

**BEFORE THE GUJARAT ELECTRICITY REGULATORY COMMISSION
GANDHINAGAR**

Petition No. 2248 of 2023.

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/800 MW/Khavda/Solar (Phase XX) dated 20.05.2023 issued by GUVNL for Procurement of Power from 800 MW grid connected Solar Photovoltaic Power Projects located in GSECL's Solar Park at Khavda (GSECL Stage 2) with Greenshoe option of additional capacity upto 800 MW.

And

IA No. 36 of 2023 in Petition No. 2248 of 2023.

In the Matter of:

Interlocutory Application for impleadment of Respondents in Petition No. 2248 of 2023.

Applicant/Petitioner	:	Gujarat Urja Vikas Nigam Limited
Represented By	:	Mr. Rahul Pareek V/s.
Respondent No. 1	:	KPI Green Energy Limited
Represented By	:	Mr. Karmit Sheth
Respondent No. 2	:	SAEL Industries Limited
Represented By	:	Nobody was present.
Respondent No. 3	:	NLC India Limited
Represented By	:	Mr. Zala Shaktisinh Dharmendrasinh

CORAM:

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

Date: 23/02/2024.

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 17 of the Petition in the transparent procurement process conducted by the Petitioner through RfS No. GUVNL/800 MW/Khavda/Solar (Phase XX) dated 20.05.2023 within the time duration stipulated by the Ministry of Power, Govt. of India under the amended guidelines referred at para 10 of the Petition.*
 - (c) *To allow the Petitioner to sign Power Purchase Agreements with the project developers for the capacity and tariffs mentioned at para 18 of the Petition.*
 - (d) *To condone any inadvertent omissions/errors/shortcomings and permit the Petitioner to make addition/change/modification to the Petition as may be required.*
 - (e) *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.*
 - (f) *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. 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.

4.6. The Ministry of Power (MoP) on 03.08.2017, has notified the “Guidelines for Tariff Based Competitive Bidding Process for Procurement of Power from Grid Connected Solar PV Power Projects”. However, Standard Bidding Documents are yet to be published by MoP, Government of India. Clause 3.1.1 of the said Guidelines provides following conditions to be met by procurer:

- a) *Prepare the bid documents in accordance with these Guidelines and Standard Bidding Documents (SBDs) [consisting of Model Request for Selection (RfS) Document, Model Power Purchase Agreement and Model Power Sale Agreement], notified by the Central Government, except as provided in sub clause (c) below.*
- b) *Inform the Appropriate Commission about the initiation of the bidding process.*
- c) *Seek approval of the Appropriate Commission for deviations, if any, in the draft RfS draft PPA, draft PSA (if applicable) from these Guidelines and/ or SBDs, in accordance with the process described in Clause 18 of these Guidelines.*
 - (i). *"However, till the time the SBDs are notified by the Central Government, for purpose of clarity, if the Procurer while preparing the draft RfS, draft PPA, draft PSA and other Project agreements provides detailed provisions that are consistent with the Guidelines, such detailing will not be considered as deviations from these Guidelines even though such details are not provided in the Guidelines.*
 - (ii). *Further, in case of an ongoing bidding process, if the bids have already been submitted by bidders prior to the notification of these Guidelines and/or SBDs, then if there are any deviations between these Guidelines and/or the SBDs and the proposed RfS, PPA, PSA (if applicable), the RfS, PPA and the PSA shall prevail.*

4.7. The above referred Guidelines dated 03.08.2017 issued by MoP have been amended from time to time on 14.06.2018, 03.01.2019, 09.07.2019, 22.10.2019 and lastly on 25.09.2020.

4.8. It is submitted that pending the issuance of the Standard Bidding Documents by the Central Government, the Petitioner is conducting the competitive bidding process for procurement of Solar power from time to time based on the bid documents containing detailed provisions that are consistent with the Guidelines as amended from time to time read with the deviations approved by the Commission vide Order dated 15.03.2018 in Petition No. 1706 of 2018, Order dated 13.01.2020 in Petition No. 1848

of 2019, Order dated 19.05.2022 in Petition No. 2069 of 2022, and Order dated 07.03.2023 in Petition No. 2139 of 2022 & IA No. 01 of 2013.

- 4.9. As per the amendment vide Resolution dated 22.10.2019 in the Guidelines, various provisions relating to adoption of tariff by Appropriate Commission have been modified and relevant provisions of the same are as under.

“Clause 10.4 – “Subject to provisions of the Act, the distribution licensee or the Intermediary Procurer, as the case may be, shall approach the Appropriate Commission for adoption of tariffs by the Appropriate Commission in terms of Section 63 of the Act. In case, the Appropriate Commission does not decide upon the same within sixty days of such submission, the tariffs shall be deemed to be have been adopted by the Appropriate Commission”.

Clause 12 (c) – “It is presumed that in terms of Clause 10.4 of these Guidelines, the tariff will be adopted by the Appropriate Commission within 60 days of such submission. However, notwithstanding anything contained in these Guidelines, any delay in adoption of tariff by the Appropriate Commission, beyond 60 (sixty) days, shall entail a corresponding extension in financial closure.”

Clause 14 (iii) - “It is presumed that in terms of Clause 10.4 of these Guidelines, the tariff will be adopted by the Appropriate Commission within 60 days of such submission. However, notwithstanding anything contained in these Guidelines, any delay in adoption of tariff by the Appropriate Commission, beyond 60 (sixty) days, shall entail a corresponding extension in scheduled commissioning date.”

