlisted for participating in the e-Reverse Auction. The e-RA was conducted on 02.03.2024 at 15:00 Hours on e-bidding portal as per tender timeline. The tariffs discovered in the e-reverse auction are as follows:

Rank in e-RA	Name of the Bidder	Quoted Capacity (MW)	Allocated Capacity in e-RA (MW)	Quoted Tariff in e-RA (Rs. / kWh)	% Difference with L1 Bid tariff
L1	Engie Energy India Private Limited	200	200	2.62	0%
L2	NHPC Ltd	200	200	2.66	1.53%
L2	JSW Neo Energy Ltd	300	300	2.66	1.53%
L2	SJVN Green Energy Ltd	200	200	2.66	1.53%
L3	NTPC Renewable Energy Ltd	400	225	2.67	1.91%

4.20. As per RfS provision, the bidders who fall within the range of (and including) the lowest tariff (L1 tariff) +2% of the L1 tariff will be declared as Successful Bidders. The Successful Bidders along with the capacity and tariff discovered are as follows:

Rank in e-RA	Name of the Bidder	Capacity Won (MW)	Tariff Quoted in e-RA (Rs. / kWh)
L1	Engie Energy India Private Limited	200	2.62
L2	NHPC Ltd	200	2.66
L2	JSW Neo Energy Ltd	300	2.66
L2	SJVN Green Energy Ltd	200	2.66
L3	NTPC Renewable Energy Ltd	225	2.67
Total capacity (MW)		1125	

4.21. The bucket size of subject tender is 1125 MW. Further, as per RfS clause 3.2.2 (VI), small capacity plots (plots of 60.24 MW and 64.76 MW capacity) shall be allotted to last successful bidder, after e-reverse auction (i.e. successful bidder having highest tariff in reverse auction), irrespective of its quoted capacity subject to fulfilment of qualification requirements, i.e. net worth as per RfS document. Accordingly, NREL being the L3, has been allotted 225 MW as against its quoted capacity of 400 MW and shall be allotted small capacity plots of 60.24 MW and 64.76 MW.

4.22. In terms of Clause 10.2 of the MoP Guidelines for the competitive bidding issued vide notification dated 28.07.2023 and its amendments from time to time, the Bid Evaluation committee has certified that the bidding process and the evaluation has been conducted in conformity to the provisions of the RfS. The Financial Bid Evaluation Report signed by the Committee is also filed with the Petition.

4.23. Accordingly, GUVNL has issued Letter of Intents (LOIs) to successful bidders at the tariff of Rs. 2.62 – 2.67/kWh. As per terms and conditions of RfS, PPAs shall be signed within 30 days from the date of issue of Letter of Intent (LOI) or within 10 days from the adoption of tariff by the Commission, whichever is later.

4.24. The Petitioner GUVNL also stated that Government of Gujarat has come out with Kisan Suryoday Yojana – Scheme for supplying day power to Agricultural consumers in the State of Gujarat. The objectives of the scheme are to meet the Agriculture demand during solar hours through comparatively cheaper solar generation. The said power is aimed for utilization in supply of day time cheaper power to Agricultural consumer of State under prestigious KSY Scheme. As per GoI's commitment in revised

Nationally Determined Contribution (NDC) at global level, 50% of total electrical installed capacity is to be tied up from non-fossil fuel based energy sources by 2030. In order to contribute to National RE Target, extensive RE tie-up is required.

4.25. It is stated that the Ministry of Power, Government of India, vide Office Order dated 20.10.2023 has specified the long term RPO trajectory till 2029-30 and has fixed the minimum percentage of total consumption of electricity from RE sources. This trajectory is higher than the RPO trajectory notified by the Commission. The comparison of RPO Trajectory as notified by MoP vis-à-vis the Commission is tabulated as under (minimum percentage of total consumption of electricity):

FY	MoP RPO Trajectory (%)					GERC RPO Trajectory (%)				
	Wind	Hydro	Distributed RE	Other	Total	Wind	Solar	Hydro	Others	Total
2022-23	0.81	0.35	--	23.44	24.60	8.25	8.00	0.00	0.75	17.00
2023-24	1.60	0.66	--	24.81	27.07	8.40	9.50	0.05	0.75	18.70
2024-25	0.67	0.38	1.50	27.35	29.91	8.55	11.25	0.10	0.80	20.70
2025-26	1.45	1.22	2.10	28.24	33.01	Yet to be notified				
2026-27	1.97	1.34	2.70	29.94	35.95					
2027-28	2.45	1.42	3.30	31.64	38.81					
2028-29	2.95	1.42	3.90	33.10	41.36					
2029-30	3.48	1.33	4.50	34.02	43.33					

4.26. Accordingly, in order to fulfil RPO requirement notified by MoP, Government of India, there is requirement of substantial RE capacity addition. To meet the objectives of catering Agriculture demand during day time through comparatively cheaper solar generation, extensive solar capacity addition is required. The details of RE capacity tied up by GUVNL and commissioned as on date is as under:

(in MW)

	Tied up	Commissioned	Under Construction
Solar total tied up	14610	4553	10257
Wind total tied up	5442	4274	1167
Other RE	162	66	96
Total	20212	8693	11520

4.27. The Petitioner GUVNL stated the tariff discovered in the e-RA in last five (5) tenders are as under:

Phase	Tender capacity (Base + Greenshoe) (MW)	Capacity tied	Tariff discovered	Tariff at GETCO Periphery	Month of e-RA
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		up (MW)	in e-RA (INR/kWh)		
XVIII	500+500 (Non-park)	860	2.51 – 2.52	2.51 – 2.52	Jan-23
XIX	500+500(Non-park)	1000	2.71 – 2.75	2.71 – 2.75	April-23
XVII	600+600 (Park) GSECL Tranche I	1200	2.73 – 2.89	2.84 – 3.00	May-23
XX	800+800 (Park) GSECL Tranche II	1600	2.70 – 2.71	2.81 – 2.82	June-23
XXII	500+500 (Non-Park)	680	2.63 – 2.65	2.63 – 2.65	Dec-23
XXI	600+600 (Park)	1200	2.54 – 2.55	2.64 – 2.65	Jan-24

4.28. The Petitioner GUVNL also stated the tariffs discovered by central bidding agencies in last six-seven months are as under:

Bidding Agency	Capacity (MW)	Tariff discovered in e-RA (INR/kWh)	Tariff at GETCO Periphery without Trading margin & ISTS charges	Month of e-RA
SECI	2000	2.60 – 2.61	2.70 – 2.71	July - 23
NHPC	3000	2.52 – 2.53	2.62 – 2.63	Nov - 23
SECI	1000	2.52 – 2.53	2.62 – 2.63	Dec - 23
PFC	1250	2.53 – 2.54	2.63 – 2.64	Dec - 23
SJVN	1500	2.52	2.62	Jan - 24
NREL	1500	2.60	2.70	Jan - 24

Looking to previously discovered tariffs of GSECL's Tranche I & II Bidding (Rs 2.70 – 2.89 per kWh) and on comparison with tariffs discovered in tenders of Central Bidding Agencies, tariffs discovered in present tender in range of Rs. 2.62 – 2.67 per kWh without ISTS Transmission Charges (landed cost at GETCO periphery considering 4% Transmission Losses is Rs 2.72 – 2.77 per kWh) is within the market range.

4.29. It is submitted that considering the need of solar power for utilization in KSY scheme, it is pertinent for GUVNL to sign the PPAs by the end of March 2024, so that SCSD (considering minimum 15 months from the date of signing of PPA) falls in the regime of 100% ISTS Transmission Charges waiver. PPA signing beyond 31.03.2024 will lead SCSD of the project beyond 30.06.2025 i.e. after the regime of 100% ISTS Transmission Charges waiver, which will in turn result into escalation in the cost of power procurement.

4.23. In view of the above and in accordance with Section 63 read with Section 86 (1) (b) of the Electricity Act 2003, the Petitioner has filed the present Petition for adoption of tariff discovered by the Petitioner in Competitive Bidding Process followed by e-reverse auction conducted through RfS No. GUVNL/1125 MW/Solar (Phase XXIII)

dated 29.01.2024 for Procurement of 1125 MW Power from Grid connected Solar PV Projects located in GSECL's RE Park at Khavda (GSECL Stage 3).

5. Office of the Commission is in receipt of affidavits dated 27.03.2024 from the Respondents No. 2 & 3 viz., NHPC Limited & JSW Neo Energy Limited and Affidavit dated 02.04.2024 of Respondent No. 1 Engie Energy India Private Limited respectively wherein it is stated that the Petitioner GUVNL has issued Letters of Intent (LoI) dated 14.03.2024 to them at the tariff of Rs. 2.66/kWh for Procurement of Power from the Solar PV Power Projects to be set up by them in GSECL's RE Park at Khavda (GSECL Stage 3) vide RfS No. GUVNL/1125 MW/Khavda/Solar (Phase-XXIII) dated 29.01.2024. It is further submitted that they are having no objection to adoption of tariff discovered by the Commission under the Competitive Bidding Process conducted vide RfS dated 29.01.2024 issued by the Petitioner GUVNL for Procurement of Power through Competitive Bidding Process followed by e-reverse auction from 1125 MW Grid Connected Solar Photovoltaic Power Projects without energy storage to be set up in GSECL's RE Park (GSECL Stage 3).
6. The matter was kept for hearing on 06.04.2024. After hearing the parties, the Commission has passed Daily Order dated 02.05.2024. The Commission has raised the query regarding the recent discovered tariff under tender issued by the Petitioner vide RFS No. GUVNL/600 MW/Khavda/Solar (Phase XXI) dated 04.07.2023 for Procurement of 600 MW Power from grid connected Solar PV Power Projects to be set in GIPCL's RE Park at Khavda wherein the tariff was discovered as Rs. 2.54-2.55 per unit whereas in RfS dated 29.01.2024 under the present Petition, the tariff was discovered as Rs. 2.62 -Rs. 2.67 per unit and sought the reasons and justification for such difference in tariff discovered within the span of such short period? Further, it is observed that the tariff discovered in bidding process are reducing in different bidding process and the solar modules price also seems reducing trends, whether Bid Evaluation Committee has observed any details in this regard. The Commission also recorded that in many Petitions for adoption of tariff before this Commission, the Petitioner GUVNL has not been stating fully about solar modules prices etc. It is noted by the Commission that the Petitioner is not submitted all details pertaining to present bidding process, i.e., all the details since initiation of bidding process by

publishing the public notice to completion of bidding process and filing of the Petition before the Commission for adoption of tariff and accordingly, directed the Petitioner to file submissions by providing justification with proper reasons in the present matter.

