



याचिका संख्या/Petition No 457/AT/2025

कोरम/ Coram:

श्री जिशु बरुआ, अध्यक्ष / Shri Jishnu Barua, Chairperson
श्री रमेश बाबू व., सदस्य / Shri Ramesh Babu V., Member
श्री हरीश दुदानी, सदस्य / Shri Harish Dudani, Member
श्री रविन्द्र सिंह ढिल्लो, सदस्य / Shri Ravinder Singh Dhillon, Member

आदेश दिनांक/ Date of Order 20th of March, 2026

IN THE MATTER OF:

Petition under Section 63 of the Electricity Act 2003 for Adoption of Tariff of 1200 MW (1.2 GW) ISTS Grid connected Wind - Solar Hybrid Power projects on anywhere in India basis with "Green-Shoe Option" selected through Competitive Bidding Process under Tariff Based Competitive Bidding Guidelines issued by Ministry of Power, Govt. of India on 21.08.2023 and its amendments thereof. (NHPC-Tranche-X-Hybrid (2024-25), Tender ID: 2024_NHPC_835426_1 dated 17.12.2024)

And

In the matter of:

NHPC Limited,

(A Govt. of India Enterprise)

NHPC Office Complex, Sector-33,

Faridabad (Haryana) - 121003.

..... **Petitioner**



VERSUS

- 1 M/s Adani Renewable Energy Holding Twelve Limited
Adani Corporate House,
Shantigram, Near Vaishno Devi Circle,
S G Highway, Khodiyar, Ahmedabad-382421
- 2 M/s Sprng Vayu Vidyut Private Limited
Upper Ground, Office No. A-001,
Pentagon Tower5, Magarpatta City,
Hadapsar, Pune – 411013
- 3 M/s Illuminate Hybren Private Limited
B-Block, 6th Floor, Embassy 247,
Vikhroli West, Mumbai-400083
- 4 M/s Avaada Energy Private Limited,
C-11, Sector -65, Noida,
Uttar Pradesh -201301

...Respondents

Parties Present:

Shri Akshay Goel, Advocate, NHPC

Shri Harsh Jadon, Advocate, NHPC

Shri Jagpal Singh, NHPC

Shri Dushyant Kumar, NHPC

ORDER

The Petitioner, NHPC Limited (hereinafter referred to as '**NHPC**'), has filed the present Petition under Section 63 of the Electricity Act, 2003 (hereinafter referred to as the 'Act') for the adoption of tariff for ISTS Grid connected Wind - Solar Hybrid Power projects of 1200 MW (1.2 GW) with “Greenshoe Option” and selected through the competitive bidding process as per the “Guidelines for Tariff Based Competitive Bidding



Process for Procurement of Power from Grid Connected Wind – Solar Hybrid Power Projects” (hereinafter referred to as ‘the Guidelines’) dated 21.08.2023 issued by the Ministry of Power, Government of India and its amendments thereof.

2. The Petitioner has made the following prayers:

- 1) *Admit the present Petition.*
- 2) *Adopt the Tariff discovered in the Competitive Bidding Process for individual Power Projects as listed in Table-1 at paragraph 11 and additional Greenshoe capacity upto 1200 MW at L-1 price above on terms and conditions contained in the PPA to be signed with Hybrid Power Generators being Respondent Nos 1 to 4 and a Trading Margin of Rs 0.07/kWh in addition to above Tariff is to be recovered from buying Utilities/Distribution Licensee/ DISCOM(s) in terms of the PSA to be signed between NHPC & Utilities/ Distribution Licensee.*
- 3) *Pass such other and further order/orders as are deemed fit and proper in the facts and circumstances of the case.*

Submissions of the Petitioner

3. The Petitioner has mainly submitted as under:

(a) The Petitioner, NHPC, has been designated as an Intermediary Procurer/ Renewable Energy Implementing Agency (REIA) for the purpose of the Act, Guidelines for Tariff-Based Competitive Bidding Process for Procurement of Power from Grid–Connected Wind–Solar Hybrid Power Projects. The Ministry of Power, GOI, vide resolution dated 21.08.2023, issued Guidelines for Tariff Based Competitive Bidding Process for Procurement of Power from Grid Connected Wind – Solar Hybrid Power Projects.

(b) NHPC as REIA, invited bids for selection of Hybrid Power Developers of 1200 MW (1.2 GW) ISTS (Inter State Transmission System) Connected Wind - Solar Power Projects on anywhere in India basis under the Tariff Based Competitive Bidding with Green-shoe Option by entering into Power Purchase Agreements (PPA) at the tariff discovered in the competitive bid process with the selected Hybrid Power Generator (hereinafter referred to as 'HPGs') and entering



into Power Sale Agreement (hereinafter referred to as 'PSA') with the Distribution Licensees/Buying Utilities on a back to back basis to enable them to fulfil the Renewable Purchase Obligations (RPO) under Section 86(1)(e) of the Act.

(c) NHPC issued the Request for Selection (RfS) document for the selection of the Hybrid Power Generators (HPGs). The Notice Inviting Tenders (NIT) for ISTS Grid-Connected Hybrid Power Developers of 1200 MW to be set up anywhere in India with a Greenshoe option was issued vide Tender ID: 024_NHPC_835426_1 dated 17.12.2024. Bids for Tariff-Based Bidding (for 25 years) were invited on an International Competitive Bidding basis in a Single Stage - Two Envelope Bidding process followed by a Reverse Auction among shortlisted Bidders.

(d) NIT & Tender Document were uploaded on the Central Public Procurement (CPP) e-procurement portal on 17.12.2024 with the last date of online submission as 16.01.2025 and offline submission as 20.01.2025. NIT was also uploaded on NHPC's website and published in the Newspaper, in accordance with NHPC's extant policy guidelines. The bid opening date was 21.01.2025. The online & offline bid submission dates were extended up to 23.01.2025 and 27.01.2025 respectively. The bid opening date was extended up to 28.01.2025 respectively.