- 4.10. The Commission has notified the GERC (Procurement of Energy from Renewable Sources) Regulations, 2010 dated 17.04.2010. Thereafter, the said Regulations have been amended vide First Amendment dated 03.03.2014, Second Amendment dated 20.04.2018 and Third Amendment dated 08.04.2022. In accordance with the GERC (Procurement of Energy from Renewable Sources) (Third Amendment) Regulations, 2022 dated 08.04.2022, the stipulated RPO percentage targets for the obligated entities of Gujarat from FY 2021-22 onwards are as under:

Year	Minimum Quantum of Purchase (%) from RE Sources				Total (%)
	Wind RPO (%)	Solar RPO (%)	Large Hydro HPO (%)	Other RPO% (Biomass, Bagasse & Bio-fuel Cogeneration, MSW and Small/Mini/Micro Hydel) (%)	
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

- 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 which are in increasing trend as notified by the Commission and MoP as well as for keeping overall power purchase cost under control as the tariffs of thermal power is on increasing trend whereas the tariffs of RE power are fixed for the period of 25 years, the Petitioner GUVNL on behalf of its subsidiary distribution companies had invited Tender dated 20.05.2023 through Competitive Bidding Process (followed by e-reverse auction) for procurement of 800 MW grid connected power from Solar PV projects to be set up in GSECL's Solar Park at Khavda (GSECL Stage 2) with Greenshoe option of additional capacity upto 800 MW through Competitive Bidding Process followed by e-reverse auction vide RfS No. GUVNL/ 800 MW/ Khavda/Solar (Phase XX) dated 20.05.2023 in accordance with intimation of initiation of said bidding process to the Commission through its letter dated 19.05.2023.
- 4.12. The Petitioner had also published a public notice dated 20.05.2023 of 'Notice Inviting Tender' in two national newspapers regarding the aforesaid tender.
- 4.13. 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 01.06.2023 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.
- 4.14. GUVNL had constituted Bid Evaluation Committee consisting following members for technical & financial bid evaluation.

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

4.15. The last date of bid submission in the tendering process was 23.06.2023 (Online Submission) and 26.06.2023 (Offline Submission). The Technical Bid Opening was held on 26.06.2023. The Technical Bid Evaluation Report signed by the Bid Evaluation Committee is also filed with the Petition. The Petitioner had received online bids from 9 bidders offering aggregate capacity of 2100 MW as under:

Sr. No.	Bidders	MW
1	Avaada Energy Private Limited	100
2	NLC India Limited	300
3	NTPC Renewable Energy Limited	300
4	ACME Cleantech Solutions Private Limited	100
5	TATA Power Renewable Energy Limited	300
6	Solairedirect Energy India Private Limited	200
7	KPI Green Energy Limited	100
8	SJVN Green Energy Limited	300
9	SAEL Industries Limited	400
	Total	2100

4.16. Subsequently, the financial bids were opened (followed by e-RA) on 01.07.2023. as per the provisions of RfS, 6 nos. of bidders aggregating to total 1500 MW capacity were shortlisted for participating in the e-reverse auction while 6 nos. of bidders aggregating to total 600 MW capacity were disqualified. The Financial Bid Evaluation Report signed by the Bid Evaluation Committee is also filed with the Petition.

4.17. The quoted tariff in financial bids alongwith qualified and disqualified bidders are summarized in below table:

Rank	Bidders	Capacity MW	Quoted Price in Rs. /Unit	Remarks
L1	SAEL Industries Limited	400	2.82	Qualified for E-RA
L2	KPI Green Energy Limited	100	2.95	
L2	SJVN Green Energy Limited	300	2.95	
L3	NLC India Limited	300	2.96	
L4	ACME Cleantech Solutions Private	100	2.97	

	Limited			
L5	NTPC Renewable Energy Limited	300	2.98	Disqualified
L6	Solairedirect Energy India Private Limited	200	3.05	
L7	Avaada Energy Private Limited	100	3.24	
L8	TATA Power Renewable Energy Limited	300	3.4	
Total quoted capacity		2100		
Total Qualified Capacity in e-RA		1500		

4.18. The report generated at the end of e-reverse auction (e-RA) on the ISN-ETS e-bidding portal is also filed with the Petition. Following prices at CTU periphery were discovered at the closure of e-reverse auction held on ISN-ETS e-bidding's portal:

Sr. No.	Bidder's Name	Capacity won (MW)	Rate (Rs. / KWH)
1	KPI Green Energy Limited	100	2.70
2	SAEL Industries Limited	400	2.71
3	NLC India Limited	300	2.71
Total		800	

4.19. It is stated that there are provisions for availing of additional 800 MW capacity under Greenshoe Option at the lowest tariff (L1 rate) discovered under competitive bidding process (followed by e-reverse auction). Accordingly, GUVNL vide emails dated 03.07.2023 had requested to successful bidders to convey their willingness for availing Greenshoe Option at L1 tariff of Rs. 2.70/unit. In response, KPI Green Energy Limited vide email dated 03.07.2023 has given their consent to 100 MW Greenshoe Capacity at tariff of Rs. 2.70/unit. M/s SAEL Industries Limited vide letter dated 05.07.2023 has given their consent for 400 MW Greenshoe Capacity at tariff of Rs. 2.70/unit. M/s NLC Limited vide letter dated 07.07.2023 has given their consent for 300 MW Greenshoe Capacity at tariff of Rs. 2.70/unit. Accordingly, the bidder wise total capacity with weighted average tariff is as under:

Bidder's Name	Base Capacity (MW)	Tariff (Rs. / KWH)	Greenshoe Capacity (MW)	Tariff (Rs. / KWH)	Total Capacity (MW)	Wtg. Avg. Tariff (Rs. /kWh)
KPI Green Energy Limited	100	2.70	100	2.70	200	2.70
SAEL Industries Limited	400	2.71	400	2.70	800	2.705
NLC India Limited	300	2.71	300	2.70	800	2.705
	800		800		1600	

4.20. It is stated that after taking into consideration the quoted tariffs of Rs. 2.70 – 2.71/unit

at CTU periphery and impact of 4% transmission losses @ 11 paisa/unit, the landed tariff at GETCO periphery works out in the range of Rs. 2.81 - 2.82/unit.

4.21. In addition to the above, the Petitioner GUVNL also submitted the following aspects to be considered in relation to tie up of Solar Power from the projects to be set up in Solar Park at Khavda:

4.21.1. The RPO stipulated by the Commission is a minimum requirement and there is no restriction in buying power in excess of RPO taking into consideration various techno-commercial aspects. In fact, if there is surplus RE power in future, the Petitioner can sell RE power in open market/power exchanges for creating additional revenue streams as the Commission has already provide a separate consumer category and tariff for exclusive RE supply. The demand from various industrial consumers for exclusive supply RE power is increasing as the same entails various benefits such as availability of green funding, increased brand value etc. The future economic growth is expected to be woven around green energy on account of increasing focus on climate change at global as well as national level. However, for achieving the above objectives and for long term sustainability, rapid increase in RE capacity addition by staying aligned to market trends, would be required.

4.21.2. The Petitioner GUVNL also stated some of the aspects of KSY Scheme and solar power requirement are as under.

- a. The evening peak load of agricultural consumers is planned to be shifted to day time/solar hours under the scheme for bringing entire agricultural load during solar hours.
- b. These objectives of the scheme are expected to reduce the peak/non-solar hour power requirement as the cost of power during peak/non-solar hours is generally high.
- c. To meet the above objectives of catering Agriculture demand during day time through comparatively cheaper solar generation, extensive solar capacity addition is required.

4.21.3. It is stated that the projects to be set up in the Khavda RE park are proposed to be interconnected with grid through CTU Network. In terms of CERC Sharing Regulations 2020 notified by CERC, the ISTS transmission charges are waived for those renewable energy projects which are commissioned before 30.06.2025. Thereafter the transmission charges are proposed to be levied @25% of normal charges from July 2025 to June 2026, 50% during July 2026 – June 2027, 75% during July 2027–June 2028 and 100% from July 2028 onwards. The estimated ISTS transmission charges normally applicable are to the tune of Rs. 3,50,000 per MW per month which works out to Rs. 0.61/unit at 80% PLF and Rs. 1.94/unit at 25% CUF. Although there is waiver of ISTS transmission charges, the ISTS transmission losses are not waived and are applicable for conveyance of power through CTU Network which results into implication of about 11-12 paise per unit considering estimated transmission losses @4%.

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

Sr. No.	Phase	Tender capacity (Base + Greenshoe) (MW)	Capacity tied up (MW)	Tariff discovered in e-RA (INR/kWh)	Month of E-RA
1.	XIV	500+500 (Non-park)	1000	2.30 - 2.31	June-22
2.	XVI	750+750 (Non-park)	520	2.49 - 2.66	Sept - 22
3.	XVIII	500+500 (Non-park)	860	2.51 - 2.52	Jan-23
4.	XIX	500+500 (Non-park)	Pending	2.71 - 2.75	April-23
5.	XVII	600+600 (Park)	Pending	2.73-2.89	May-23

4.21.5. The delivery point in all tenders previously issued by GUVNL for non-park based projects was at GETCO periphery. Further, in the tenders for Dholera Solar Park, the delivery point was at GETCO periphery as the park is inter-connected with GETCO network. In case of Raghnesda Solar Park although the park is connected with ISTS network, the delivery point was kept at GETCO periphery as there was waiver of ISTS transmission charges and losses at the relevant time. In case of present tender for setting up of solar projects in Khavda Solar Park, the delivery point is at 400 KV bus of the 400/765 KV Sub-Station of CTU, i.e. at CTU periphery.

4.21.6. Taking into consideration the tariffs of Rs. 2.70–2.71/unit at CTU periphery discovered in the latest tender and impact of 4% transmission losses @11 paise/unit,

the landed tariff at GETCO periphery works out in the range of Rs. 2.81 - 2.82 / unit. This discovered tariffs of Rs. 2.70 - 2.71/Unit for projects in GSECL's Solar Park (GSECL Stage-2) are lower than the tariffs of Rs. 2.73-2.89/Unit discovered under the previous tender of 600 MW-Phase-XVII (GSECL Stage-1) for which reverse auction was conducted in May 2023.