7. In response to the directives of the Commission vide above Order, the Petitioner GUVNL has filed its submissions in the present matter. The relevant extracts of the said submissions are reproduced as under:

“.....

2. *Hon'ble Commission during the hearing dated 06.04.2024 for the present petition has directed Petitioner to submit the justification on discovered tariff of Rs.2.62 – 2.67 under competitive bidding process conducted vide RfS No. GUVNL / 1125 MW / Khavda / Solar (Phase XXIII) dated 29.01.2024 issued by GUVNL for procurement of power through competitive bidding process (followed by e-reverse auction) from 1125 MW Grid Connected Solar Photovoltaic Power Projects to be set up in GSECL's RE Park at Khavda (GSECL Stage-3) without energy storage as compared to recently discovered tariff of Rs.2.54 – 2.55 in the competitive bidding process conducted vide RfS No. GUVNL / 600 MW / Khavda / Solar (Phase-XXI) dated 04.07.2023 issued by GUVNL for procurement of power through competitive bidding process (followed by e-reverse auction) from 600 MW Grid Connected Solar Photovoltaic Power Projects without energy storage to be set up in GIPCL's RE Park at Khavda (GIPCL Stage 1) with Greenshoe option of additional capacity upto 600 MW.*

3. *In this regard, it is submitted*

(A) *That tariffs are discovered in the range of Rs 2.62 – 2.67 per kWh in the transparent competitive bidding process conducted by the petitioner through RfS No. GUVNL/1125 MW/Khavda/Solar (Phase XXIII) dated 29.01.2024 issued by GUVNL for procurement of power through competitive bidding process (followed by e-reverse auction) from 1125 MW Grid Connected Solar Photovoltaic Power Projects to be set up in*

GSECL's RE Park at Khavda (GSECL Stage-3) without energy storage as per the Guidelines issued by Ministry of Power, GoI for Tariff Based Competitive Bidding Process for Procurement of Power from Grid Connected Solar PV Power Projects dated 28.07.2023.

- (B) Earlier, GUVNL had concluded two Khavda Park based tenders viz Phase XVII and Phase XX for projects to be set up in **GSECL's Park** as per the Guidelines issued by MoP for procurement of solar power under TBCB mode from solar PV Projects. The tariff discovered in these tenders are as under:

Phase	Tender capacity (Base + Greenshoe) (MW)	Capacity tied up (MW)	Tariff discovered in e-RA (INR/kWh)	Month of e-RA
XVII	600+600 (Park) GSECL Tranche I	1200	2.73 – 2.89	May-23
XX	800+800 (Park) GSECL Tranche II	1600	2.70 – 2.71	June-23

Pursuant to adoption of tariff by Hon'ble Commission and approval for signing of PPA, GUVNL has signed PPAs with Successful Bidders at above discovered tariffs.

- (C) Considering the above discovered tariff in Phase XVII and Phase XX in GSECL's Park in the range of Rs.2.70 – 2.89 per unit, the discovered tariff of Rs.2.62 to 2.67 per unit in the current tender is much lower.
- (D) Further, GUVNL had concluded Phase-XXI tender for procurement of power through competitive bidding process (followed by e-reverse auction) from 600 MW Grid Connected Solar Photovoltaic Power Projects without energy storage to be set up in GIPCL's RE Park at Khavda (GIPCL Stage 1) with Greenshoe option of additional capacity upto 600 MW, wherein tariff in the range of Rs.2.54 to 2.55 per unit has discovered in the month of January 2024.
- (E) **The following dissimilarities are observed between GSECL's and GIPCL's RE Park at Khavda:**

1. *GSECL has been allotted two blocks in Khavda RE Park which are named North Block & South Block. The elevation of these two blocks is uneven. The north region of north block and south region of south block are low elevation area, while south region of north block is comparably in high elevation and north region of south block is comparably medium elevation area.*
2. *The major of the plots reserved for allocation under this tender are laying in north block. One plot is reserved in south block.*
3. *Looking to the geographical conditions, there are many undulations in north plot.*
4. *There is no any uniform slope in the whole north plot. There are small hill on east part of various plots as per survey.*
5. *However, elevation difference in the GIPCL's park is less as compared to GSECL's park.*
6. *As GSECL's Park terrain is uneven, it will be prone to temporary water impoundment in low elevation area during the monsoon seasons during mid-June to mid-September every year.*
7. *Moreover, both Parks have different UDC charges that Park Developers can recover from Solar Project Developers.*

(F) Taking into consideration the adversity of Khavda RE park terrain, situated in a low lying area with silty, clay rich soil and salty land. Hence, plants are prone to corrosion. This poses significant challenges for building foundations for structure and modules sustainability and also in their operation and maintenance.

4. *In view of above submission, the discovered tariff in the range of Rs 2.62 – 2.67 per kWh are within the market range.*
5. *Hon'ble Commission is humbly requested to consider the prayer in Petition No. 2345 of 2024 and adopt the tariffs discovered under competitive bidding process conducted vide RfS No. GUVNL / 1125 MW / Khavda / Solar (Phase XXIII) dated 29.01.2024 issued by GUVNL for procurement of power through competitive bidding process (followed by e-reverse auction) from 1125 MW*

Grid Connected Solar Photovoltaic Power Projects to be set up in GSECL's RE Park at Khavda (GSECL Stage-3) without energy storage.

.....”

8. Further, the Petitioner GUVNL also filed its submissions vide affidavit dated 03.06.2024 in the present matter. The relevant extracts of the said submissions are reproduced as under:

“

2. *Hon'ble Commission during the hearing dated 06.04.2024 for the present petition has directed Petitioner to submit the justification on discovered tariff of Rs.2.62 – 2.67 under competitive bidding process conducted vide RfS No. GUVNL / 1125 MW / Khavda / Solar (Phase XXIII) dated 29.01.2024 issued by GUVNL for procurement of power through competitive bidding process (followed by e-reverse auction) from 1125 MW Grid Connected Solar Photovoltaic Power Projects to be set up in GSECL's RE Park at Khavda (GSECL Stage-3) without energy storage as compared to recently discovered tariff of Rs.2.54 – 2.55 in the competitive bidding process conducted vide RfS No. GUVNL / 600 MW / Khavda / Solar (Phase-XXI) dated 04.07.2023 issued by GUVNL for procurement of power through competitive bidding process (followed by e-reverse auction) from 600 MW Grid Connected Solar Photovoltaic Power Projects without energy storage to be set up in GIPCL's RE Park at Khavda (GIPCL Stage 1) with Greenshoe option of additional capacity upto 600 MW.*

Further, Hon'ble Commission vide Daily Order dated 02.05.2024 has directed the following. GUVNL's compliance to the same is as under –

“Para No 2.2: In response to the query of the Commission regarding the recent discovered tariff under tender issued by the Applicant/Petitioner vide RFS No. GUVNL/600 MW/Khavda/Solar (Phase XXI) dated 04.07.2023 for procurement of power 600 MW grid connected solar PV Power Projects to be set in GIPCL's RE park at Khavda wherein the tariff was discovered as Rs. 2.54-2.55 per unit whereas in RfS dated 29.01.2024 under the present Petition, the

tariff was discovered as Rs. 2.62 -Rs. 2.67 per unit and what are reasons and justification for such difference in tariff discovered within the span of such short period? Further, it is observed that the tariff discovered in bidding process are reducing in different bidding process, the price of solar modules price also seems reducing trends, whether Bid Evaluation 3 Committee has observed any details in this regard, the representative for the Applicant/Petitioner has requested to grant time for providing justification with proper reasons on affidavit for the same.

Para No. 3.3. We also note that the Petitioner has made their submissions and completed their arguments in the matter. As recorded above, as the representative of the Applicant/Petitioner has agreed to provide justification with proper reasons on affidavit regarding the difference in tariff discovered in RfS dated 04.07.2023 & and RfS dated 29.01.2024, we direct the Applicant/Petitioner to file the same, 4 within 10 days, from the date of this Order. The matter is reserved for Order thereafter.

GUVNL's compliance to above and directives of Hon'ble Commission during hearing dated 06.04.2024:

GUVNL vide affidavit dated 22.04.2024 has submitted a detailed justification in regard to differences in tariffs discovered in GUVNL Tenders Phase XXI and XXIII. The same is reiterated as under -

- 1. GSECL has been allotted two blocks in Khavda RE Park which are named North Block & South Block. The elevation of these two blocks are uneven. The north region of north block and south region of south block are low elevation area, while south region of north block is comparably in high elevation and north region of south block is comparably medium elevation area.*
- 2. Majority of the plots reserved for allocation under this tender are laying in north block. One plot is reserved in south block.*
- 3. Looking to the geographical conditions, there are many undulations in north plot.*
- 4. There is no any uniform slope in the whole north plot. There are small hill on east part of various plots as per survey.*

5. However, elevation difference in the GIPCL's park is less as compared to GSECL's park.
 6. As GSECL's Park terrain is uneven, it will be prone to temporary water impoundment in low elevation area during the monsoon seasons during mid-June to mid-September every year.
 7. Moreover, both Parks have different UDC that Park Developers recover from Solar Project Developers. UDC charges for GSECL Park are Rs.25.21/- Lakhs / MW as against GIPCL park i.e. Rs 24.57 lakhs / MW.
- The transparent competitive bidding process was conducted by GUVNL through RfS No. GUVNL / 1125 MW / Khavda / Solar (Phase XXIII) dated 29.01.2024 for procurement of power from 1125 MW Grid Connected Solar Photovoltaic Power Projects to be set up in GSECL's RE Park at Khavda (GSECL Stage-3) without energy storage as per the MOP Guidelines dated 28.07.2023.
 - As per the clause no.10.2 of the Guidelines:

"The procurer shall constitute a committee for evaluation of RfS bids. After the conclusion of bidding process, the Evaluation Committee constituted for 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 to the provisions of the RfS document. The evaluation authority should satisfy itself that the price of the selected offer is reasonable and consistent with the requirement. The evaluation committee shall have the right to reject all price bids if the rates quoted are not aligned to the prevailing market prices."