(e) Seven online as well as offline bids were received. The online and offline bids (Part-I: (Techno-Commercial)) were opened by a duly constituted TOC on 28.01.2025. The evaluation of submitted bids was done by the Tender Evaluation Committee (TEC) constituted by NHPC Management, and seven (07) bidders were found technically successful.

(f) The Financial Bids were opened on 03.03.2025, and six bidders were declared successful for participating in the E-Reverse Auction (E-RA) stage of bidding. Additionally, the Reverse Auction bidding was conducted on 10.03.2025 and 6 bidders participated in the e-RA. The following bidders remained successful, along with the allotted capacity and quoted Tariff.

Sl. No.	Name of HPGs	Allocated Capacity (MW)	Tariff (Rs/kWh)
1.	M/s Adani Renewable Energy Holding Twelve Limited	600	3.41
2.	M/s Sprng Vayu Vidyut Private Limited	150	3.41
3.	M/s Illuminate Hybren Private Limited	240	3.41
4.	M/s Avaada Energy Private Limited	210	3.42
	Total	1200	

(g) Process of additional capacity up to 1200 MW under Green-shoe Option is in an advanced stage, and willing bidders would be awarded additional eligible capacity at L1 rate, as per Clause 3.1 of the Tender document.

(h) As per the terms and conditions of the RfS, above, Letter of Award (LOA) would be issued for successful four HPGs for 1200 MW and additional Capacity under “Green-shoe option” as per provisions of RfS.

(j) The Petitioner, NHPC, to approach States/Discom(s) for providing “In-Principle” consent for procurement of 1200 MW Wind - Solar Hybrid Power through NHPC as REIA in the above scheme after issuance of LOAs. On receiving consent from DISCOMs/States, NHPC would sign a PSA with DISCOMs, and a back-to-back Power Purchase Agreement (PPA) would be signed with the above HPGs.

(k) As per RfS and PPAs to be signed with Hybrid Power Generator (HPGs), the commissioning of Projects is likely to be done in 2027-28 (24 months from the date of signing of PPA).

(l) NHPC would charge Trading Margin of Rs 0.07/kWh from DISCOM(s) in addition to the discovered tariff from DISCOM(s)/ Buying Utility upon commissioning of Projects.

(m) The tariff of Rs 3.41/kWh for 990 MW and Tariff of Rs 3.42 /kWh for 210 MW discovered through competitive bidding process and even with Trading Margin of Rs 0.07/kWh is less than the procurement cost of conventional power

of Discom (s) and as such, it would be beneficial for the Distribution Licensees/ Buying Utilities and the consumers at large.

Hearing dated 05.06.2025

4. The matter was heard on 05.06.2025, and notices were issued to the Respondents. In response to the specific query regarding the capacity allocated under the green shoe option, the Petitioner submitted that at the time of filing the present petition, the allocation of additional capacity under the green shoe option was not finalised at the time of filing the Petition. However, the matter has now been finalised, and permission was sought to file an additional affidavit to place on record the relevant details.

5. Accordingly, in compliance with the directions contained in the ROP dated 05.06.2025, the Petitioner submitted the information regarding additional capacity opted by the successful bidders under the Green Shoe Option as follows:

Sr No	Name of HPGs	Base Allocation (MW)	Tariff (Rs./kWh)	Allocated under Green Shoe (MW)	Tariff (Rs./kWh)
1.	M/s Adani Renewable Energy Holding Twelve Limited	600	3.41	600	3.41
2.	M/s Sprng Vayu Vidyut Private Limited	150	3.41	-	-
3.	M/s Illuminate Hybren Private Limited	240	3.41	-	-
4.	M/s Avaada Energy Private Limited	210	3.42	600	3.41
	Total	1200		1200	

6. The Petitioner also submitted the information on the status of issuance of the Letter of Award to the successful bidders and a copy of the Tender Evaluation Committee Report post e-RA TEC and supplementary TEC.



Hearing dated 03.07.2025

7. During the hearing, the Commission sought clarification regarding the additional capacity allocated under the Greenshoe Option being higher than the originally allocated capacity and the enabling provisions in this regard in the Guidelines, the learned counsel submitted that the allocation of additional capacity under the Greenshoe Option has been as per the provision of the RfS and sought liberty to file a response on this aspect.

8. Accordingly, the Commission directed the Petitioner to file its affidavit indicating the relevant provisions in the Guidelines permitting the allocation of additional capacity under the Greenshoe option and an undertaking to the effect that no deviation has been taken from the Guidelines, if any, within two weeks.

9. The Petitioner, in response, vide affidavit on 18.07.2025, submitted that the Guidelines prescribe only about the invitation of bids in power capacity (MW) terms and do not specify or limit any quantum in MW terms, which, according to the Petitioner, provides the freedom to choose the quantum of power capacity, in MW terms, for the invitation of bids.

10. The Petitioner further submitted that the Ministry of New and Renewable Energy (MNRE) has issued the bidding trajectory for the REIAs for the year 2023-24 and 2024-25 and regularly monitors the progress in this regard through time-to-time review meetings with REIAs.

11. The Petitioner also referred to minutes of a meeting held under the chairmanship of the Secretary, MNRE, with REIAs and Grid India on 18.07.2024, in which the following is mentioned:

“REIAs to have flexibility to decide the bid size in accordance with standard bidding guidelines. REIAs may coordinate among themselves to decide upon the size of bid and time of issuance of such bids based on stakeholder participation, market dynamics, site consideration, etc. However, the overall target for the year for each REIA must be kept in view while taking such decision”.