4.21.7. The tariffs of Solar Park based projects are usually higher when compared to tariffs of Non-Park based Solar Projects due to special and challenging geographical conditions of wastelands which are utilized for development of parks. The development of solar parks in far flanged wasteland areas also contribute to development of local areas and associated socio-economic benefits to the State in addition to benefit of cheaper power.

4.21.8. It is stated that the low lying site of Solar Park at Khavda is silty, with clay and having high swelling making it difficult to construct sustainable foundations without additional measures for structures and modules. Further, the patches of land get flooded often due to low lying land surrounded by water bodies and water channels of Rann of Kutch Lake. Presence of ground water at the depth of foundation level, High Chlorides and Sulphates in water and surrounding environment in the salty desert area entail high corrosion effects and add further costs & risks requiring superior quality of design, materials and processes. In addition to above issues, the project developers during the project execution as well as construction phase are required to observe strict compliance of security norms due to proximity with International Boarder. Moreover, since the site is in far flung area away from civilian presence, it increases the executorial and operational difficulties of the project developers. In view of above mentioned special & challenging geographical conditions of the GSECL's Solar Park at Khavda, the higher tariffs compared to the tariffs of non-park based solar projects can be justified.

4.22. It is stated that the Petitioner GUVNL also issued Letters of Intent (LoIs) dated 03.08.2023 to the above-stated successful Bidders for total capacity of 1600 MW at the respective tariff as mentioned in the above table and also filed copies of LoIs along with the present Petition. As per terms and conditions of tender, the PPAs are to be signed with above successful Bidders within 60 days from the date of issuance of LoIs,

or within 10 days from the adoption of tariff by GERC, whichever is later, unless extended as per RfS. However, it has been mentioned in the LoI 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.

- 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 conducted through RfS No. GUVNL/800 MW/Solar (Phase XX) dated 20.05.2023 for procurement of 800 MW power from Grid connected Solar PV Projects located in GSECL's Solar Park at Khavda (GSECL Stage 2) with Greenshoe Option of additional up to 800 MW.
5. The matter was kept for hearing on 01.09.2023. After hearing the parties, the Commission has passed Daily Order dated 02.09.2023. The Commission recorded the submissions of the Petitioner that they have filed an IA in the present Petition on the date of hearing i.e., 01.09.2023 for impleadment of successful bidders as a party Respondents to the Petition by amending memo of petition. The Petitioner also requested to adjourn the matter which was granted. The Commission also recorded that the Petitioner has filed on IA for impleadment of the Respondents which is pending registration and numbering and directed the staff of the Commission to register the said IA and also to list the aforesaid IA, alongwith the main matter by issuing necessary notice to GUVNL and the Respondents. The Commission also directed GUVNL to provide the copy of IA to the newly joined party, and that all the Respondents to file their respective reply, if any, with a copy to GUVNL and liberty was provided to GUVNL to file the rejoinder reply after receipt of reply from the Respondents.
6. Subsequently, the aforesaid IA has been registered and numbered as IA No. 36 of 2023 in Petition No. 2248 of 2023 wherein GUVNL has sought to implead (i) KPI Green Energy Limited, (ii) SAEL Industries Limited and (iii) NLC India Limited as Respondents No. 1, 2 and 3 respectively in the present Petition. The Petitioner has also filed amended memo of parties along with the present IA and requested to the Commission to take the amended memo of parties on record.

7. Thereafter, the present matter alongwith IA No. 36 of 2023 were kept for hearing on 04.09.2023 and in the Daily Order dated 12.09.2023, the Commission recorded the statement of the Respondent No. 2 SAEL Industries Limited (SIL) that SIL has filed a letter on 01.09.2023 before the Commission in the present matter and informed that SAEL Industries Limited having no objection to adoption of tariff discovered in competitive bidding process carried out vide RFS No. GUVNL/800 MW/Khavda/Solar (Phase – XX) dated 20.05.2023 by the Petitioner. Moreover, in the interest of justice, the matter has adjourned by the Commission as the Respondent No. 1 KPI Green Energy Limited has not remained present on 04.09.2023 and thereby provided an opportunity of hearing to them before deciding the present matter.
8. Finally, the matter was heard on 09.11.2023.
9. 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. 2.70 – Rs. 2.71 per unit quoted by successful bidders under competitive bidding process followed by e-reverse auction of Bid No. RfS No. GUVNL/800 MW/Solar (Phase XX) dated 20.05.2023, as stated in above paras.
- 9.1. 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 800 MW power (along with Greenshoe option for 800 MW Capacity) from the Solar PV Projects located in GSECL's Solar Park at Khavda (GSECL Stage 2) through RfS No. GUVNL/800 MW/Solar (Phase XX) dated 20.05.2023.

9.2. It is observed that the Petitioner initiated the Competitive Bidding Process followed by e-reverse auction as per Section 63 of the Electricity Act, 2003 vide RfS No. GUVNL/800 MW/Solar (Phase XX) dated 20.05.2023 for procurement of 800 MW from the Grid connected Solar PV based Power projects with Greenshoe option of additional capacity of 800 MW to be set up in GSECL's Solar Park at Khavda (GSECL Stage 2) with an intimation to the Commission under Clause 3.1.1 of the Competitive Bidding guidelines issued by the Ministry of Power.

9.3. 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/800 MW/Solar (Phase XX) dated 20.05.2023 by publishing notice in two National newspapers, viz, (i) Mint and (ii) Hindustan Times on 20.05.2023 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 01.06.2023, 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 23.06.2023 (online submission) and 26.06.2023 (offline submission).