The Bid Evaluation Committee has critically evaluated the bids and in lights of following:

- (i) Earlier, GUVNL had concluded two Khavda Park based tenders viz Phase XVII and Phase XX for projects to be set up in GSECL's Park as per the Guidelines issued by MoP for procurement of solar power under TBCB mode from solar PV Projects. The tariff discovered in these tenders are as under:

Phase	Tender capacity (Base + Greenshoe) (MW)	Capacity tied up (MW)	Tariff discovered in e- RA (INR/kWh)	Month of e- RA
XVII	600+600 (Park) GSECL Tranche I	1200	2.73 – 2.89	May- 23
XX	800+800 (Park) GSECL Tranche II	1600	2.70 – 2.71	June- 23

Pursuant to adoption of tariff by Hon'ble Commission and approval for signing of PPA, GUVNL has signed PPAs with Successful Bidders at above discovered tariffs.

(ii) Considering the above discovered tariff in Phase XVII and Phase XX in GSECL's Park in the range of Rs.2.70 – 2.89 per unit and the difficult terrain of Khavda RE park, the discovered tariff of Rs.2.62 to 2.67 per unit in the current tender is much lower.

Therefore, it was concluded that tariff discovery in the GUVNL's tender Phase (XXIII) are within the market range. The same was approved by GUVNL Board, pursuant to which LOI(s) were issued to successful bidders.

"Para No 3.2: We have been observing that in many Petitions for adoption of tariff before this Commission, the Petitioner GUVNL has not been stating fully about solar modules prices etc. and the Commission had to seek such information. We also note that the Petitioner is not submitted all details pertaining to present bidding process, i.e., all the details since initiation of bidding process by publishing the public notice to completion of bidding process and filing of the Petition before the Commission for adoption of tariff. The Petitioner is, therefore, directed to provide the same within weeks' time in the present matter and also now onwards for all adoption of tariff petition."

GUVNL's Compliance to Para No 3.2:

GUVNL is conducting the tendering process for procurement of solar power in accordance with the TBCB guidelines of MOP dated 28.07.2023. Therefore, tariffs discovered through TBCB are generally in accordance to various prevailing market factors like price of solar modules, metal prices, labour

index, accessibility of site, park terrain (in case of Park based tenders) interest rate etc. Thus, rationality of tariff discovery is generally analysed on the basis of prevailing market prices.

Further, GUVNL has submitted all the documents in regard to tendering process of Phase XXIII Tender from publishing of tender notice to completion of bidding process. The list of documents along with page no submitted to Hon'ble Commission are as under –

<i>SN.</i>	<i>Particulars</i>	<i>Page No.</i>
<i>1</i>	<i>Petition with Affidavit dated 14.03.2024</i>	<i>1-16</i>
<i>2</i>	<i>GUVNL's intimation of initiation letter dated 30.01.2024 (Annexure-A)</i>	<i>17-18</i>
<i>3</i>	<i>Notice Inviting Tender in two national newspapers (Annexure-B)</i>	<i>19-20</i>
<i>4</i>	<i>All the tender documents of GUVNL including RfS, Draft PPA, and corrigendum & Addendums are placed herewith as (Annexure-C)</i>	<i>21-190</i>
<i>5</i>	<i>Technical Bid Evaluation Report (Annexure-D)</i>	<i>191-203</i>
<i>6</i>	<i>Financial Bid Evaluation Report (Annexure-E)</i>	<i>204-212</i>
<i>7</i>	<i>Letters of Intent (LOIs) dated 14.03.2024 (Annexure-F)</i>	<i>213-227</i>
<i>8</i>	<i>Written submission & replies based on Hon'ble Commission's Directives during the hearing dated 06.04.2024</i>	<i>238-244</i>

However, for the ease of Hon'ble Commission, GUVNL once again submits the same. Moreover, GUVNL shall comply to the above directives of Hon'ble Commission now onwards for all adoption of tariff petition.

9. The Respondent No. 4 SJVN Green Energy Limited (SGEL) has filed affidavit dated 01.04.2024 before the Commission on 24.04.2024 in the present matter stating that the Petitioner GUVNL has issued Letters of Intent (LoI) dated 14.03.2024 to them at the tariff of Rs. 2.66/kWh for Procurement of Power from the Solar PV Power Projects to be set up by them in GSECL's RE Park at Khavda (GSECL Stage 3) vide RfS No. GUVNL/1125 MW/Khavda/Solar (Phase-XXIII) dated 29.01.2024. It is further submitted that the Respondent SGEL having no objection to adoption of discovered tariff by the Commission under the Competitive Bidding Process conducted vide RfS dated 29.01.2024 issued by the Petitioner GUVNL for Procurement of Power through Competitive Bidding Process followed by e-reverse auction from 1125 MW Grid Connected Solar Photovoltaic Power Projects without energy storage to be set up in GSECL's RE Park (GSECL Stage 3).
10. Despite being liberty granted to the Petitioner and Respondents to file their reply, the

Respondent No. 5 NTPC Renewable Energy Limited has chosen not to file their reply in the present matter.

11. We have considered the submissions made by the Parties. The Petitioner has filed the present Petition under Section 63 read with Section 86(1)(b) of the Electricity Act, 2003. The Petitioner has sought the approval of the Commission for adoption of discovered tariff in the range of Rs. 2.62 – Rs. 2.67 per unit quoted by successful bidders under Competitive Bidding Process followed by e-reverse auction of Bid No. RfS No. GUVNL/1125 MW/Khavda/Solar (Phase XXIII) dated 29.01.2024, issued by GUVNL for Procurement of Power through Competitive Bidding Process (followed by e-reverse auction) from 1125 MW Grid Connected Solar Photovoltaic Power Projects without energy storage to be set up in GSECL's RE Part at Khavda (GSECL Stage 3).
- 11.1. The Petitioner is purchasing power in bulk for and on behalf of four Distribution Licensees, namely, DGVCL, MGVCL, PGVCL and UGVCL. The Petitioner also procures the renewable power by entering into agreements with the developers for its four Distribution Licensees towards fulfilment of their RPO as specified by the Commission in the GERC (Procurement of Energy from Renewable Sources) Regulations, 2010 as amended from time to time including the GERC (Procurement of Energy from Renewable Sources) (Third Amendment) Regulations, 2022. In the said Regulations, the Commission has stipulated the RPO requirement of Distribution Licensees till FY 2024-25 as under:

Year	Minimum Quantum of purchase (in %) from renewable energy sources (in terms of energy in kWh)				
	Wind (%)	Solar (%)	Hydro Power Purchase Obligation (HPO) (%)	Others (Biomass, Bagasse & Bio-fuel based cogeneration, MSW and Small/Mini/Micro Hydro) (%)	Total (%)
(1)	(2)	(3)	(4)	(5)	(6)
2017-18	7.75	1.75		0.50	10.00
2018-19	7.95	4.25		0.50	12.70
2019-20	8.05	5.50		0.75	14.30
2020-21	8.15	6.75		0.75	15.65
2021-22	8.25	8.00		0.75	17.00
2022-23	8.25	8.00		0.75	17.00
2023-24	8.40	9.50	0.05	0.75	18.70
2024-25	8.55	11.25	0.10	0.80	20.70

From the above table it is apparent that the Petitioner is required to procure substantial quantum of Solar power, since the Commission has increased the Solar RPO in view of the requirement stipulated by the Government of India. Accordingly, in order to meet the Solar RPO target, the Petitioner had initiated the Competitive Bidding Process followed by e-reverse auction for Procurement of 1125 MW Power from Grid Connected Solar Photovoltaic Power Projects without energy storage to be set up in GSECL's RE Part at Khavda (GSECL Stage 3) through RfS No. GUVNL/1125 MW/Khavda/Solar (Phase XXIII) dated 29.01.2024.

- 11.2. We note that the State Government vide G.R. dated 25.01.2019 has notified the Policy for allotment of land for development of Wind/Solar/Hybrid Parks and accordingly, the High-Power Committee was constituted in order to decide about allocation of land to various developers. The Revenue Department, Government of Gujarat has allotted approximately 72,400 hectares of land for 27,700 MW of Renewable Energy capacity at Khavda in Kutch District of Gujarat, out of which 3325 MW and 2375 MW capacity has been allotted to GSECL and GIPCL respectively. The Petitioner GUVNL has given 'In-Principle' approval to GSECL and GIPCL for Procurement of Power from their respective projects to be set up in their respective RE Parks at Khavda.
- 11.3. We also note that out of 3325 MW GSECL's RE Park at Khavda, the Petitioner GUVNL has filed the Petition No. 2217 of 2023 before the Commission for adoption of tariff and upon the Commission's approval thereon vide its Order dated 31.07.2023, GUVNL has signed PPAs for 600 MW capacity with NHPC, SJVN & NREL for 200 MW at tariff of Rs.2.73 - 2.89 per kWh in First Tranche Bidding of GSECL. Thereafter, the Petitioner GUVNL has filed Petition No. 2248 of 2023 seeking adoption of tariff for 1600 MW capacity and upon the Commission's approval thereon vide its Order dated 23.02.2024, the Petitioner has signed PPAs for 1600 MW capacity with KPI Green Energy (200 MW), SAEL Industries Limited (800 MW) & NLC India Limited (600 MW) at tariff of Rs. 2.70 - 2.71 per kWh in Second Tranche Bidding of GSECL.
- 11.4. With regard to balancing 1125 MW, the Petitioner has initiated the Competitive Bidding Process followed by e-reverse auction as per Section 63 of the Electricity Act, 2003 vide RfS No. GUVNL/1125 MW/Khavda/Solar (Phase XXIII) dated 29.01.2024 for Procurement of 1125 MW from the Grid connected Solar Photovoltaic Power

Projects without energy storage to be set up in GSECL's RE Part at Khavda (GSECL Stage 3) with an intimation vide letter dated 30.01.2024 to the Commission. In view of the generation benefit from the PPAs executed under Competitive Bidding which may be made available after a lapse of about 15-21 months will be useful in achieving RPO compliance of ensuing years as well for keeping overall power purchase cost under control, the Petitioner GUVNL had initiated Competitive Bidding Process followed by e-reverse auction for Procurement of Power from 1125 MW Grid Connected Solar Photovoltaic Power Projects without energy storage to be set up in GSECL's RE Park at Khavda (GSECL Stage 3).

