

**BEFORE THE HARYANA ELECTRICITY REGULATORY COMMISSION
BAYS No. 33-36, SECTOR-4, PANCHKULA- 134112, HARYANA**

Case No. HERC/PRO – 64 of 2019

DATE OF HEARING : 18.02.2020
DATE OF ORDER : 18.02.2020

IN THE MATTER OF:

Application under section 86(1) (b) and section 63 of the Electricity Act, 2003 for approval of Source and adoption of tariff by the Hon'ble Commission for quantum of 1 MW solar power discovered in NIT-77/CE/HPPC dated 3.1.2019 floated for procurement 300 MW solar power on long term basis through tariff based competitive bidding process.

Petitioner

Haryana Power Purchase Centre, Panchkula (HPPC)

Present On behalf of the Petitioner

1. Shri Vikas Kadian, Xen, HPPC
2. Smt. Seema Sidana, AE, HPPC

Quorum

Shri D.S. Dhesi, Shri Pravindra Singh Chauhan, Shri Naresh Sardana,	Chairman Member Member
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ORDER

Brief Background of the case

1. HPPC has filed the petition seeking adoption of tariff discovered through bidding, under section 63 of the Electricity Act, 2003 for procurement of 1 MW solar power from Ms. Gurmitinder Kaur Randhawa @ Rs. 2.999/kWh, fixed for 25 years and allow HPPC to issue LOI.
2. HPPC has submitted as under:-
 - a) That, the Haryana Electricity Regulatory Commission (Terms and Conditions for determination of tariff for Renewable Energy Sources, Renewable Purchase Obligation and Renewable Energy Certificate) Regulations notified by the Commission from time to time provides that every obligated entity including Discoms shall purchase energy from renewable energy sources under Renewable Purchase Obligations (RPOs). The Commission has defined RPOs separately for purchasing solar and non-solar power. The tariff Orders

passed by the Commission, from time to time, also mandate to purchase power to meet the Renewable Purchase Obligation.

- b) That SCPP in its 40th meeting held on 22.02.2017 inter alia discussed the RPO scenario and decided as under:-

“The Committee discussed the existing solar RPO Trajectory as fixed by HERC viz-a-viz new solar RPO Trajectory as per MoP Guidelines dated 16.7.2016. Accordingly, the Committee approved to issue NIT for procurement of 300 MW Solar power through competitive bidding.”

- c) That, the HPPC on 14.07.2017 filed a petition in the HERC (PRO- 53 of 2017), seeking approval to purchase 300 MW Solar Power through competitive bidding along with approval of Terms & Conditions of Request for Proposal (RfP) and draft PPA. The Commission, vide Order dated 05.11.2018, approved the procurement of 300 MW Solar Power through competitive bidding, as per terms & conditions of Request for Proposal (RfP) and draft PPA submitted by the HPPC.
- d) That, the HPPC had floated tender vide NIT No. 77 dated 03.01.2019 for purchase of 300 MW solar power through competitive bidding in line with the approval accorded by the Commission. The total requisite capacity of 300 MW has been divided into two categories i.e. 240 MW in Category-I, reserved for large developers with minimum capacity of 3 MW and upto 240 MW and 60 MW in Category-II reserved for small developers in Haryana with capacity of 1 MW or 2 MW.
- e) That even after four time extensions, the tender failed to get response from the bidders. The terms and conditions of the tender were, thereafter, revised in compliance to the Commission Order dated 04.04.2019 in PRO-11 of 2019 filed by M/s Tepsol Green Energy Pvt. Ltd. seeking amendment in RfP for extending timelines of financial closure and commissioning schedule from 7 months and 12 months to 12 months and 18 months respectively, in line with the revised MoP Guidelines.
- f) That the technical bid of the subject cited tender was opened on 06.08.2019. Four number bidders submitted their bids in the respective category for below mentioned capacities:-

Sr. No.	Name of the bidder	Qty offered	Category	Proposed plant location
1	Avaada Energy Pvt. Ltd. , Noida	240 MW	I	Bikaner, Rajasthan
2	Adani Green Energy Four Ltd., Gujarat	50 MW	I	Jaisalmer, Rajasthan
3	JSW Energy Ltd. Mumbai	240 MW	I	Jodhpur, Rajasthan
4	Gurmitinder Kaur Randhawa, Chandigarh	1 MW	II	Shahabad, Haryana