- 9.4. We note that the Petitioner received online bids from 9 bidders offering aggregate capacity of 2100 MW and the technical bid opening was held on 26.06.2023 in the presence of Bid Evaluation Committee consisting of following officials:

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

- 9.5. It is also submitted by the Petitioner that aforesaid bids received from 9 bidders were opened in presence of Bid Evaluation Committee and also evaluated by said Committee. As per technical evaluation report of the said Committee, it is observed that all the 9 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/800 MW/KHAVDA/SOLAR (Phase XX) Dated 20.05.2023

Tender for Procurement of Power from 800 MW Grid Connected Solar Photovoltaic Power Projects to be set up in GSECL’s Solar Park at Khavda (GSECL Stage 2) with Greenshoe Option of additional capacity upto 800 MW

01st May 2023

1. Background

Gujarat Urja Vikas Nigam Limited (GUVNL) has floated the tender on 20.05.2023 for procurement of power from 800 MW Grid connected Solar Photovoltaic Power Projects to be set up in GSECL’s Solar Park at Khavda (GSECL Stage 2) with Greenshoe Option of additional capacity upto 800 MW through competitive bidding process (conducted through electronically facilitated online web based portal followed by reverse auction) as notified via RfS No. GUVNL/800 MW/Khavda/Solar (Phase XX) dated 20.05.2023. The last date of online bid submission was 23.06.2023 and offline bid submission was 26.06.2023.

The Bid Evaluation Committee consist following members:

Sr. No.	Name	Designation
1	Shri H.N. Shah	General Manager, (RE)
2	Smt. Bhavani Ghattamaneni	Chief Finance Manager, RE
3	Shri Parthiv Bhatt	Company Secretary
4	Shri Nilay 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 /800 MW/Khavda/Solar (Phase XVII) dated 29.09.2022.
Capacity	Total capacity of 800 MW Grid Connected Solar Photovoltaic power projects to be set up in GSECL' Solar Park at Khavda (GSECL Stage 2) with Greenshoe Option of additional capacity upto 800 MW
Minimum Bid Capacity	100 MW
Term of PPA	25 years from S.C.O.D.
Technology	Commercially established Solar Photovoltaic technology

3. Response to RFS

A total of 9 (Nine) responses for aggregate capacity of 2100 MW were received by GUVNL. The technical bids were opened on 26.06.2023 on e-bidding portal as per the tender timeline. The list of the bidders and the capacity offered is as below.

Sr. No.	Bidders	MW
1	Avaada Energy Private Limited	100
2	NLC India Limited	300
3	NTPC Renewable Energy Limited	300
4	ACME Cleantech Solutions Private Limited	100
5	TATA Power Renewable Energy Limited	300
6	Solairedirect Energy India Private Limited	200
7	KPI Green Energy Limited	100
8	SJVN Green Energy Limited	300
9	SAEL Industries Limited	400
	Total	2100

4. Principles of Evaluation

The approach to evaluation has been that all the bidders who qualify under the terms specified in the bidding documents, the financial bid of such qualified bidders shall be opened. Also, in case of a perceived non-responsiveness, clarifications are to be sought from the concerned bidders.

Following conditions relating to qualification requirements have been specified in the RFS documents –

Net worth:

i) The Net-Worth of the Bidder or its Affiliate or Parent/Ultimate Parent as on date of financial year ending 31.03.2023 or 31.12.2023 as on latest available date as the case may be, shall not be less than INR 0.80 Crores per MW (of the capacity quoted).

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 networth 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 / SAR, 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.

vi) In case the final audited accounts are not available, GUVNL shall accept the Provisional Accounts provided that an undertaking is submitted by the bidder confirming that Final Audited Annual Accounts for the last financial year are not available as on date of bid submission. Such financial accounts shall have to be certified by at least two Directors or One Director and the Company Secretary is submitted by the bidder.

vii) The companies which have recently raised funds and are not able to meet net-worth as per the Clause 3.4.4 (i) i.e. as 31.03.2023 or 31.12.2022 then the certificate issued by a Chartered Accountant certifying net worth as on latest available date based on provisional Balance Sheet, Profit & Loss account, Schedules and cash flow statement supported with bank statement (if available) shall be required to be submitted.

5. Responsiveness Issues

On scrutiny of the bid documents submitted by participating bidders, one issue were observed in respect of bids submitted by the bidders.

1) M/s Avaada Energy Private Limited

Query: Upon scrutiny of bid documents submitted by the bidder, it has been observed that M/s Avaada Energy Private Limited has submitted Net worth and Balance sheet of 31.03.2022. As per RfS Clause 3.15 (10) (V), in case Final Audited Annual Accounts for the last financial year are not available, then GUVNL shall accept the Provisional Accounts which are duly certified by a practicing Chartered Accountant of India and at least two by at least two directors or one director and the company secretary is submitted by bidder confirming that Final Audited Annual Accounts for the last financial year are not available as on date of bid submission. M/s Avaada Energy Private Limited is requested to provide "Net worth certificate", "Provisional Balance sheet" of 31.03.2023 alongwith "Undertaking" immediately for technical qualification.

Response: M/s Avaada Energy Private Limited has provided the documents.