11.5. We note that while processing the tender under RfS dated 29.01.2024, the Petitioner has stated that Delivery Point is at CTU periphery. As GNA Regulations has come into effect from October 2023, GUVNL is required to make application for transmission of power up to GETCO periphery and all applicable charges and losses, beyond the delivery point are to be borne by GUVNL. As per Ministry of Power Order dated 23.11.2021, solar projects commissioned upto 30.06.2025 are entitled for 100% ISTS Transmission Charges. Thereafter, ISTS Transmission Charges shall be gradually made applicable from 25%-100% to RE Projects commissioned after 30.06.2025. As per the tender condition, Scheduled Commencement of Supply Date (SCSD) of project is *"the date falling immediately after completion of 21 months from the date of execution of PPA or actual COD of Associated Transmission System of Khavda Solar Park whichever is earlier, subject to minimum time period of 15 months from the date of execution of PPA"*. Accordingly, SCSD can be expected by June 2025 i.e., before the deadline of 100% ISTS Transmission Charges waiver; if the PPA(s) are signed latest by end of March, 2024. However, connectivity for 1125 MW capacity under tender is granted by CTUIL in Phase-IV, i.e., January 2026. Thus, evacuation of power from the projects could be possible from January 2026, i.e., after the deadline of 100% ISTS Transmission Charges waiver.

11.6. It is submitted by the Petitioner that the power is aimed to be utilized for supply of day time cheaper power to agricultural consumers of State under prestigious Kisan Suryoday Yojana of State Government. Since, there were significant financial implications in terms of applicability of transmission charges and deemed generation, a meeting was held under the chairmanship of Additional Chief Secretary - Revenue,

Government of Gujarat on 18.11.2023 wherein the matter regarding grant of early connectivity for remaining 3.5 GW capacity was discussed and CTUIL was requested to issue the clarity in the matter and take necessary action for granting transmission connectivity for 3.5 GW before June 2025 so as to enable GUVNL to go ahead with the tendering process. Energy & Petrochemicals, Government of Gujarat has issued a letter dated 22.11.2023 to the MNRE, Government of Gujarat, wherein it is requested to impress upon CTUIL for grant of connectivity for evacuation of 3.5 GW power from Khavda Pooling Station 1 or 2 prior to June 2025.

11.7. It is also submitted by the Petitioner GUVNL that the meeting was held on 07.12.2023 between GPCL with Khavda RE Park Developers, CTUIL, PGCIL and GUVNL to review the progress of Khavda RE Park. In the aforesaid meeting, the matter regarding delayed connectivity of 3.5 GW power from RE Parks of GSECL and GIPCL was discussed at length and the Petitioner GUVNL has briefed regarding the financial implications on GUVNL due to applicability of ISTS charges due to delayed connectivity, deemed generation liability as per provisions of PPA due to SCSD timelines of project not commensurate with connectivity timelines. GUVNL also pointed out the aspect that objective of implementation of KSY Scheme for which the said power procurement is planned is getting hampered. In view of this, CTUIL was emphasized to grant early connectivity for remaining 3.5 GW capacity of GSECL and GIPCL Parks before June 2025 under special circumstances. In the meantime, a meeting was conducted under the Chairmanship of Hon'ble Chief Minister of Gujarat, wherein it was directed to complete the tendering process & sign the PPA(s) for procurement of power from Khavda RE Park at the earliest. In order to avoid financial implications due to delayed connectivity and on either party in terms of liquidated damages of deemed generation compensation, the Petitioner was added the following clause in the tender documents (RfS and PPA) and has proceeded with tendering process as under: -

"In case there is delay in operationalization of transmission evacuation network, SCSD of the project shall stand auto extended upto 30 days from the date of operationalization of connectivity and there shall be no liability on both the parties in terms of deemed generation or liquidated damages."

11.8. Ministry of Power, Government of India has notified “New Guidelines for Tariff Based Competitive Bidding Process for the Procurement of Power from Grid Connected Solar PV Power Projects, on 28.07.2023. Pursuant to the such guidelines, the Petitioner GUVNL had sought approval of the State Government for the deviation in the Solar tenders in certain Clauses from the new Guidelines with regard to Change in Law, Force Majeure, Issuance of Letter of Intent (LoI), Bid Structure, Arrangements related to Commencement of Supply and role of GEDA as a State Nodal Agency, etc., which was also approved and conveyed by the State Government vide letter dated 29.09.2023 to such deviations, as proposed by the Petitioner GUVNL.

11.9. We note that the Petitioner has also issued ‘Notice Inviting Tender’ so as to provide wide publicity of the said tender i.e., RfS No. GUVNL/1125 MW/Khavda/Solar (Phase XXIII) dated 29.01.2024 by publishing notice in two National newspapers, viz, (i) Indian Express and (ii) Business Line on 31.01.2024 having wide circulation and to seek wide participation from the participating bidders. The Petitioner also hosted the Bid Documents on its website as well as on the e-bidding portal ‘Bharat-electronic tender’. Further, the Petitioner also held a Pre-Bid Meeting through video conference on 02.02.2024, wherein key bid parameters, provisions of bid documents & timelines were discussed, and the queries raised by the Prospective Bidders were addressed by the Petitioner for which minutes of meeting were also issued and hosted on the websites of GUVNL and on e-bidding portal. The last date of bid submission in the tendering process was 15.02.2024 and considering requests of time extension of prospective bidders by the Petitioner, the same was extended upto 23.02.2024.

11.10. We note that the Petitioner received online as well as offline bids from 6 (six) bidders, viz., (i) SJVN Green Energy Limited, (ii) NHPC Limited, (iii) Engie Energy India Private Limited, (iv) NTPC Renewable Energy Limited, (v) JSW Neo Energy Limited and (vi) NLC India Limited offering aggregate capacity of 1500 MW against 1125 MW capacity and the technical bid opening was held on 27.02.2024 in the presence of Bid Evaluation Committee consisting of following officials:

Sr. No.	Name	Designation
1	Shri H.N. Shah	General Manager (RE)
2	Shri Parthiv Bhatt	Company Secretary, GUVNL
3	Smt. Bhavani Ghattamaneni	Chief Finance Manager (RE)
4	Shri Nilay D Joshi	Controller of Accounts (F&A)

11.11. It is also submitted by the Petitioner that aforesaid bids received from six (6) bidders were opened in presence of Bid Evaluation Committee and also evaluated by said Committee. We also note that the bids submitted by the bidders were scrutinized as per terms and conditions of RfS. As per technical evaluation report of the said Committee, it is observed that all the six (6) bids received were technically qualified and technical evaluation report signed by the Members of the Bid Evaluation Committee is filed by the Petitioner, which is reproduced below:

“Technical Bid Evaluation Report

RFS No. GUVNL/1125 MW/Khavda/Solar (Phase XXIII) dated 29.01.2024

Tender for Procurement of Power through Competitive Bidding Process (followed by e-reverse auction) from 1125 MW Grid Connected Solar Photovoltaic Power Projects to be set up in GSECL's RE Park at Khavda (GSECL Stage 3) without energy storage

29th February 2024

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1. Background

Gujarat Urja Vikas Nigam Limited (GUVNL) has floated the tender on 29.01.2024 for procurement of power through competitive bidding process (followed by e-reverse auction) from 1125 MW Grid connected Solar Photovoltaic Power Projects to be set up in GSECL's RE Park at Khavda (GSECL Stage 3) without energy storage. (Conducted through electronically facilitated online web based portal followed by reverse auction) as notified via RfS No. GUVNL/1125 MW/Khavda/Solar (Phase XXIII) dated 29.01.2024. The tender documents have been prepared based on Tariff Based Competitive Bidding Guidelines of MoP, dated 28.07.2023. As per Clause No. 3.1.1 (b) & 16 of the new Guidelines, GUVNL vide letter dated 11.09.2023 has sent proposal to EPD-GoG to obtain approval of the State Government for the deviation from the new

Guidelines in the current and future solar tenders. State Government vide letter No. REN/e-file/20/2023/1781/B1 dated 29.09.2023 has approved the deviations, as proposed by GUVNL.

Hence, in accordance with new guidelines and deviations approved by the State Government, the tender documents have been prepared and uploaded on e-Bidding portal.

The last date of online bid submission was 23.02.2024 and offline bid submission was 26.02.2024.

As per the approval of the Competent Authority of GUVNL, the Bid Evaluation Committee has been formed and consist following members:

Sr. No.	Name	Designation
1	Shri H.N. Shah	General Manager, (RE)
2	Shri Parthiv Bhatt	Company Secretary
3	Smt. Bhavani Ghattamaneni	Chief Finance Manager, RE
4	Shri Nilay D. Joshi	Controller of Accounts (F&A)

This report outlines the responses of all the bidders in respect of Non-Financial (technical) bid evaluation and recommendations of committee.