12. The Petitioner submitted that in order to achieve the overall target as per MNRE's bidding calendar, to avoid the concurrent bids by different REIAs at same time and repetitive bidding for same technology, the provision of Greenshoe option was kept in the bid by the Petitioner with the intent that in case competitive tariff is discovered after e-RA, additional capacity may be allocated to successful bidders, who are willing to execute PPAs at the lowest tariff (L1 rate) discovered in the bidding process. The Petitioner also submitted the Commission's Order in Petition No. 224/AT/2023, Order dated 05.11.2023, wherein the Greenshoe Option was exercised

13. The Petitioner also submitted that the award of additional capacity at the L1 tariff under the Greenshoe Option would bring efficiency, economy, and transparency in tender finalisation with fair and equitable treatment of developers and promotion of competition in public procurement, as being the fundamental principles of public procurement, in terms of the GFR Rule. In view of the above, it is clarified that the allocation of additional capacity under the Green shoe option has been made in a transparent manner, and no deviation from the Guidelines has occurred.

14. Considering the submission of the Petitioner, the Commission reserved the matter for order.

Analysis and Decision:

15. We now proceed to consider the prayer of the Petitioner as regards the Petition under Section 63 of the Act for adoption of Tariff of 1200 MW of ISTS Grid connected Wind-Solar Hybrid Power Projects with Greenshoe Option selected the competitive bid process carried out in terms of the Guidelines issued by the Government of India.

16. Section 63 of the Act provides as under:

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

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

18. The Ministry of Power, Government of India, has notified the Hybrid Guidelines under Section 63 of the Act on 21.8.2023. The salient features of the Hybrid Guidelines are as under:

- a. These Guidelines are applicable for the procurement of power from the Hybrid Power Projects having (a) bid capacity of 10 MW and above for projects connected with the Intra-State Transmission System; and (b) bid capacity of 50 MW and above for projects connected with the Inter-State Transmission System, subject to the condition that the rated power capacity of one resource (wind or solar) shall be at least 33% of the total contracted capacity.
- b. The solar and wind projects of the hybrid project may be located at the same or different locations. Storage may be added to the hybrid power project to reduce the variability of output power from the wind solar hybrid project, for providing higher energy output for a given capacity (bid/ sanctioned capacity) at the delivery point, by installing additional capacity of wind and solar power in a wind solar hybrid project and to ensure availability of firm power for a particular period.
- c. The Procurer shall prepare the bid documents in accordance with these Guidelines, and any deviations from these Guidelines and/or Standard Bidding Documents (SBDs) in the draft RfS, PPA, PSA (if applicable) need to be approved by the Ministry of Power, Government of India, in accordance with the process described in Clause 19 of the Guidelines.
- d. The Procurer will invite the bids in Power Capacity (MW) terms. A bidder is allowed to bid for a minimum bid capacity as per Clause 3.1 of the Guidelines. The Procurer may also choose to specify the maximum capacity that can be allotted to a single bidder, including its Affiliates. A maximum of 50 per cent of total capacity, as specified in the RfS, can be allocated to a single bidder.
- e. For the procurement of wind solar hybrid power, the tariff quoted by the bidder shall be the bidding parameter. The quoted tariff shall be a fixed rate of

Rs./kWh for the PPA period. The capacity allocation shall be based on the Bucket filling, i.e., capacity quoted by the least quoted tariff bidder (called the L1 bidder) at the rates quoted (L1 rates) shall be allocated first. The capacity quoted by the next lowest bidder (called the L2 bidder) at the rates quoted (called the L2 rates) may be allocated and so on.

- f. The draft PPA is proposed to be entered into with the successful bidder, and the draft PSA shall be issued along with the RfS. Standard provisions to be incorporated as part of the PPA shall include, inter alia, the PPA period, Quantum of Power, Deviation Settlement Mechanism (DSM), Payment Security Mechanism (PSM), Change in Law, Force Majeure, Generation Compensation for Off-take Constraints, Event of Default, and consequences thereof.
- g. Adequate payment security shall be provided as per the Electricity (Late Payment Surcharge and Related Matters) Rules, 2022, including amendments and clarifications, if any, thereof, issued from time to time. In addition, the intermediary procurer may maintain a payment security fund. To be eligible for coverage from the fund, the developer will undertake to pay the PSM charges at the rate of 2 paise per unit.
- h. The Procurer/intermediary procurer shall call for bids to adopt a single-stage two-part (Technical Bid & Financial Bid) bidding process to be conducted through electronic mode (e-bidding). The Procurer may also opt for an e-reverse auction for the final selection of bidders; in such a case, this will be specifically mentioned in the notice inviting bids and bid document. E-procurement platforms with a successful track record and with adequate safety, security, and confidentiality features will be used.
- i. The bidding documents, including the RfS, draft PPA, and draft PSA (if applicable) shall be prepared by the Procurer(s) in consonance with these Guidelines and the SBDs, if any. The Procurer(s) shall publish the RfS notice in at least two national newspapers or its own website to accord the wide publicity. The standard provisions to be provided by the Procurer in the RfS shall include the Technical Criteria, Financial Criteria, Net Worth, Liquidity, Quantum of the Earnest Money Deposit (EMD), and Compliance with Laws by foreign bidders.