6. Evaluation of Responses

The Status in brief is indicated in the following table:

Sr. No.	Bidders	MW	Status
1	Avaada Energy Private Limited	100	Qualified
2	NLC India Limited	300	Qualified
3	NTPC Renewable Energy Limited	300	Qualified
4	ACME Cleantech Solutions Private Limited	100	Qualified
5	TATA Power Renewable Energy Limited	300	Qualified
6	Solairedirect Energy India Private Limited	200	Qualified
7	KPI Green Energy Limited	100	Qualified

8	<i>SJVN Green Energy Limited</i>	300	<i>Qualified</i>
9	<i>SAEL Industries Limited</i>	400	<i>Qualified</i>
	Total	2100	

7. Way Forward

Based on the examination of records, the committee recommends that the Financial bids of above 10 (Ten) bidders may be opened.

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

.....”

From the Technical Evaluation Report, it is apparent that all the 9 bidders offering aggregate capacity of 2100 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 9 bidders to be technically qualified, the financial bids of 6 bidders aggregating to total 1500 MW capacity were opened on 01.07.2023 on e-bidding portal of M/s ISN-ETS in presence of the Bid Evaluation Committee.

- 9.6. Further, as per the terms and conditions of the tender document, 6 bidders with aggregate capacity of 1500 MW were qualified against the tendered capacity of 800 MW apart from greenshoe option for the e-reverse auction and the Petitioner accordingly conducted the e-reverse auction.
- 9.7. The following prices at GETCO periphery were discovered at the closure of e-reverse auction that was held on the e-bidding portal and e- report generated at the ISN-ETS tender’s portal is also filed with the Petition:

Sr. No.	Bidder’s Name	Capacity won (MW)	Tariff (Rs. / KWH)
1	KPI Green Energy Limited	100	2.70
2	SAEL Industries Limited	400	2.71
3	NLC India Limited	300	2.71
	Total	800	

9.8. The Petitioner also filed the Financial Evaluation report signed by the Members of the Committee with the Petition which is reproduced below:

“Financial Bid Evaluation Report

Ref: Tender for Procurement of 800 MW Grid Connected Solar Photovoltaic Power Projects to be set up in GSECL’s Solar Park at Khavda (GSECL Stage 2) with Greenshoe Option of additional capacity upto 800 MW

01st July 2023

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1. Background

Gujarat Urja Vikas Nigam Limited (GUVNL) intends to procure solar power of 800 MW through Competitive Bidding Process (conducted through electronically facilitated online web based portal followed by reverse auction) and additional capacity upto 800 MW under ‘Green-shoe Option’ as notified via GUVNL/800 MW/Khavda/Solar (Phase XX) dated 20.05.2023.

GUVNL had 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. Ltd. (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	Smt Bhavani Ghattamaneni	Chief Finance Manager, (RE)
3	Shri Parthiv Bhatt	Company Secretary
4	Shri Nilay Joshi	Controller of Accounts (F&A)

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

2. Financial Bid Opening

The Technical Bid Opening was done at 05:00 PM on 26.06.2023. Pursuant to the recommendations of the Committee vide the 'Technical Bid Evaluation Report', the Financial Bids (electronic forms) of below mentioned 09 (Nine) technically qualified Bidders were opened on the e-bidding portal of M/s ISN-ETS at 11:40 AM on 01.07.2023 before the Bid Evaluation Committee at GUVNL, Vadodara.

Sr. No.	Bidders	MW
1	Avaada Energy Private Limited	100
2	NLC India Limited	300
3	NTPC Renewable Energy Limited	300
4	ACME Cleantech Solutions Private Limited	100
5	TATA Power Renewable Energy Limited	300
6	Solairedirect Energy India Private Limited	200
7	KPI Green Energy Limited	100
8	SJVN Green Energy Limited	300
9	SAEL Industries Limited	400
	Total	2100

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 one in accordance with the bid evaluation methodology specified in the RfS based on the tariff quoted by the Bidders in the Electronic Forms.

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 'kth serial number bidder (not the 'kth rank bidder) after ranking is done in ascending order from L1 onwards

SM = (Total capacity of techno-commercially qualified bidders after ranking is done in ascending order from L1 onwards) such that $(SM-1 < SE \text{ MW and } SM \geq SE$

SE = Eligible Capacity for Award

S_E = (Eligible capacity for award)	(i) In case $S_T \leq 800 \text{ MW}$; $S_E = 0.8 \times S_T$, (ii) In case $S_T \geq 800 \text{ MW}$; $S_E = 0.8 \times S_T$, subject to maximum eligible capacity being 800 MW.
$N = \{$	T , if $T=m$ or $m+1$
	$m + (T-m)/2$, if $S_m \geq SE$ and T_m is even

	$m + (T-m + 1)/2$, if $S_m \geq SE$ and $T-m$ is odd
Where m = Total number of technocommercially qualified bidders (after ranking is done in ascending order from L1 onwards) such that ($S_{m-1} < SE$ MW and $S_m \geq SE$) and $1 \leq m \leq T$	

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	SAEL Industries Limited	400	2.82	Qualified for E-RA
L2	KPI Green Energy Limited	100	2.95	
L2	SJVN Green Energy Limited	300	2.95	
L3	NLC India Limited	300	2.96	
L4	ACME Cleantech Solutions Private Limited	100	2.97	
L5	NTPC Renewable Energy Limited	300	2.98	
L6	Solairedirect Energy India Private Limited	200	3.05	Disqualified
L7	Avaada Energy Private Limited	100	3.24	
L8	TATA Power Renewable Energy Limited	300	3.4	
Total		2100		
Total Capacity Qualified		1500		

Based on the financial bid evaluation in terms of the RfS, the above mentioned 6 (Six) no. of bidders aggregating to 1500 MW capacity are shortlisted for participating in the e-reverse auction.