2. Details of Tender

RfS Reference No.	RfS No. GUVNL /1125 MW/Khavda/Solar (Phase XXIII) dated 29.01.2024.
Capacity	Total capacity of 1125 MW Grid Connected Solar Photovoltaic power projects to be set up in GSECL' Solar Park at Khavda (GSECL Stage 3) without energy storage.
Minimum Bid Capacity	Each Bidder shall be allowed to place a bid for minimum 100 MW capacity and in multiples of 100 MW only.
Eligible Projects & Technology	The Projects selected under this tender shall, deploy Solar PV Technology. However, the selection of projects would be technology agnostic within the technology adopted as per Annexure A of RfS or in accordance with MNRE's Approved List of Models and Manufacturers of Solar PV Modules (Requirements for Compulsory Registration) Order, 2019 as amended from time to time, whichever is applicable. Crystalline silicon or thin film etc., with or without trackers can be installed. Only commercially established and operational technologies can be used, to minimize the technology risk and to achieve the timely commissioning of the Projects.
Criteria For Generation	The Successful Bidder will declare the annual CUF of his Project at the time of submission of response to RfS, which shall be allowed to be modified until 1 year after Commencement of Supply Date (CSD) of the project. Thereafter, the CUF for the Project shall remain unchanged for the entire term of the PPA. The declared annual CUF shall in no case be less than 17%. Successful Bidder shall maintain generation so as to achieve annual CUF within +10% and -15% of the contracted CUF till the end of 10 years from CSD, and within +10% and -20% of the contracted annual CUF thereafter till the end of the PPA duration of 25 years, subject to the annual CUF remaining minimum of 15%. The annual CUF will be

	<i>calculated every financial year from 1st April to 31st March except for first and last contract year.</i>
Term of PPA	<i>25 years from SCSD</i>
Tender Fee (non refundable)	<i>Rs. 25,000/- plus 18% GST to be submitted, along with the response to RfS in favour of "Gujarat Urja Vikas Nigam Limited" payable at Vadodara mandatorily through NEFT/RTGS the details of which shall be mentioned in Electronic Form on e-bidding portal.</i>
Processing Fee (non refundable)	<i>Rs. 3 Lakhs plus 18% GST to be mandatorily paid through electronic mode (NEFT/RTGS). The payment details shall be mentioned in Electronic Form on e-bidding portal.</i>
EMD	<i>Earnest Money of Rs. 9,28,000/- per MW is to be submitted along with the Response to RfS in the form of Bank Guarantee.</i>

3. Response to RFS

A total of 6 (Six) responses for aggregate capacity of 1500 MW were received by GUVNL. The list of the bidders and the capacity offered is as below.

Sr. No.	Bidders	Quoted Capacity (MW)
1	<i>SJVN Green Energy Limited</i>	<i>200</i>
2	<i>NHPC Limited</i>	<i>200</i>
3	<i>Engie Energy India Private Limited (formerly known as Solairedirect Energy India Private Limited)</i>	<i>200</i>
4	<i>NTPC Renewable Energy Limited</i>	<i>400</i>
5	<i>JSW Neo Energy Limited</i>	<i>300</i>
6	<i>NLC India Limited</i>	<i>200</i>
	Total	1500

The Technical bids were opened on 27.02.2024 on e-bidding portal as per tender timeline.

4. Principles of Evaluation

As per the terms of the RfS documents, the techno-commercial evaluation of the bids is to be done in accordance with the bid evaluation methodology specified in the RfS.

The Technical Bids of only those Bidders are to be considered whose bids/documents have been received on or before the due date and time of submission of bids as per the terms of the RfS.

Due examination of the documents submitted by the Bidders is to be done ascertaining the eligibility criteria specified under the RfS. In case of a perceived non-responsiveness, queries are to be raised by GUVNL on the ISN-ETS web-portal and

clarifications/additional documents are to be sought from the concerned bidders within 2 days from the date of such intimation from GUVNL.

Upon due submissions of clarification/additional documents sought (if any) and careful examination of the same by the Members of the Bid Evaluation Committee, the Bidders are to be declared as Technically Qualified Bidders and the Financial Bids of only such qualified Bidders are to be opened as per the terms and conditions of the RfS.

The response to the RfS submitted by the Bidders are to be scrutinised to establish Techno-Commercial eligibility criteria as per the RfS, which are as under: -

Qualification Requirements:

The Bidder should meet the following eligibility criteria:

Net worth:

i) The Net-Worth (as per Companies Act, 2013) of the Bidder or its Affiliate or Parent/Ultimate Parent as on date of financial year ending 31.12.2023 or 31.03.2023 as the case may be, shall not be less than INR 0.928 Crores (Rs. 92,80,000/-) per MW of the capacity quoted. In case the Bidder is a newly formed company, supported by documentary evidence of its recent formation at ROC or in case the net worth of the Bidder is not meeting the required criteria on the dates mentioned above, the bidders can submit the Net-worth credentials based on latest available date and GUVNL shall accept the same subject to submission of documents mentioned at 3.15.

ii) The net worth to be considered for the above purpose will be the cumulative net-worth of the bidding company or consortium together with the net worth of those Affiliates of the bidder(s) that undertake to contribute the required equity funding and performance bank guarantees in case the bidder(s) fail to do so in accordance with the RfS.

iii) For avoidance of doubt, "net worth" as per section 2 (57) of the Companies Act 2013 means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure

not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation.

iv) For meeting the above financial eligibility criteria, if data is provided by the Bidder in USD, equivalent rupees of Net Worth and other financial parameters will be calculated by Bidder using Reserve Bank of India's reference rates prevailing on the date of closing of accounts for the respective financial year.

v) Pursuant to evaluation of Net Worth Criteria as part of technical bid, if it is found by GUVNL that the Bidder is eligible for lesser quantum than the quantum for which bid has been submitted, then the Bidder shall be qualified for such lesser quantum, provided that such quantum is not less than minimum bid capacity, i.e. 100 MW.

The Summary of the Net-worth submitted by the bidders is as under:

Sr. No.	Name	Quoted Capacity MW	Net Worth as per CA certificate and Audited Balance Sheet of March 2023 (Rs.-Crs.)			Net worth per MW (in Rs. Crs.) For Quoted Capacity
			Bidder	Parent/Affiliate	Total	
01.	SJVN Green Energy Limited	200	1289.04	13821.97	15111.01	75.56
02.	NHPC Limited	200	38088.22	-	38088.22	190.44
03.	Engie Energy India Private Limited (Formerly known as Solairedirect Energy India Pvt. Ltd)	200	657.58	-	657.58	3.29
04.	NTPC Renewable Energy Limited	400	1089.69	-	1089.69	2.72
05.	JSW Neo Energy Limited	300	8644.89	-	8644.89	28.82
06.	NLC India Limited	200	14638.86		14638.86	73.19
Total		1500				

2. OTHER ELIGIBILITY CRITERIA

Bidders have to submit the following Formats/Annexures/Undertaking along with online technical bid:

1. *FORMAT – 6.1: Covering Letter:*
2. *FORMAT – 6.2: Format for Power Attorney:*
3. *FORMAT – 6.3 A: Format for Earnest Money Deposit:*

4. *FORMAT – 6.4: Format for Board Resolution:*
5. *FORMAT – 6.5: Format for Consortium Agreement:*
6. *FORMAT – 6.6: Format of Disclosure: Parent, Affiliate or Ultimate Parent or any Group Company with which we have direct or indirect relationship are not willful defaulter to any lender and there is no major litigation pending or threatened against us or any of our Affiliates which are of a nature that could cast a doubt on our ability or sustainability to undertake the Project. Clause is regarding restrictions on procurement from a bidder of a country which shares a land border with India referred Office Memorandum issued by Department of Expenditure, Ministry of Finance, vide No. 6/18/2019-PPD dated 23.07.2020.*
7. *FORMAT – 6.8: Format of Commitment to Financial Closure:*
8. *FORMAT – 6.9: Undertaking of Non-Debarment in Bid Participation:*
9. *Annexure - I: Disclosure: Name of Bidder & any of our Affiliate including any Consortium Member & any of its Affiliate, our directors have not been barred or included in the blacklist by any Government Agency or Authority in India, the Government of the jurisdiction of the Name of Bidder or Members where we are incorporated or the jurisdiction of our principal place of business, any international financial institution such as the World Bank Group, Asian Development Bank, African Development Bank, Inter-American development Bank, Asian Infrastructure Investment Bank etc. or the United Nations or any of its agencies.*

5. Evaluation of Responses

Evaluation of Responses are indicated in the following table:

(1) Net Worth Requirement:

SN	Bidders	Quoted Capacity MW (A)	Net Worth as per RfS (Crs Per MW) (B)	Total Net Worth Requirement (Crs Per MW) (A)*(B)	Net Worth As per Chartered Accountant Certificate (Crs)	Remark
1	SJVN Green Energy Limited	200.00	0.98	185.6	15111.01	Qualified
2	NHPC Limited	200.00	0.98	185.6	38088.22	Qualified
3	Engie Energy India Private Limited (Formerly known as Solairedirect Energy)	200.00	0.98	185.6	657.58	Qualified

	India Pvt. Ltd)					
4	NTPC Renewable Energy Limited	400.00	0.98	371.2	1089.69	Qualified
5	JSW Neo Energy Limited	300.00	0.98	278.4	8644.89	Qualified
6	NLC India Limited	200.00	0.98	185.6	14638.86	Qualified
	Total	1500				

(2) Other Eligible Criteria

SN	Bidders	Format 6.1	Format 6.2	Format 6.3 A	Format 6.4	Format 6.5	Format 6.6	Format 6.8	Format 6.9	Annexure - I
1	SJVN Green Energy Limited	Provided	NA	Provided	Provided	NA	Provided	Provided	Provided	Provided
2	NHPC Limited	Provided	NA	Provided	Provided	NA	Provided	Provided	Provided	Provided
3	Engie Energy India Private Limited (Formerly known as Solairedirect Energy India Pvt. Ltd)	Provided	NA	Provided	Provided	NA	Provided	Provided	Provided	Provided
4	NTPC Renewable Energy Limited	Provided	NA	Provided	Provided	NA	Provided	Provided	Provided	Provided
5	JSW Neo Energy Limited	Provided	NA	Provided	Provided	NA	Provided	Provided	Provided	Provided
6	NLC India Limited	Provided	NA	Provided	Provided	NA	Provided	Provided	Provided	Provided

6. Summary of Technical Evaluation Criteria

All the 6 (six) bidders are technically evaluated on the basis of above criteria specified in RfS.