- j. The Procurer(s) shall constitute committee for the evaluation of the bids (Evaluation Committee), with at least three members, including at least one member with expertise in financial matters/ bid evaluation. The price bid shall be rejected if it contains any deviation from the bid conditions.
- k. The bidders shall be required to submit separate technical and price bids. Bidders shall also be required to furnish the necessary bid guarantee in the form of an EMD along with the bids. To ensure competitiveness, the minimum number of qualified bidders should be two. If the number of qualified bidders is less than two, even after three attempts of bidding, and the Procurer still wants to continue with the bidding process, the same may be done with the consent of the Appropriate Commission. The detailed procedure for the evaluation of the bid and selection of the bidder shall be provided in the RfS.
- l. After the conclusion of the bidding process, the Evaluation Committee constituted for evaluation of the RfS bids shall critically evaluate the bids and certify as appropriate that the bidding process and the evaluation has been conducted in conformity with the provisions of the RfS document. The evaluation authority should satisfy itself that the price of the selected offer is reasonable and consistent with the requirement.
- m. The PPA shall be signed with the successful Bidder/ Project Company or an SPV formed by the successful Bidder. After the execution of the PPA, the procurer shall publicly disclose the name(s) of the successful Bidder(s) and the tariff quoted by them together with breakup of components, if any. The distribution licensee or the Intermediary Procurer, as the case may be, shall approach the Appropriate Commission for the adoption of tariffs by the Appropriate Commission in terms of Section 63 of the Act within 15 (fifteen) days of the discovery of the tariffs in the transparent, competitive bidding process conducted in accordance with these Guidelines.

19. As per the Guidelines, NHPC, in the capacity of intermediary, invited proposals for the selection of Hybrid Power Developers of 1200 MW (1.2 GW) ISTS (Inter State Transmission System) Connected Wind - Solar Power Projects anywhere in India under the Tariff-Based Competitive Bidding with Green-shoe Option. Under the arrangement, the Petitioner, NHPC, is to procure power by entering into PPAs with the

successful bidder, with back-to-back PSAs for the same amount of power to the distribution licensee/Buying Entities.

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

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

Sr. No.	Milestone	Date
1	RfS issued by NHPC.	17.12.2024
2	Last date of online submission for bids.	23.01.2025
3	Last date of offline submission for bids.	27.01.2025
4	Online and offline bids were opened	28.01.2025
5	Financial bids were opened	03.03.2025
6	The Reverse Auction of bidding was conducted	10.03.2025

22. The Petitioner, NHPC, on 17.12.2024, issued Tender - Request for Selection (RfS) for the selection of Hybrid Power Developers (HPGs) for setting up of 1200 MW (1.2 GW) ISTS (Inter State Transmission System) Connected Wind - Solar Power Projects anywhere in India basis under the Tariff Based Competitive Bidding with Green-shoe Option. Tenders for Tariff-Based Bidding were invited on an International Competitive Bidding basis in a Single Stage - Two Envelope Bidding process followed by a Reverse Auction among shortlisted Bidders.

23. NIT and Tender Document were uploaded on the Central Public Procurement (CPP) e-procurement portal on 17.12.2024 with the last date of online submission as 16.01.2025 and offline submission as 20.01.2025. The bid opening date was 21.01.2025. NIT was also uploaded to NHPC's website and published in an International Newspaper as per the extant policy guidelines of NHPC. The online and offline bid submission dates have been extended to 23.01.2025 and 27.01.2025, respectively. The bid opening date was extended up to 28.01.2025.

24. On 17.12.2024, the Petitioner also constituted Tender Opening and Evaluation Committee (TEC), comprising the following, for the opening and evaluation of bids.



a. Member of Tender Opening Committee:

Sr. No.	Name of the Officers	Designation
1	Sh. G Narendra	DGM (Civil) - Contract (Civil) Division
2	Sh. Rajesh Kumar	DGM(Civil) - Contract (Civil) Division
3	Sh. Hari Mohan	SM (Finance) - Finance Division
4	Sh. Vishal Pachnanda	SM (Finance) - Finance Division

b. Member of Tender Evaluation Committee:

Sr. No.	Name of the Officers	Designation
1	Sh. Onkar Yadav,	GM (Elect.) - Commercial Division
2	Sh. Sanat Kumar,	GM (Civil) - Contract (Civil) Division
3	Sh. Choudhary Pankaj Kumar Roy	GM(Civil) - RE & GH Division
4	Sh. Manish Dhawan	DGM(F) - Finance Division

25. In response to the RfS, the Petitioner received seven (07) online as well as offline bids. The Tender Evaluation Committee (TEC) evaluated the submitted bids, and all seven (07) bidders were found technically successful. The Financial bids were opened on 03.03.2025, and six (06) bidders were declared successful to participate in the e-Reverse Auction (e-RA).

S.No.	Name of Bidders	Qualified Capacity in MW	Tariff as per price bid in Rupees per kWh	Inter-Se Rank
(1)	(2)	(3)	(4)	(5)
1	Avaada Energy Private Limited	600	3.42	L1
2	Sprng Vayu Vidyut Private Limited	150	3.56	L2
3	Juniper Green Energy Private Limited	150	3.61	L3
4	Illuminate Hybren Private Limited	240	3.66	L4
5	Renew Solar Power Private Limited	600	3.75	L5
6	Adani Renewable Energy Holding Twelve Limited	600	3.83	L6

26. The Reverse Auction of the bidding was conducted on 10.03.2025, and the following bidders remained successful bidders along with the capacity allotted & quoted Tariff.



S.No.	Name of Bidders	Qualified Capacity in MW	Tariff as per price bid in Rupees per kWh	Post e-RA Tariff in Rupees per kWh	Capacity Allocated in MW
(1)	(2)	(3)	(4)	(5)	(6)
1	Adani Renewable Energy Holding Twelve Limited	600	3.83	3.41	600
2	Sprng Vayu Vidyut Private Limited	150	3.56	3.41	150
3	Illuminate Hybren Private Limited	240	3.66	3.41	240
4	Avaada Energy Private Limited	600	3.42	3.42	210
Total MW					1200

27. Subsequently, the Petitioner proposed an additional capacity of 1200 MW to the successful bidders under the Greenshoe Option as per clause 3.1(b) & 3.1(c) of the RfS document. According to the Petitioner, in the first round of queries to the successful bidders for Greenshoe allocation, out of the maximum allocation capacity of 1200 MW under the Greenshoe option, only 810 MW was sought by the successful bidders in the First Round. Out of the 4 (Four) nos. of successful bidders, M/s Sprng Vayu Vidyut Private Limited & M/s Illuminate Hybren Private Limited have submitted their non-willingness for capacity allocation under Greenshoe option.