The financial bids of above firms, found technically responsive, were opened on 16.8.2019 followed by e-reverse auction (E-RA). The final outcome of the E-RA vis- a- vis standing of bidders in respective category is tabulated as under:-

Sr. No.	Name of the bidder	Tariff offered at the start of E-RA in Rs./kwh	Tariff discovered after E-RA in Rs./kwh	Capacity	Status
Category-I					
1.	Avaada Energy Pvt. Ltd., Noida	2.99	2.82	240 MW	L- I
2.	JSW Energy Ltd. Mumbai	3.00	2.83	240 MW	L-II
3.	Adani Green Energy Four Ltd., Gujarat	3.00	3.00	50 MW	L-III
Category-II					
4	Gurmitinder Kaur Randhawa, Chandigarh	2.999	2.999	1 MW	L-I

The validity of offers received against the NIT is for 180 days, from the date of e-RA i.e. upto 2.2.2020.

- g) That, the SCPP in its 54th meeting held on 10.09.2019 considered the outcome of NIT as detailed above and on deliberations, approved the offer of Ms. Gurmitinder Kaur Randhawa, Chandigarh for 1 MW solar power, to be set up in Haryana, under Category-II, at discovered rate of Rs. 2.999/- per kWh, fixed for 25 years, for onward submission to the Commission for further approval.
- h) That in view of the aforementioned, the bid/offer of Ms. Gurmitinder Kaur Randhawa for 1 MW solar power from the proposed project at Shahabad, Haryana @ Rs. 2.999/- per kWh, fixed for 25 years, may be considered, for source approval and adoption of tariff, discovered through transparent process of bidding, under section 63 of the Electricity Act, 2003.
- i) HPPC has prayed as under:-
- a. To approve the source at a tariff discovered through transparent process of bidding (NIT-77), under section 63 of the Electricity Act, 2003 for procurement of 1 MW solar power from Ms. Gurmitinder Kaur Randhawa @ Rs. 2.999/kWh, fixed for 25 years and allow HPPC to issue LOI;
 - b. Or Pass such further order or order(s) as may be deemed necessary and fit in the circumstances of the case.

Proceedings in the Case

3. The matter was heard on 18th February, 2020 as scheduled.
4. During the hearing, the petitioner mainly reiterated the contents of the Petition, which for the sake of brevity has not been reproduced hereinabove.

Commission's Analysis and Order

5. The Commission observes that HPPC has to meet the Solar RPO targets fixed by the Commission, under Haryana Electricity Regulatory Commission (Terms and Conditions for determination of Tariff from Renewable Energy Sources, Renewable Purchase Obligation and Renewable Energy Certificate) Regulations, 2017 (HERC RE Regulations, 2017). The shortfall in fulfillment of RPO Solar targets by HPPC, for the FY 2018-19, as reported by HAREDA, is about 1202 MUs. Considering the backlog of shortfall in Solar RPO by HPPC (i.e. 648.44 MUs), upto 31st March, 2018, total shortfall increases to about 1850.44 MUs.
6. Further, the Commission is of the considered view that the tariff of Rs. 2.999/kWh has been discovered through a transparent process of bidding, in accordance with the guidelines issued by the Ministry of Power, with the prior approval by the Commission, of deviations taken therefrom.
7. In view of the above, the Commission considering the request of HPPC, adopt the tariff discovered through transparent process of bidding, under section 63 of the Electricity Act, 2003 for procurement of 1 MW solar power from Ms. Gurmitinder Kaur Randhawa @ Rs. 2.999/kWh, fixed for 25 years and allow HPPC to issue LOI.
8. The Petition is disposed of accordingly.

This order is signed, dated and issued by the Haryana Electricity Regulatory Commission on 18.02.2020.

Date: 18.02.2020	(Naresh Sardana)	(Pravindra Singh Chauhan)	(D.S. Dhesi)
Place: Panchkula	Member	Member	Chairman