All the bidders are found to be technically qualified.

The list of technically qualified bidders alongwith details of capacity are as under:

SN	Bidders	Quoted Capacity MW	Remark
1	SJVN Green Energy Limited	200.00	Qualified
2	NHPC Limited	200.00	Qualified
3	Engie Energy India Private Limited (Formerly known as Solairedirect Energy India Pvt. Ltd)	200.00	Qualified
4	NTPC Renewable Energy Limited	400.00	Qualified
5	JSW Neo Energy Limited	300.00	Qualified
6	NLC India Limited	200.00	Qualified
	Total	1500	

7. Way Forward

Based on the examination of records, the committee recommends that the Financial bids of above 6 (Six) bidders may be opened.

Sr. No.	Name	Designation	Signature
1	Shri H.N. Shah	General Manager, RE	Sd/-
2	Shri Parthiv Bhatt	Company Secretary, GUVNL	Sd/-
3	Smt. Bhavani Ghattamaneni	Chief Finance Manager, RE	Sd/-
4	Shri Nilay D Joshi	Controller of Accounts, F&A	Sd/-

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From the Technical Evaluation Report, it is apparent that all the 6 (six) bidders offering aggregate capacity of 1500 MW were found to be responsive and hence were deemed qualified for opening of their financial bids. Accordingly, as per the Technical Report of the Bid Evaluation Committee and recommendation after technical bid evaluation of all the 6 (six) bidders to be technically qualified, the financial bids of 6 bidders aggregating to total 1500 MW capacity were opened on 02.03.2024 on e-bidding portal of M/s ISN-ETS in presence of the Bid Evaluation Committee.

11.12. In accordance with aforesaid report, the Financial Bids of all 6 (six) bidders were opened on 02.03.2024 on e-bidding portal in presence of Bid Evaluation Committee. As per financial bid evaluation report of the said Committee it is observed that all the 6 (six) bids received were financial qualified and financial bid evaluation report signed by the Members of the Bid Evaluation Committee is filed by the Petitioner, which is reproduced below:

“Financial Bid Evaluation Report

RFS No. GUVNL/1125 MW/Khavda/Solar (Phase XXIII) dated 29.01.2024

Tender for Procurement of Power through Competitive Bidding Process (followed by e-reverse auction) from 1125 MW Grid Connected Solar Photovoltaic Power Projects to be set up in GSECL's RE Park at Khavda (GSECL Stage 3) without energy storage

02nd March 2024

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1. Background

Gujarat Urja Vikas Nigam Limited (GUVNL) has floated the tender (in accordance with the MoP guidelines dated 28.07.2023 & deviations approved by the State Government) for procurement of power through competitive bidding process (followed by e-reverse auction) from 1125 MW Grid connected Solar Photovoltaic Power Projects to be set up in GSECL's RE Park at Khavda (GSECL Stage 3) without energy storage. (Conducted through electronically facilitated online web based portal followed by reverse auction) as notified via RfS No. GUVNL/1125 MW/Khavda/Solar (Phase XXIII) dated 29.01.2024. The last date of online bid submission was 23.02.2024 and offline bid submission was 26.02.2024.

GUVNL has uploaded the tender documents (RfS and Draft PPA) on its own website as well as on the e-bidding portal of M/s ISN Electronic Tender Services Pvt. Limited (ISN-ETS).

GUVNL has constituted a Committee comprising of the following members for opening and evaluation of the technical and financial bids:

Sr. No.	Name	Designation
1	Shri H.N. Shah	General Manager, (RE)
2	Shri Parthiv Bhatt	Company Secretary
3	Smt. Bhavani Ghattamaneni	Chief Finance Manager, RE
4	Shri Nilay D. Joshi	Controller of Accounts (F&A)

The technical Bids were opened at 11:30 HRS on 27.02.2024.

The above committee has evaluated the technical bids of below mentioned bidders:

SN	Bidders	Quoted Capacity (MW)	CUF %
1	SJVN Green Energy Limited	200.00	28.8%
2	NHPC Limited	200.00	27%
3	Engie Energy India Private Limited (Formerly known as Solairedirect Energy India Pvt. Ltd)	200.00	30%
4	NTPC Renewable Energy Limited	400.00	30.20%
5	JSW Neo Energy Limited	300.00	27.50%
6	NLC India Limited	200.00	30.97

	Total	1500	
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As per technical bid evaluation report of the committee, all the above Bidders are found technically qualified.

This Report outlines the Financial Bid Evaluation and recommendations of Committee.

2. Financial Bid Opening

Pursuant to the recommendation of the Bid Evaluation Committee vide the 'Technical Bid Evaluation Report', the Financial Bids (electronic forms) of below mentioned 6 (Six) technically qualified Bidders were opened on the e-bidding portal of M/s ISN-ETS at 11:30 HRS on 02.03.2024 before the Bid Evaluation Committee at GUVNL, Vadodara.

SN	Bidders	Quoted Capacity (MW)	CUF %
1	<i>SJVN Green Energy Limited</i>	200.00	28.8%
2	<i>NHPC Limited</i>	200.00	27%
3	<i>Engie Energy India Private Limited (Formerly known as Solairedirect Energy India Pvt. Ltd)</i>	200.00	30%
4	<i>NTPC Renewable Energy Limited</i>	400.00	30.20%
5	<i>JSW Neo Energy Limited</i>	300.00	27.50%
6	<i>NLC India Limited</i>	200.00	30.97
	Total	1500	

The members of the Bid Evaluation Committee scrutinized the electronic responses submitted by the Bidders and evaluated shortlisted bidders qualified for e-reverse auction in terms of the RfS.

3. Principles of Evaluation

As per the terms of the tender documents, the financial evaluation of the bids is to be done based on the tariff quoted by the Bidders in the Electronic Forms in accordance with the bid evaluation methodology specified in the RfS.

As per the terms of the RfS, the Total Eligible Bidders for e-reverse auction is to be decided as per illustration below:-

Assuming

T = Total number of techno-commercially qualified bidders,

S_T = Capacity of the total number of techno-commercially qualified bidders

S_K = Cumulative capacity till the ' k 'th serial number bidder (not the ' k 'th rank bidder) after ranking is done in ascending order from L1 onwards

S_E = Eligible Capacity for Award

n = No. of bidders shortlisted for e-RA

S_E = (Eligible capacity for award)	(i) In case $S_T \leq 800$ MW; $S_E = 0.8 \times S_T$, (ii) In case $S_T \geq 800$ MW; $S_E = 0.8 \times S_T$, subject to maximum eligible capacity being 500 MW.
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Total eligible bidders for e-Reverse Auction

(i) In case $(0.8 \times ST) \leq 500$ MW – All techno-commercially qualified bidders whose financial bids are in accordance with the provisions of the RfS provisions, will be shortlisted for e-RA.

Accordingly, the no. of Bidders shortlisted for e-RA, i.e., $n=T$

(ii) In case $(0.8 \times ST) > 500$ MW – The lowest ranked bidder i.e., the bidder quoting the highest tariff (the "H1 Bidder") shall be eliminated at this stage and remaining techno-commercially qualified bidders whose financial bids are in accordance with the provisions of the RfS, will be shortlisted for e-RA.

Accordingly, the no. of Bidders shortlisted for e-RA, i.e., $n=T - 1$

Note: -

(a) In case more than one bidder is ranked as H1 bidder, i.e., such bidders are at the same tariff, all such bidders will be eliminated at this stage.

(b) The above elimination will take place subject to the condition that the total bid capacity after such elimination remains more than 600 MW.

In the contradictory scenario, no elimination will take place at this stage.

4. Evaluation of shortlisted bidders qualified for e-RA

As per the terms of the tender documents, the Total Eligible Bidders shortlisted for e-reverse auction are as per details tabulated herein below: -

Financial Bid Opening dated 01.07.2023 Phase XX				
Rank	Name of Bidder	Capacity (MW)	Rate (Rs./Unit)	Status
L1	Engie Energy India Private Limited (Formerly known as Solairedirect Energy India Pvt. Ltd)	200	2.62	Qualified for E-RA (1300 MW)
L2	NHPC Limited	200	2.68	
L3	JSW Neo Energy Limited	300	2.69	
L4	SJVN Green Energy Limited	200	2.70	
L5	NTPC Renewable Energy Limited	400	2.78	

H1	NLC India Limited	200	2.81	Not Qualified being H1
Total Capacity Qualified		1500		

Based on the financial bid evaluation in terms of the RfS, NLC being the H1 is not qualified for E-reverse Auction. The above mentioned 5 (five) no. of bidders aggregating to 1300 MW were shortlisted for participating in the e-reverse auction.

5. Electronic - Reverse Auction:

The following tariffs discovered in the e-reverse auction are as follows:

Rank	Name of the Bidder	Quoted Capacity (MW)	Allocated Capacity in e-RA (MW)	Tariff (Rs./ kWh)	% Difference with L1 Bid tariff
L1	Engie Energy India Private Limited (Formerly known as Solairedirect Energy India Pvt. Ltd)	200	200	2.62	0%
L2	NHPC Limited	200	200	2.66	1.53%
L2	JSW Neo Energy Limited	300	300	2.66	1.53%
L2	SJVN Green Energy Limited	200	200	2.66	1.53%
L3	NTPC Renewable Energy Limited	400	225	2.67	1.91%

6. Successful Bidders

The Successful Bidders are as follow.