Sl. No.	Bidder's Name	Tariff (Rs./kWh)	First Round Allocation under "Green shoe option" in MW
1.	M/s Adani Renewable Energy Holding Twelve Limited	3.41	600
2.	M/s Sprng Vayu Vidyut Private Limited	3.41	-
3.	M/s Illuminate Hybren Private Limited	3.41	-
4.	M/s Avaada Energy Private Limited	3.42	210
Total			810

28. According to the Petitioner, out of the remaining 2 (two) successful bidders, M/s Adani Renewable Energy Holding Twelve Limited has submitted their willingness for

600 MW capacity allocation under the Greenshoe option. As M/s Adani Renewable Energy Holding Twelve Limited is under consideration for 1200 MW capacity allocation (600 MW base capacity & 600 MW capacity allocation under 1st round of Greenshoe option), so, only M/s Avaada Energy Private Limited was requested vide email dated 18.03.2025 by Contract (Civil) Division to confirm their willingness for Additional Allocation (over and above already submitted under First Round Greenshoe Option) as per the eligibility criteria under RfS conditions.

29. The petitioner submitted that the evaluation on the criteria under RfS for additional capacity under the Greenshoe Option (both First and Second rounds) is as follows:

- (a) M/s Adani Renewable Energy Holding Twelve Limited: - The bidder exercised the Greenshoe option for additional allocation of 600 MW capacity with break-up vide its email dated 17.03.2025. The bidder meets the eligibility criteria for the overall capacity of 1200 MW.
- (b) M/s Sprng Vayu Vidyut Private Limited: - Bidder vide email dated 17.03.2025 confirmed its non-willingness for allocation of capacity under the Greenshoe option. The bidder meets the eligibility criteria for the overall capacity of 150 MW.
- (c) M/s Illuminate Hybren Private Limited: - Bidder vide email dated 17.03.2025 confirmed its non-willingness for allocation of capacity under the Greenshoe option. The bidder meets the eligibility requirements for the overall capacity of 240 MW.
- (d) M/s Avaada Energy Private Limited: - Bidder opted for the Greenshoe option offered in the first round for 210 MW with breakup vide email dated 17.03.2025. Further, in response to the Second Round of allocation under Greenshoe option, bidder vide email/letter dated 18.03.2025 has mentioned that “we hereby wish to submit our confirmation acceptance on Matching L-1 Tariff i.e., Rs. 3.41 per kWh as discovered in the e-RA concluded for the allocation of Additional Capacity of up to 990 MW (including above-mentioned 210 MW Green-shoe capacity) under Greenshoe option to us and hereby with this letter submit our willingness to sign the PPA with NHPC accordingly, under the said RfS. Since a total of 390 MW capacity has been left out (150 MW of L2 bidder & 240 MW of L3 bidder), as such, the same has been considered for allocation for M/s Avaada Energy Private

Limited under the 2nd round of allocation of Greenshoe option, making the total allocation under the Greenshoe option as 210+390 = 600 MW. The bidder meets the eligibility criteria for the overall capacity of 810 MW.

30. Accordingly, the Petitioner submitted that after the e-RA and Greenshoe option, the final allocated capacity is as follows:

S. No.	Name of Re-PG	Allocated Capacity (MW)	Tariff (Rs./kWh)	Capacity allocated (MW) under "Green shoe option"	Tariff (Rs./kWh)
1.	M/s Adani Renewable Energy Holding Twelve Limited	600	3.41	600	3.41
2.	M/s Sprng Vayu Vidyut Private Limited	150	3.41	-	-
3.	M/s Illuminate Hybren Private Limited	240	3.41	-	-
4.	M/s Avaada Energy Private Limited	210	3.42	600	3.41
	Total	1200		1200	

31. NHPC has issued a Letter of Award dated 09.10.2024 to the above four (04) HPGs, i.e. successful bidders. The relevant portion of the letter of award issued to one of the successful bidders, namely M/s Adani Renewable Energy Holding Twelve Limited, Ahmedabad, is as under:

" Sub: Letter of Award for Selection of Hybrid Power Developers for Supply of 1200MW (1.2 GW) ISTS (Inter State Transmission System) Connected Wind-Solar Hybrid Power Projects on anywhere in India basis under Tariff Based Competitive Bidding with Green Shoe Option (NHPC-Tranche-X-Hybrid (2024-25)).

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1.0 This has reference to the following:

A. *The "Guidelines for Tariff Based Competitive Bidding Process for Procurement of Power from Grid Connected Wind Solar Hybrid Projects" vide Gazette Resolution dated 21.08.2023 including its subsequent amendments and*



clarifications issued by Ministry of Power (MoP) (hereinafter referred to as “Guidelines”).