5. Electronic - Reverse Auction:

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

Sr. No	Name of Bidder	Capacity Won (MW)	Tariff (Rs. /Unit)
L1	KPI Green Energy Limited	100	2.70
L2	SAEL Industries Limited	400	2.71
L3	NLC India Limited	300	3.71
Total		800	

6. Committee Recommendation:

In terms of Clause 10.2 of the MoP guidelines for the competitive bidding issued vide Notification dated 03.08.2017, 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	Smt. Bhavani Ghattamaneni	Chief Finance Manager (RE)	Sd/-

3	Shri Parthiv Bhatt	Company Secretary	Sd/-
4	Shri Nilay Joshi	Controller of Accounts (F&A)	Sd/-

.....”

9.9. As per above, 6 bidders with aggregate capacity of 1500 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.

9.10. In the E-Reverse auction of 01.07.2023 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	Special Remarks	Difference in % (Bid- Value Vs Start- Price)
1	KPI Green Energy Limited	2.70	2.70	Indian Rupee	01-Jul-2023 15:32:25 RTZ	100.00	Field Not Filled	0%
2	SAEL Industries Limited	2.71	2.71	Indian Rupee	01-Jul-2023 15:29:17 RTZ	400.00	Field Not Filled	-0.37%
3	NLC India Limited	2.71	2.71	Indian Rupee	01-Jul-2023 15:29:45 RTZ	300.00	Field Not Filled	-0.37%
4	NTPC Renewable Energy Limited	2.72	2.72	Indian Rupee	01-Jul-2023 15:26:32 RTZ	300.00	Field Not Filled	-0.74%
5	SJVN Green Energy Limited	2.82	2.82	Indian Rupee	01-Jul-2023 15:04:39 RTZ	300.00	Field Not Filled	-4.07%
6	ACME Cleantech Solutions Private Limited	2.94	2.94	Indian Rupee	01-Jul-2023 14:49:56 RTZ	100.00	Field Not Filled	-8.89%

9.11. It can be observed from above table that at the end of E-Reverse auction, the quoted tariff value and quantum in MW of 6 (Six) bidders i.e., (i) KPI Green Energy Limited, (ii) SAEL Industries Limited, (iii) NLC India Limited, (iv) NTPC Renewable Energy Limited, (v) SJVN Green Energy Limited, and (vi) ACME Cleantech Solutions Private Limited is as per result generated at the closure of E-Reverse Auction on e-bidding portal for 1500 MW. Moreover, as per above ranking, the total offered/bidder capacity by (i) KPI Green Energy Limited of 100 MW at the tariff of Rs. 2.70 per unit, (ii) SAEL Industries Limited of 400 MW at the tariff of Rs. 2.71 per unit, (iii) NLC India Limited of 300 MW at tariff of Rs. 2.71 per unit, (iv) NTPC Renewable Energy Limited of 300 MW at the tariff of Rs. 2.72 per unit, (v) SJVN Green Energy Limited of 300 MW at the tariff of Rs. 2.82 per unit and (vi) ACME Cleantech Solutions Private Limited of 100 MW at the tariff of Rs. 2.94 per unit works out to 1500 MW. Accordingly, the

Petitioner has stated in para 17 of the Petition as under:

Rank	Bidder's Name	Rate (Rs. / KWH)	Quoted Capacity (MW)
L1	KPI Green Energy Limited	2.70	100
L2	SAEL Industries Limited	2.71	400
L3	NLC India Limited	2.71	300
Total			800

9.12. We also note that tender floated by the Petitioner also provides the provisions for allocating additional 800 MW capacity under Greenshoe Option at the lowest tariff (L1 rate) discovered under competitive bidding process (followed by e-reverse auction). Accordingly, GUVNL vide emails dated 03.07.2023 had requested to all successful bidders to convey their willingness for availing Greenshoe Option at L1 tariff of Rs. 2.70/unit. In response to the same, KPI Green Energy Limited vide email dated 03.07.2023 has given their consent of 100 MW as Greenshoe Capacity at tariff of Rs. 2.70/unit. M/s SAEL Industries Limited vide letter dated 05.07.2023 has given their consent for 400 MW as Greenshoe Capacity at tariff of Rs. 2.70/unit while M/s NLC India Limited vide letter dated 07.07.2023 has given their consent for 300 MW as Greenshoe Capacity at tariff of Rs. 2.70/unit. After taking into consideration the Base Capacity of 800 MW at Rs 2.70 – 2.71/unit and Greenshoe Capacity of 800 MW at Rs 2.70/unit, the weighted average tariff for 1600 MW capacity works out to Rs. 2.70- 2.71/unit at CTU Periphery and after considering the impact of 4% transmission losses to the tune of 11 paisa/unit, the landed tariff at GETCO Periphery works out in the range of Rs 2.81 – 2.82/unit. This discovered tariffs of Rs. 2.70 - 2.71/Unit for projects in GSECL's Solar Park (GSECL Stage-2) are lower than the tariffs of Rs. 2.73– 2.89/Unit discovered under the previous tender of 600 MW-Phase-XVII (GSECL Stage-1) for which reverse auction was conducted in May 2023.