Rank	Name of the Bidder	Capacity won (MW)	Tariff (Rs./ kWh)
L1	Engie Energy India Private Limited (Formerly known as Solairedirect Energy India Pvt. Ltd)	200	2.62
L2	NHPC Limited	200	2.66
L2	JSW Neo Energy Limited	300	2.66
L2	SJVN Green Energy Limited	200	2.66
L3	NTPC Renewable Energy Limited	225*	2.67
Total capacity (MW)		1125	

* NTPC Renewable Energy Limited has quoted 400 MW as original capacity and won 225 MW in E-RA.

As per RfS Clause 3.2.2 (VI), small capacity plots (plots of 60.24 MW and 64.76 MW) shall be allotted to last successful bidder after e-reverse auction (i.e., successful bidder having highest tariff in reverse auction) irrespective of its quoted capacity subject to fulfillment of qualification requirements, i.e. net worth as per RfS document.

7. Committee Recommendation:

In terms of Clause 10.2 of the MoP guidelines for the competitive bidding issued vide Notification dated 28.07.2023 and its amendments thereof, it is certified that the Bid Evaluation Committee has critically evaluated the bids and that the bidding process and the evaluation has been conducted in conformity to the provisions of the RfS.

Sr. No.	Name	Designation	Signature
1	Shri H N Shah	General Manager (RE)	Sd/-
2	Shri Parthiv Bhatt	Company Secretary	Sd/-
3	Smt. Bhavani Ghattamaneni	Chief Finance Manager (RE)	Sd/-
4	Shri Nilay Joshi	Controller of Accounts (F&A)	Sd/-

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11.13. As per above, 5 bidders with aggregate capacity of 1300 MW qualified for e-reverse auction and the Petitioner had conducted e-reverse auction. We note that the Petitioner GUVNL after the conclusion of bidding process has also certifying that the Evaluation Committee constituted for evaluation of RfS bids has critically evaluated the bids and that the bidding process and the evaluation has been conducted in conformity to the provisions of the RfS.

11.14. In the E-Reverse auction of 02.03.2024 a report generated on the web-portal of Bharat-electronic tender is reproduced below:

S#	Bidder's Name	Quoted Value	Loaded Value	Currency	Date/Time of Bidding	Bidder's Quantity	Difference Greater than Rank - 1 Bid Value
1	Solairedirect Energy India Pvt. Ltd	2.62	2.62	Indian Rupee	02-Mar-2024 13:01:51 RTZ	200.00	0%
2	NHPC Limited	2.66	2.66	Indian Rupee	02-Mar-2024 15:22:32 RTZ	200.00	1.53%
3	JSW Neo Energy Limited	2.66	2.66	Indian Rupee	02-Mar-2024 15:23:05 RTZ	300.00	1.53%
4	SJVN Green Energy Limited	2.66	2.66	Indian Rupee	02-Mar-2024 15:23:41 RTZ	200.00	1.53%
5	NTPC Renewable Energy Limited	2.67	2.67	Indian Rupee	02-Mar-2024 15:00:15 RTZ	400.00	1.91%

11.15. It can be observed from above table that at the end of E-Reverse auction, the quoted tariff value and quantum in MW of 5 (Five) bidders, i.e., (i) Solairedirect Energy India Pvt. Limited (ii) NHPC Limited, (iii) JSW Neo Energy Limited, (iv) SJVN Green Energy Limited, and (v) NTPC Renewable Energy Limited, is as per result generated at the closure of E-Reverse Auction on e-bidding portal for 1300 MW. Moreover, as per

above ranking, the total offered/bidder capacity by (i) Solairedirect Energy India Pvt. Limited of 200 MW at the tariff of Rs. 2.62 per unit, (ii) NHPC Limited of 200 MW at the tariff of Rs. 2.66 per unit, (iii) JSW Neo Energy Limited of 300 MW at tariff of Rs. 2.66 per unit, (iv) SJVN Green Energy Limited of 200 MW at the tariff of Rs. 2.66 per unit, and (v) NTPC Renewable Energy Limited of 400 MW at the tariff of Rs. 2.67 per works out to 1300 MW. Moreover, as the bucket size of present tender is 1125 MW, therefore, as per Clause 3.2.2 (VI) of the RfS, small capacity plots of 60.24 MW and 64.76 MW capacity shall be allotted to last successful bidder after e-reverse auction (i.e. successful bidder having highest tariff in reverse auction), irrespective of its quoted capacity subject to fulfilment of qualification requirements, i.e. net worth as per RfS document. Accordingly, the Respondent NREL being the L3 has allotted 225 MW as against its quoted capacity of 400 MW and shall be allotted small capacity plots of 60.24 MW and 64.76 MW. Accordingly, the Petitioner has stated in the Petition as under:

Rank in e-RA	Name of the Bidder	Quoted Capacity (MW)	Allocated Capacity in e-RA (MW)	Quoted Tariff in e-RA (Rs. / kWh)
L1	Engie Energy India Private Limited	200	200	2.62
L2	NHPC Ltd	200	200	2.66
L2	JSW Neo Energy Ltd	300	300	2.66
L2	SJVN Green Energy Ltd	200	200	2.66
L3	NTPC Renewable Energy Ltd	400	225	2.67

11.16. Respondents No. 1, 2 & 3 viz. (i) Engie Energy India Private Limited, (ii) NHPC Limited and (iii) JSW Neo Energy Limited vide their respective affidavits submitted that the Letters of Intent (LoI) were issued to them by the Petitioner GUVNL at the discovered tariff for Procurement of Power from the Solar PV Power Projects to be set up by them in GSECL's RE Park at Khavda (GSECL Stage 3) vide RfS No. GUVNL/1125 MW/Khavda/Solar (Phase-XXIII) dated 29.01.2024. It is further submitted that they are having no objection to adoption of tariff discovered by the Commission under the Competitive Bidding Process conducted vide RfS dated 29.01.2024 issued by the Petitioner GUVNL for Procurement of Power through Competitive Bidding Process followed by e-reverse auction from 1125 MW Grid Connected Solar Photovoltaic Power Projects without energy storage to be set up in the GSECL's RE Park (GSECL Stage 3).

- 11.17. We note that despite being liberty granted to all the parties to file their reply, the Respondent No. 5 NTPC Renewable Energy Limited has chosen not to file their reply in the present matter.
- 11.18. We also note that in response to query of the Commission vide its Daily Order dated 02.05.2024, the Petitioner had concluded two Khavda Park based tenders, i.e., Phase-XVII vide RFS No. GUVNL/600 MW/Solar (Phase XVII) dated 29.09.2022 and Phase-XX vide RFS No. GUVNL/800 MW/Khavda/Solar (Phase XX) dated 20.05.2023 for projects to be set up in GSECL's Park as per the Guidelines issued by MoP for Procurement of Solar Power under TBCB mode from Solar PV Projects at the tariff of Rs. 2.73 -2.89 per unit discovered under RFS No. GUVNL/600 MW/Solar (Phase XVII) dated 29.09.2022 and tariff of Rs. 2.70-2.71 per unit discovered RFS No. GUVNL/800 MW/Khavda/Solar (Phase XX) dated 20.05.2023 and thereafter, the Petitioner had signed the PPAs with the successful bidders. Hence, in comparison to tariff discovered under Phase- XVII and Phase-XX, the tariff discovered under the present RfS dated 29.01.2024 is much lower. Also, GUVNL had concluded Phase-XXI tender for Procurement of Power from 600 MW Grid Connected Solar Photovoltaic Power Projects without energy storage to be set up in GIPCL's RE Park at Khavda (GIPCL Stage 1) with Greenshoe option of additional capacity upto 600 MW wherein tariff of Rs. 2.54 -2.55 per unit has been discovered in the month of January 2024.
- 11.19. It is submitted by the Petitioner that GSECL has been allotted two blocks in Khavda RE Park, (i) North Block, and (ii) South Block. The elevation of these two blocks is uneven. The north region of north block and south region of south block are low elevation area, while south region of north block is comparably in high elevation and north region of south block is comparably medium elevation area. The major of the plots reserved for allocation under this tender are laying in north block. One plot is reserved in south block and looking to the geographical conditions, there are many undulations in north plot. There is not any uniform slope in the whole north plot. There is small hill on east part of various plots as per survey. However, elevation difference in the GIPCL's Park is less as compared to GSECL's park. As GSECL's Park terrain is uneven, it will be prone to temporary water impoundment in low elevation area during the monsoon seasons during mid-June to mid-September every year. Moreover, both parks have different UDC charges that park developers can recover

from Solar project developers. Therefore, considering the adversity of Khavda RE park terrain situated in a low lying area with silty, clay rich soil and salty land, plants are prone to corrosion which poses significant challenges for building foundations for structure and modules sustainability and also in their operation and maintenance. It is further submitted that the Petitioner GUVNL is conducting the tendering process for procurement of solar power in accordance with the TBCB guidelines of MOP dated 28.07.2023. Therefore, tariffs discovered through TBCB are generally in accordance to various prevailing market factors such as price of solar modules, metal prices, labour index, accessibility of site, park terrain (in case of Park based tenders), interest rate etc. Thus, rationality of tariff discovery is generally analysed on the basis of prevailing market prices. Hence, the discovered tariff in the range of Rs 2.62 – 2.67 per kWh under the present tender are within the market range and the same was also approved by the Petitioner's Board.

11.20. We also note that the Government of Gujarat has come out with Kisan Suryoday Yojana – a scheme for supplying day power to Agricultural Consumers in the State of Gujarat in order to meet the agriculture demand during solar hours through comparatively cheaper solar generation. Therefore, extensive solar capacity addition is required. Further, the Petitioner has tied up Solar capacity 14610 MW out of which 4553 MW is commissioned and 10257 MW capacity is under construction. Whereas in case of Wind, the total capacity tied up is 54422 MW out of which 4274 MW is commissioned and 1167 is under construction, while in case of Other RE capacity, the Petitioner has total tied up 162 MW out of which 66 MW capacity is commissioned and 96 MW is under construction. Therefore, against the total RE capacity of 20212 MW, only 8693 MW capacity was commissioned and 11520 MW capacity are under construction. Moreover, in order to meet the objectives of catering agriculture demand during day time through comparatively cheaper solar generation, it is required for the Petitioner to tie up extensive solar capacity addition in order to comply with RPO targets and achieve an objective of National targets for RE.