- B. The Request for Selection (RfS) document vide RfS no. NH/CCW/CC-I/CO-348/PRI6924/30 including draft Power Purchase Agreement (PPA), draft Power Sale Agreement (PSA) and subsequent amendments/clarifications/revisions/notifications issued by NHPC Limited and uploaded during the process of RfS on CPP Portal.
- C. Your response to the RfS document submitted on CPP Portal vide Bid No. 3159113 dated 23.01.2025 against RfS for Setting up of 1200 MW ISTS Connected Wind-Solar Hybrid Power Projects.
- D. Your Bank Guarantee towards Earnest Money Deposit (EMD) submitted along with RfS vide No 007BG07250220018 dated 22.01.2025 issued by Yes Bank for an amount of Rs. 10 Crore with validity up to 16.02.2026.
- E. Your Final tariff at the end of the e-Reverse Auction conducted on 10.03.2025 for the referred RfS for selection for ISTS Connected Wind-Solar Hybrid Power Projects.
- F. Your confirmation of tariff against allocation of capacity under Greenshoe Option

With reference to above and subject to the provisions of RfS Document, we confirm having accepted your final offer concluded as a result of e-RA and issue this letter of award as per the following details:

Allocated Capacity (1200 MW)	Projects	Project Location	Inter-Connection Points Details	Declared Capacity Utilization Factor (CUF)	Applicable Tariff(Rs. Per kWh) in figures and words
600 MW (Base Allocation)	Solar PV Project: 520MW (AC) Upto 754 MWp (DC) DC/AC Ratio = 1.45	Mohangarh, Rajasthan	Ramgarh Complex CTU S/s 220/400kV	CUF: 34%	3.41 (Rupees Three and Forty one Paise only)
	Wind Component: 201 MW	Barmer, Rajasthan	Barmer Complex CTU S/s 220/400kV		



600MW (Greenshoe Option)	Solar PV Project: 520MW(AC) to 754 MW (DC) DC/AC Ratio= 1.45	Sanchore, Rajasthan	Sanchore Complex CTUS/s		3.41 (Rupees Three and Forty one Paise only)
	Wind Component: 201 MW	Barmer, Rajasthan	Barmer Complex CTU S/s		

NHPC shall purchase the power generated from the proposed ISTS-Connected Wind – Solar Hybrid Power project under the above scheme subject to the following terms and conditions as stated in various documents referred above and briefly brought out hereinafter.

- 2.0 The applicable tariff as mentioned above for power generated from the proposed Solar-Wind Hybrid Power Project for the term of the Power Purchase Agreement (PPA) to be entered into between Hybrid Power Generator (HPG) / Project Company and NHPC Limited, for the project, shall be firm for the entire term of the PPA. The Capacity Utilisation Factor (CUF) shall be governed in terms of Clause 3.10.
- 3.0 *The award of the above Project is subject to the Guidelines, including amendments/clarifications issued by the Government of India, and terms and conditions of the RfS Document, including its clarifications/amendments issued by NHPC.*
- 4.0 *In terms of Clause 3.26 of RfS Document, the shareholding in the Project Company/SPV executing the Power Purchase Agreement (PPA), shall not fall below 51% at any time prior to 1 (One) year from the SCSD, except with the prior approval of NHPC.*
- 5.0 *Bidders selected by NHPC based on this RfS shall submit Performance Bank Guarantee (PBG) for a value of Rs. 23,55,000 x Rated cumulative Installed Capacity of Solar component (MW) + INR 32,45,000 x Rated cumulative Installed Capacity of Wind component (MW) for each project as per Format 6.3B/6.3B(I)/6.3B(II) before signing of PPA, in line with Clause-3.24, Section-3 of the RfS Document. For online confirmation of Bank Guarantee against Performance Security, the bank details of NHPC to be communicated to the issuing Bank is as under:*



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

- 6.0 Success charges @ INR 1.00 Lakh/MW + GST@ 18% shall be deposited by SPG corresponding to contracts capacity awarded vide this letter of award in terms of RfS clause 3.13.
- 7.0 PPA will be executed between NHPC and the selected bidder as per the breakup of the cumulative Project capacity awarded to the Bidder. The LoA is being issued in line with the Project capacity quoted in the Covering Letter (Format 6.1) as part of your response to RfS and subsequently allotted capacity during e-RA, and your confirmation to the same, as applicable. However, the successful bidder shall have option to change the Project location before the Financial Closure as per Clause 3.27 of RfS Document. Any change in State location of the Project(s) awarded shall not be permitted subsequent to the above deadline.
- 8.0 Power Purchase Agreement shall be signed between NHPC and successful bidders. The PPA shall be executed within 06 (Six) months of the date of issue of Letter of Award, if not extended by NHPC. Separate PPA will be executed between NHPC and HPG for each project. The installed Capacity break-up, as submitted as part of the Bidder's response to RfS, shall remain unchanged until issuance of LOA. The above configuration can be changed subsequent to issuance of LOAs until the date as on achievement of Financial Closure for the project subject to minimum contracted capacity of each Project shall not be less than 50 MW (30 MW in case of Projects located in North-Eastern States and Special Category States). Delays in meeting the project execution timeline on account of changes in the project parameters from the data as submitted in the Covering Letter (Format 6.1), shall be at the risk and cost of the Successful Bidder. The PPA shall be for a period of 25 years from the Scheduled Commissioning Date of the project. The PPA(s) will be signed after signing of PSA(s) for the respective Project(s). The HPD/HPG shall meet financial closure requirements for the Project in line with clause-3.27, Section-3 of the RfS document. Accordingly, the HPD/HPG shall furnish the documents pertaining to compliance of financial closure as per the above provisions.



- 9.0 The HPD/HPG/Project Company shall achieve commissioning of full capacity of the Project within 24 months or 30 months as the case may be from the Effective Date of the PPA as per the conditions stipulated in Clause 3.28, Section-3 of the RfS and relevant articles of PPA. In case of failure to achieve the milestone, the HPD/HPG/Project Company shall pay the liquidated damage, which shall be levied on the HPD/HPG as per above provisions.
- 10.0 All disputes arising out of and/or in connection with the selection of Hybrid Power Projects under the said RfS and execution of PPA thereto shall be governed by laws of India and shall be subject to the jurisdiction of Courts of Faridabad.
- 11.0 PPA shall be signed only after signing of Power Sale Agreement (PSA) with the end procurer and NHPC shall not be liable on any account for any delay/inability in signing of PSA and PPA.
- 12.0 You are requested to report Executive Director (Renewable Energy & Green Hydrogen) (email: reia@nhpc.nic.in) for further direction and action in the matter.