9.13. We note that during the hearing on 04.09.2023, the representative appearing for the Respondent No. 2 SAEL Industries Limited (SIL) has submitted that SIL has filed a letter No. SIL/GUVNL/800 MW/010923/05 dated 01.09.2023 before the Commission in the present matter and informed that SAEL Industries Limited having no objection to adoption of tariff discovered in Competitive Bidding Process carried out vide RFS No. GUVNL/800 MW/Khavda/Solar (Phase – XX) dated 20.05.2023 by the Petitioner

GUVNL.

- 9.14. The Respondent No. 1 KPI Green Energy Limited has filed an affidavit dated 14.09.2024 before the Commission stating that KPI Green Energy Limited has no objection and accept the tariff discovered under Competitive Bidding Process conducted vide RFS No. GUVNL/800 MW/Khavda/Solar (Phase – XX) dated 20.05.2023 by the Petitioner GUVNL for procurement of power from 800 MW Grid connected Solar Photovoltaic Power Projects to be set up in GSECL’s Solar Park at Khavda (GSECL Stage 2) with Greenshoe Option of additional capacity of 800 MW.
- 9.15. We also note that during the hearing on 09.11.2023, the representative appearing for the Respondent No. 3 NLC India Limited has submitted that the Respondent No. 3 having no objection to adoption of tariff discovered under Competitive Bidding Process carried out vide RFS No. GUVNL/800 MW/Khavda/Solar (Phase – XX) dated 20.05.2023 by the Petitioner GUVNL.
- 9.16. Accordingly, the Petitioner GUVNL has issued Letter of Intents (LoIs) dated 03.08.2023 to the successful Bidders at the tariff of Rs. 2.70-2.71 per unit and additional 800 MW capacity under Greenshoe Option at L1 tariff of Rs. 2.70/unit. In view of above, the total allotment of 1600 MW capacity under the tender is as under:

Bidder’s Name	Base Capacity (MW)	Tariff (Rs. / KWH)	Greenshoe Capacity (MW)	Tariff (Rs. / KWH)	Total Capacity (MW)
KPI Green Energy Limited	100	2.70	100	2.70	200
SAEL Industries Limited	400	2.71	400	2.70	800
NLC India Limited	300	2.71	300	2.70	800
	800		800		1600

- 9.17. We also note that the Petitioner has issued Letters of Intent (LoIs) to the above successful bidders on 03.08.2023 for total capacity of 1600 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 unless extended as per RfS 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.
- 9.18. 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' 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.

- 9.19. 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.
- 9.20. The Commission, therefore, decides to adopt the above discovered tariff as mentioned above to three bidders, viz., (i) KPI Green Energy Limited, (ii) SAEL Industries Limited, and (iii) NLC India Limited for allocated capacity at their respective corresponding tariff as above including the Greenshoe capacity at L-1 tariff of Rs. 2.70 per unit of Solar PV Projects to be set up in the GSECL's Solar Park at Khavda (GSECL Stage 2), as prayed by the Petitioner GUVNL.
10. 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 alongwith 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. 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.

11. We note that GUVNL has filed IA being IA No. 36 of 2023 in Petition No. 2248 of 2023 seeking impleadment of (i) KPI Green Energy Limited, (ii) SAEL Industries Limited and (iii) NLC India Limited as Respondents No. 1, 2 & 3 in the present Petition and filed amended memo of parties along with the present IA. In view of this, as we adopt the tariff discovered through competitive bidding process conducted vide RfS No.GUVNL/800 MW/Khavda/Solar (Phase XX) dated 20.05.2023 by GUVNL as stated above to three bidders, for allocated capacity at their respective corresponding tariff as above including the Greenshoe capacity of Solar PV Projects to be set up in the GSECL's Solar Park at Khavda (GSECL Stage 2), the Commission has taken the amended memo of parties on record in the present matter. Accordingly, prayers sought in the aforesaid IA is satisfied. Hence, IA No. 36 of 2023 in Petition No. 2248 of 2023 also stand disposed of.

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/800 MW/Khavda/Solar (Phase XX) dated 20.05.2023 issued by the Petitioner GUVNL for Procurement of Power from 800 MW Grid connected Solar Photovoltaic Power Projects to be set up in GSECL's Solar Park at Khavda (GSECL Stage 2) with Greenshoe option of additional upto 800 MW capacity as under:

Bidder's Name	Base Capacity (MW)	Tariff (Rs. / KWH)	Greenshoe Capacity (MW)	Tariff (Rs. / KWH)	Total Capacity (MW)
KPI Green Energy Limited	100	2.70	100	2.70	200
SAEL Industries Limited	400	2.71	400	2.70	800
NLC India Limited	300	2.71	300	2.70	800
	800		800		1600

- 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 the copies of duly executed PPAs to the Commission alongwith 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. We also direct the Petitioner that for the purpose of transparency, after execution of the PPAs, 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 & IA stand disposed of.

Sd/-
[S. R. Pandey]
Member

Sd/-
[Mehul M. Gandhi]
Member

Sd/-
[Anil Mukim]
Chairman

Place: Gandhinagar.

Date: 23/02/2024.