11.21. It is stated about the National targets for RE that the Government of India has commitment in revised Nationally Determined Contribution (NDC) at global level, 50% of total electrical installed capacity of the Country is to be tied up from non-fossil fuel-based energy sources by 2030. Moreover, RPO targets are notified by the

Commission & MoP, Government of India from time to time. DISCOMs are mandated to fulfill the same and non-compliance of the same would result into penalties in accordance with the Regulations/Guidelines. Thus, substantial RE capacity addition would be required in future years in order to comply with the RPO targets specified by the Commission from time to time.

11.22. Further, during the last year i.e., FY 2022-23, the Petitioner has floated various solar' tenders for Procurement of Power through Competitive Bidding Process from Grid connected Solar Photovoltaic Power Projects set up in GSECL's RE park at Khavda (GSECL Stage – I & II) wherein the tariff is discovered in the range of Rs. 2.70-2.89 per unit and upon comparison with tariffs discovered in tenders of Central Bidding Agencies, tariffs discovered in present tender in range of Rs. 2.62 – 2.67 per kWh without ISTS Transmission Charges (landed cost at GETCO periphery considering 4% Transmission Losses is Rs 2.72 – 2.77 per kWh) is within the market range.

11.23. Accordingly, the Petitioner GUVNL has issued Letter of Intents (LoIs) dated 14.03.2024 to the successful Bidders at the tariff of Rs. 2.62-2.67 per unit. In view of above, the total allotment of 1125 MW capacity under the tender is as under:

Rank in e-RA	Name of the Bidder	Capacity Won (MW)	Tariff Quoted in e-RA (Rs. / kWh)
L1	Engie Energy India Private Limited	200	2.62
L2	NHPC Ltd	200	2.66
L2	JSW Neo Energy Ltd	300	2.66
L2	SJVN Green Energy Ltd	200	2.66
L3	NTPC Renewable Energy Ltd	225	2.67
Total Capacity (MW)		1125	

11.24. We also note that the Petitioner has issued Letters of Intent (LoIs) to the above successful bidders on 14.03.2024 for total capacity of 1125 MW as mentioned in the above table at the corresponding rates. We further note that as per terms and conditions of tender, the PPAs are to be signed with above successful bidders within 30 days from issuance of LoIs or within 10 days from the adoption of tariff by the Commission, whichever is later and that the Petitioner has also mentioned in the LoIs that PPAs shall be signed with successful bidders or its SPV only after the approval of the Commission (GERC) and in accordance with such approval.

11.25. We note that as per Clause 10.2 of the 'Guidelines for Tariff Based Competitive

Bidding Process for Procurement of Power from Grid Connected Solar PV Power Projects' dated 28.07.2023 issued by the Ministry of Power, Government of India, after the conclusion of bidding process, the Evaluation Committee constituted for evaluation of RfS bids has to certify as appropriate that the bidding process and the evaluation has been conducted in conformity to the provisions of the RfS. As already noted above, the Petitioner in compliance to aforesaid clause has certifying that the Committee has critically evaluated the bids and that the bidding process and the evaluation has been conducted in conformity to the provisions of the RfS.

11.26. We also note that the Ministry of Power had notified the Electricity (Late Payment Surcharge and Related Matters) Rules, 2021 on 22.02.2021. The said Rules are superseded by the Electricity (Late Payment Surcharge and Related Matters) Rules, 2022 on 03.06.2022. The aforesaid Rules, 2022 provides that this Rules are in supersession of earlier notified Electricity (Late Payment Surcharge and Related Matters) Rules, 2021 except as respects things done or omitted to be done before such supersession. The said Rules would apply for the outstanding dues of generating companies, Inter-State transmission licensees and electricity trading licensees after the notification of the Rules on 03.06.2022 and accordingly, applicable in the present matter. We note that the Petitioner has initiated and conducted the competitive bidding process through RfS No. GUVNL/1125 MW/Khavda/Solar (Phase XXIII) dated 29.01.2024, by issuing the 'Notice Inviting Tender' on 31.01.2024. It is stated in the said Rules, 2022 that the Central Government in exercise of powers conferred by Section 176 (1) of the Electricity Act, 2003 and in supersession of the Electricity (Late Payment Surcharge) Rules, 2021 except as respects things done or omitted to be done before the supersession has notified Electricity (Late Payment Surcharge) Rules, 2022 which has to come in force on the date of its publication in the Official Gazette. i.e., from 03.06.2022 onwards. In this regard, we are of view that as per provisions of bidding guidelines, the distribution licensee or intermediary procurer has to approach the Commission for adoption of tariff discovered under competitive bidding process in terms of Section 63 of Electricity Act, 2003 and the Commission has to decide and adopt the discovered tariff within 60 days from such submissions by the distribution licensee or intermediary procurer. In the present case, the Petitioner has approached the Commission for adoption of tariff discovered through competitive bidding process conducted vide RfS No. GUVNL/1125 MW/Khavda/Solar (Phase

XXIII) dated 29.01.2024 which is an ongoing process. We also note that as per the submissions of the Petitioner GUVNL that though the LoIs have been issued to the successful bidders but the PPAs are yet to be signed by the Petitioner with the successful bidders although the Petitioner has filed Draft PPA with the Petition to be executed with the successful bidders. Therefore, we are of view that the aforesaid Rules are notified under the Electricity Act, 2003 and therefore, it need to be given effect, if any, in the power procurement by the distribution licensee. Hence, we direct the Petitioner GUVNL to incorporate and align the Clauses of the Electricity (Late Payment Surcharge) Rules appropriately in the PPAs to be signed with the successful bidders, if already not incorporated.

- 11.27. In view of the foregoing, the Commission is satisfied with the entire tendering process including the e-reverse bidding conducted by the Petitioner in a transparent manner and discovered tariff of successful bidders with quoted capacity and allocated capacity to them as stated above.
- 11.28. The Commission, therefore, decides to adopt the above discovered tariff as mentioned above to five (5) bidders, viz., (i) Solairedirect Energy India Pvt. Limited (ii) NHPC Limited, (iii) JSW Neo Energy Limited, (iv) SJVN Green Energy Limited, and (v) NTPC Renewable Energy Limited for allocated capacity at their respective corresponding tariff as above of Solar PV Projects without energy storage to be set up in the GSECL's RE Park at Khavda (GSECL Stage 3), as prayed by the Petitioner GUVNL.
- 11.29. We note that though the LoIs have been issued to the successful bidders but the PPAs are yet to be signed by the Petitioner with the successful bidders although the Petitioner has filed Draft PPA with the Petition to be executed with the successful bidders. We also note that the Petitioner has in the present Petition has submitted that as per terms and conditions of tender, the successful Bidders are required to sign PPA with the Petitioner GUVNL within 30 days from the date of issuance of LoIs and subsequent extension in this timeline, if any, may be finalized and agreed by the Petitioner. Therefore, the Petitioner is directed to execute the PPAs with the successful bidders as per decision in this Order. We note that the Petitioner is also required to submit the copy of the signed PPAs and therefore, the Petitioner is directed to submit copies of duly executed PPAs to the Commission along with an affidavit

stating that the Articles/provisions of the PPAs executed are as per the directions as stated above, provisions of Act, Rules, bidding guidelines and deviations approved by the Commission from time to time and that there are no other deviations taken by the Petitioner in the bidding documents other than those earlier approved by the Commission and that deviations approved vide letter dated 29.09.2023 by EPD, Government of Gujarat. We also direct the Petitioner that for the purpose of transparency, after execution of the PPAs, to publicly disclose the name (s) of the successful bidder(s) and the tariff quoted by them together with the breakup with the component, for 30 days on its website in terms of Clause 10.3 of the bidding guidelines as amended for knowledge and information of the stakeholders.

12. SUMMARY OF DECISIONS:

12.1. Considering the recommendation of Bid Evaluation Committee Report and above analysis, we decide to adopt the tariff discovered under the competitive bidding process conducted by the Petitioner through RfS No. GUVNL/1125 MW/Khavda/Solar (Phase XXIII) dated 29.01.2024 issued by the Petitioner GUVNL for Procurement of Power from 1125 MW Grid connected Solar Photovoltaic Power Projects without energy storage to be set up in GSECL's RE Park at Khavda (GSECL Stage 3) as under:

Rank in e-RA	Name of the Bidder	Capacity Won (MW)	Tariff Quoted in e-RA (Rs. / kWh)
L1	Engie Energy India Private Limited	200	2.62
L2	NHPC Ltd	200	2.66
L2	JSW Neo Energy Ltd	300	2.66
L2	SJVN Green Energy Ltd	200	2.66
L3	NTPC Renewable Energy Ltd	225	2.67
Total Capacity (MW)		1125	

12.2. Apart from the directives of the Commission in this Order, the Petitioner to sign the Power Purchase Agreement(s) with the successful bidders with allocated capacity and tariff as per above table.

12.3. We direct the Petitioner to submit copies of duly executed PPAs to the Commission along with an affidavit stating that the Articles/provisions of the PPAs executed are as per the directions as stated above, provisions of Act, Rules, bidding guidelines and

deviations approved by the Commission from time to time and that there are no other deviations taken by the Petitioner in the bidding documents other than those earlier approved by the Commission and that deviations approved vide letter dated 29.09.2023 by EPD, Government of Gujarat. We also direct the Petitioner that for the purpose of transparency, after execution of the PPAs, to publicly disclose the name (s) of the successful bidder(s) and the tariff quoted by them together with the breakup with the component, for 30 days on its website in terms of Clause 10.3 of the bidding guidelines as amended for knowledge and information of the stakeholders.

13. Order accordingly.

14. With this Order the present Petition stand disposed of.

Sd/-
[S. R. Pandey]
Member

Sd/-
[Mehul M. Gandhi]
Member

Sd/-
[Anil Mukim]
Chairman

Place: Gandhinagar.

Date: 14/06/2024.