This Letter of Award (LOA) is being issued in duplicate, and you are requested to kindly acknowledge receipt and acceptance of this LOA by sending the duly stamped and signed duplicate copy of this LOA to NHPC within 07 day from the date of this LOA.”

32. As per Clause 12.2 of the Guidelines, the Evaluation Committee is required to certify that the bidding process and the evaluation have been conducted in conformity with the provisions of the RfS document. Vide conformity certificate 1, the Petitioner has certified that applicable Guidelines and amendments/ clarifications thereof, if any, issued by the Government of India were followed for the bidding process in the above tender, and no deviation was taken from the Guidelines in the RfS documents for the above tender and, the prices discovered under the subject tender are reasonable, in line with the market trends, and consistent with the requirements specified in the Request for Selection document. The relevant extract of the aforesaid conformity certificate is as under:

“ CONTRACTS CIVIL DIVISION

*Name of Work: Selection of Hybrid Power Developers for Supply of
1200MW (1.2 GW) ISTS (Inter State Transmission System) Connected
Wind-Solar Hybrid Power Projects on anywhere in India basis under
Tariff Based Competitive Bidding with Green Shoe Option (NHPC-*



Tranche-X-Hybrid (2024-25)

NIT No. 2024_835426_1

NIT Date: 17.12.2024

e-RA Date: 10.03.2025

No deviation was made in the bid documents from the provisions of the bidding Guidelines.”

33. The Petitioner has also furnished a brief comparison of the tariff discovered in the tenders invited by other REIAs for similar projects and reiterated that the tariff discovered in the present case was in alignment with the prevailing market tenders. A brief comparison of tariffs discovered in other similar tenders, as furnished by the Petitioner, is as under:

Name of REIA	Capacity	Rate discovered (Rs./kWh)	Discovery Month
NHPC	960 MW	3.48 – 3.49	February, 2024
	1200 MW	3.41 – 3.42	December, 2024
NTPC	1000 MW	3.41 – 3.47	April, 2024
	1000 MW	3.43 – 3.46	July, 2024
SECI	1200 MW	3.43 – 3.46	June, 2024
	1200 MW	3.25 – 3.26	September, 2024
SJVN	970 MW	3.43 – 3.46	February, 2024
	1500 MW	3.41 – 3.42	June, 2024

34. In response to another query of the Commission regarding the enabling provisions in the Bidding Guidelines, 2023, if any, for offering additional capacity under the Greenshoe Option, the Petitioner has stated that the said Guidelines do not contain any provisions on offering the capacity under the Greenshoe Option. The Petitioner also submitted that, to achieve the overall target in accordance with the MNRE’s bidding calendar, to avoid concurrent bids by different REIAs at the same time, and to avoid repetitive bidding for the same technology, the Greenshoe Option was included in the bid. It is also submitted that such an option is being incorporated in the RfS as it is standard bidding practice adopted in RE tenders by all REIAs/Discoms. It is also



submitted that the process for allotting additional capacity under the Greenshoe Option is set out in the RfS.

35. The Commission observes that in the bidding process conducted by the Petitioner, NHPC for 1200 MW ISTS-connected Wind-Solar Hybrid Power Projects along with an additional 1200 MW under the Green Shoe Option, M/s Avaada Energy Private Limited has been allocated 210 MW in the first round and 390 MW in the second round under the Greenshoe Option, aggregating to 600 MW, thereby exceeding the originally envisaged allocation. While the implementing agency may have included enabling provisions in the RfS to facilitate such allocation, the Commission is of the view that the enhanced allotment beyond the originally allotted capacity might raise concerns regarding transparency, consistency, and equal treatment of bidders under the Greenshoe allocation, particularly in light of the requirement to ensure a level playing field and maintain fairness in the competitive bidding framework.

36. The Commission notes that the Guidelines issued by the Central Government under Section 63 of the Act do not expressly provide for or define the "Greenshoe Option". However, the Commission observes that NHPC Limited, acting as the implementing agency, incorporated the provisions relating to the Greenshoe Option in the original Request for Selection (RfS) document issued for the procurement of power through tariff-based competitive bidding.

37. The Commission notes that Section 63 of the Electricity Act, 2003 mandates that the procurement of electricity by the distribution licensees shall be undertaken through a transparent process of competitive bidding in accordance with the guidelines issued by the Central Government. These Guidelines provide for the enhancement of tendered capacity under the same bidding framework, subject to the condition that such enhancement is of a similar nature and governed by identical terms and conditions as those of the original Request for Selection (RfS). It is, however, observed that the term "Greenshoe Option" is not defined or specifically provided for in the said Guidelines issued by the Ministry of Power. The mechanism adopted by NHPC under the nomenclature of the "Greenshoe Option" appears to mirror the technical specifications, commercial terms, and bidding parameters of the original capacity; however, the

Commission feels it would be desirable to include an explicit provision in the Guidelines for such a mechanism.

38. In this regard, reference is invited to Order No. 79/AT/2024 dated 01.08.2024 in the matter of M/s SJVN Limited, wherein this Commission, upon a detailed examination of the bidding process, had observed that the selection of successful bidders and the discovery of tariffs were undertaken through a transparent process of competitive bidding in consonance with the “Guidelines for Tariff Based Competitive Bidding Process for Procurement of Firm and Dispatchable Power from Grid Connected Renewable Energy Power Projects with Energy Storage Systems” dated 09.06.2023, issued by the Ministry of Power under Section 63 of the Electricity Act, 2003. In the said case, the Commission, *ex abundanti cautela*, permitted the allocation of additional capacity to certain developers after considering the purported “Greenshoe Option” proposed by the implementing agency. It has now come to the notice of the Commission that NHPC has been applying and operationalising the “Greenshoe Option” in subsequent bidding exercises as a matter of routine administrative practice, *de hors* any explicit provision or prior sanction under the Guidelines issued by the Ministry of Power. Such continued invocation of a mechanism not expressly recognised in the extant Guidelines may *prima facie* be viewed as inconsistent with the *ratio legis* of Section 63 of the Act and the *audi alteram partem* principles that underpin transparency and fair competition in tariff-based procurement.

39. While the approach adopted by NHPC under the purported Greenshoe Option may have been intended to enable procurement of additional capacity of a similar nature within the same bidding process and to ensure tariff efficiency, the absence of a clear basis of guidelines or prior approval for such a mechanism leaves its consistency with the statutory framework open to interpretation.

40. Therefore, in terms of Section 63 of the Act, the Commission adopts the individual tariff in terms of the LOAs dated 29.04.2025 for the STS Grid connected Wind-Solar Hybrid Power Projects, by the successful bidders (by restricting the allocation of additional capacity of Avaada Energy Private Limited, under Greenshoe option, to 210 MW as per the first round) as under:



Sl. No.	Name of Re-PG	Allocated Capacity (MW)	Tariff (Rs./kWh)	Capacity allocated (MW) under "Green shoe option"	Tariff (Rs/kWh)
1.	M/s Adani Renewable Energy Holding Twelve Limited	600	3.41	600	3.41
2.	M/s Sprng Vayu Vidyut Private Limited	150	3.41	-	-
3.	M/s Illuminate Hybren Private Limited	240	3.41	-	-
4.	M/s Avaada Energy Private Limited	210	3.42	210	3.41
	Total	1200		810	

41. Prayer (2) of the Petitioner is answered in terms of the paragraph above. Moreover, as soon as the awarded capacity is tied up under the PPAs and PSAs, the Petitioner shall place on record the copies of such PPAs and PSAs. Also, if the awarded capacity does not fructify into the PPAs and PSAs, the Petitioner shall also place on record such development(s) in the file of the present case

42. In view of the foregoing, and keeping in mind the principles of transparency, fairness, and equal opportunity, the Commission directs all REIAs including NHPC to approach the Ministry of Power, Government of India, for a clarification on the Greenshoe option, including the manner/ specificity of allocation of additional capacity under the Greenshoe Option including but not limited to applicability of the 50% cap in the context of allocation under the Greenshoe Option, particularly where excess capacity arises due to non-acceptance by other bidders. Such clarification from the Ministry will ensure uniform incorporation of Greenshoe Option provisions across schemes, safeguard competitive neutrality, and provide regulatory certainty to all stakeholders in future bidding processes.

43. Clause (10) of Regulation 9 of the Central Electricity Regulatory Commission (Procedure, Terms and Conditions for grant of trading licence and other

related matters) Regulations, 2020 (hereinafter referred to as “the Trading Licence Regulations”) provides as under:

“9. (10) The Trading Licensee shall make payment of dues by the agreed due date to the seller for purchase of the agreed quantum of electricity through an escrow arrangement or irrevocable, unconditional and revolving letter of credit in favour of the seller. Such escrow arrangement or irrevocable, unconditional and revolving letter of credit in favour of the seller shall be equivalent to:

a. one point one (1.1) times the average monthly bill amount (estimated average of monthly billing amounts for three months or actual monthly billing amount for preceding three months as the case may be) with a validity of one year for long term contracts;

b. one point zero five (1.05) times of contract value for short term contracts.”

44. The above provisions provide for the payment security mechanism to be complied with by the parties to the present Petition. Accordingly, the provisions of Articles 10.3 and 10.4 of the PPAs and Clause (10) of Regulation 9 of the Trading Licence Regulations shall be abided by the concerned parties to the present Petition.

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

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

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

47. The above provision gives the choice to the contracting parties to mutually agree on a trading margin for long-term transactions. However, proviso to Regulation 8(1)(d) of the Trading Licence Regulations provides as under:

*“8(1) (d) * * * * **

Provided that in contracts where escrow arrangement or irrevocable, unconditional and revolving letter of credit as specified in clause (10) of Regulation 9 is not provided by the Trading Licensee in favour of the seller, the Trading Licensee shall not charge trading margin exceeding two (2.0) paise/kWh.”

48. Regulation 8(1)(f) of the Trading Licence Regulations provides as under:

“For transactions under Back to Back contracts, where escrow arrangement or irrevocable, unconditional and revolving letter of credit as specified in clause (10) of Regulation 9 is not provided by the Trading Licensee in favour of the seller, the Trading Licensee shall not charge trading margin exceeding two (2.0) paise/kWh.”

49. The above two provisions are exceptions to the main provision as regards trading margin. If the distribution licensees agree to a trading margin of Rs. 0.07/kWh, it will be in consonance with Regulation 8(1)(d) of the Trading Licence Regulations. However, in case of failure by NHPC to provide an escrow arrangement or an irrevocable, unconditional, and revolving letter of credit to the wind-solar hybrid power generators, the trading margin shall be limited to Rs.0.02/kWh specified in Regulation 8(1)(d) and Regulation 8(1)(f) of the Trading Licence Regulations.

50. Petition No. 457/AT/2025 is disposed of in terms of the above

Sd/-	Sd/-	Sd/-	Sd/-
(श्री रविन्द्र सिंह ढल्लो)	(श्री हरीश दुदानी)	(श्री रमेश बाबू व.)	(श्री जिश्नु बरुआ)
सदस्य	सदस्य	सदस्य	अध्यक्ष

