

**BEFORE THE GUJARAT ELECTRICITY REGULATORY COMMISSION
GANDHINAGAR**

Petition No. 1970 of 2021.

In the Matter of:

Petition under Section 63 read with Section 86 (1) (b) of the Electricity Act, 2003 for adoption of tariff discovered under Competitive Bidding Process for procurement of power from Grid connected Solar PV projects in Gujarat through RfS No. TPL/Solar/03/2020 dated 23.12.2020.

Petitioner : Torrent Power Limited
Represented By : Shri Chetan Bundela alongwith Shri Jignesh Langalia and Ms. Luna Pal

CORAM:

**Mehul M. Gandhi, Member
S. R. Pandey, Member**

Date: 12/07/2021.

ORDER

1. The present Petition has been filed by Torrent Power Limited (TPL) seeking adoption of tariff discovered by the Petitioner through competitive bidding process conducted through RfS No. TPL/Solar/03/2020 dated 23.12.2020 for procurement of power from Grid connected Solar PV projects in Gujarat in accordance with the 'Guidelines for Tariff Based Competitive Bidding Process' dated 03.08.2017 as amended from time to time and Section 63 readwith Section 86(1)(b) of the Electricity Act, 2003.
2. Facts mentioned in the Petition are briefly detailed below:
 - 2.1. The Petitioner Torrent Power Limited is a Company incorporated under the Companies Act, 1956 and filing the present petition in its capacity of distribution licensee of Ahmedabad/Gandhinagar, Surat, Dahej SEZ and Dholera SIR areas.
 - 2.2. The Commission in exercise of the powers conferred under Sections 61, 66, 86 (1) (e) and 181 of the Electricity Act 2003 has notified the GERC (Procurement of

Energy from Renewable Sources) Regulations, 2010 dated 17.10.2010 for procurement of energy from renewable sources by distribution licensee within the State of Gujarat and thereby promoting the sale of power from renewable energy sources. The Commission has specified the minimum percentage in the aforesaid RPO Regulations for procurement of RE power from Wind, Solar, and Others(Biomass, Bagasse, MSW) Sources.

- 2.3. Thereafter, the Commission has issued the GERC (Procurement of Energy from Renewable Sources) (First Amendment) Regulations, 2014 specifying the minimum percentage of procurement of power from renewable energy up to FY 2016-17 and thereafter, the Commission has issued the GERC (Procurement of Energy from Renewable Sources) (Second Amendment) Regulations, 2018 wherein the minimum percentage in the aforesaid RPO Regulations for procurement of RE power from Wind, Solar and Other Sources is specified as under:

Year	Wind	Solar	Others	Total RPO
FY 2017-18	7.75%	1.75%	0.50%	10.00%
FY 2018-19	7.95%	4.25%	0.50%	12.70%
FY 2019-20	8.05%	5.50%	0.75%	14.30%
FY 2020-21	8.15%	6.75%	0.75%	15.65%
FY 2021-22	8.25%	8.00%	0.75%	17.00%

- 2.4. The Commission vide letter dated 18.03.2017 referring to the bidding process being followed in the country for procurement of Wind and Solar power conveyed that the distribution licensee may follow competitive bidding process under Section 63 of the Electricity Act, 2003 or the bidding process followed by SECI/MNRE and the distribution licensee is required to approach the State Commission for adoption of such tariff for procurement of such power.
- 2.5. Ministry of Power (MoP), Government of India 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'. The aforesaid 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.
- 2.6. The Commission has approved various deviations such as the payment security mechanism, bid responsiveness, Force Majeure and Change in Law as sought by

the Petitioner vide its Order dated 20.11.2018 in Petition No. 1744 of 2018 and Order dated 26.02.2021 in Petition No. 1905 of 2020.

- 2.7. The Petitioner decided to procure solar power in order to fulfil its RPO obligations and accordingly, the Petitioner issued tender on e-bidding portal www.bharatelectronicstender.com on 23.12.2020 and had published tender notice on 24.12.2020 in the Business Standard (All India Edition) and Mint (All India Edition) newspaper, for purchase of solar power from grid connected solar photovoltaic power projects in Gujarat through competitive bidding process followed by e-reverse auction. The bidders were required to submit their bid on the website www.bharatelectronicstender.com. The last date for submission of offers was 18.01.2021.
- 2.8. Thereafter, the Petitioner had issued an Addendum No. 1 on 08.01.2021 to provide for additional capacity up to 300 MW under greenshoe option and accordingly, the last date for submission of offers was extended to 28.01.2021, 02.02.2021 and finally up to 08.02.2021.
- 2.9. Moreover, pre-bid meeting was held on 13.01.2021 wherein 17 bidders participated. The Petitioner also issued an Addendum No. 2 on 22.01.2021 and revised/modified clauses of RfS giving due considerations to the representation received from the bidders.
- 2.10. Post submission of bids, e-bidding was carried out on 18.02.2021 wherein four (4) bidders were qualified for the Reverse Auction. The results of the Reverse Auction are stated as under:

Sr. No.	Successful Bidder	Quantum (MW)	Tariff (Rs. /unit)
1	Torrent Power Limited/ ETS-IN-2020-RS0000192	150 MW	2.22
2	Adani Renewable Energy Holding Fifteen/ETS-IN-2020-RS0000283	150 MW	2.22
3	Renew Solar Power Pvt. Limited/ ETS-IN-2019-RS0000087)	150 MW	2.23
4	Juniper Green Energy Pvt. Limited/ ETS-IN-2019-RS0000050)	50 MW	2.26

- 2.11. Based on the aforesaid reverse auction, M/s Torrent Power Limited and M/s Adani Renewable Energy Holding Fifteen Limited have emerged as successful bidders and accordingly, Torrent Power Limited has expressed its willingness to execute PPA in respect of additional capacity as may be offered under greenshoe option.
- 2.12. Further, the Standing Committee evaluated the bids and recommended to award the bid for base capacity to successful bidders and greenshoe capacity as may be decided by the Petitioner and Certificate of Standing Committee is filed with the Petition.
- 2.13. It is submitted that the Petitioner TPL has evaluated the demand-supply position of its license areas vis-a-vis existing tie up of long-term renewable sources and requirement for tying up of additional solar power for fulfilment of its Renewable Power Purchase Obligation (RPO). Based on the detailed evaluation, the Petitioner has decided to procure solar power of 450 MW i.e., 300 MW base capacity and 150 MW greenshoe capacity.
- 2.14. The Petitioner has issued the Letter of Award (LOA) to M/s Adani Renewable Energy Holding Fifteen Limited for 150 MW and to M/s Torrent Power Limited for 300 MW (150 MW base capacity and 150 MW greenshoe capacity) which is also accepted by the bidders. It is submitted that the Guidelines mandate that PPA should be executed within 30 days from issuance of LOA. Upon adoption of tariff, the Petitioner shall submit the copy of the PPAs signed by the Petitioner with both the parties.
- 2.15. 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. TPL/Solar/03/2020 dated 23.12.2020 for procurement of power from Grid connected Solar PV projects in Gujarat.
3. The matter was kept for hearing on 08.06.2021 through Video Conferencing, on account of prevailing COVID 19 pandemic. During the hearing Shri Chetan Bundela, on behalf of the Petitioner TPL, reiterated the facts stated in para 2 above.
- 3.1. It is also submitted that as per recommendations of Standing Committee for Bid

Evaluation, the Petitioner has issued 'Letter of Award (LoA)' dated 12.04.2021 to successful bidders and thereafter, in order to comply with the mandate of executing Power Purchase Agreements within 30 days from issuance of LOA, the Petitioner has also signed PPAs with them. It is further submitted that the Petitioner has incorporated the deviations approved by the Commission vide its Order dated 20.11.2018 in Petition No. 1744 of 2018 and Order dated 26.02.2021 in Petition No. 1905 of 2020 in respect of 'Payment security mechanism', 'bid responsiveness', 'Force Majeure' and 'Change in Law' clauses in the aforesaid PPAs.

- 3.2. It is submitted that an additional quantum of 150 MW is procured by the Petitioner under 'Green Shoe option' to meet out the RPO percentage specified by the Commission at the discovered tariff of Rs. 2.22 per unit, which is beneficial for the licensee and its consumers.
- 3.3. It is also submitted that provisions of the Electricity (Late Payment Surcharge) Rules, 2021 dated 22.02.2021 notified by Ministry of Power, Government of India, are applicable in the present case and therefore, Supplemental PPAs need to be executed between the Petitioner and successful bidders.
4. Pursuant to the aforesaid hearing, the Petitioner has filed additional submissions vide affidavit dated 15.06.2021 as under:
 - 4.1. The Petitioner TPL had filed Petition No. 1905 of 2020 which was heard and reserved for Order by the Commission before issuance of notification dated 22.02.2021 of the Electricity (Late Payment Surcharge) Rules, 2021 by Ministry of Power, Government of India. Since, the Electricity (Late Payment Surcharge) Rules, 2021 are applicable for PPAs under Section 63 which become effective after the Rules come into force i.e. 22.02.2021 and therefore, the said Rules are also applicable to the PPAs executed by the Petitioner under the present Petition and the Petitioner agrees to execute Supplemental PPAs and submit their copies.
 - 4.2. It is also submitted that in respect to green shoe option, the additional quantum of 150 MW will not only help to meet RPO compliance of the Petitioner but also help in meeting power requirement at competitive rate which is beneficial to end consumers.

5. We have considered the submissions made by the Petitioner. The Petitioner has filed the present Petition under Section 63 read with Section 86(1)(b) of the Electricity Act, 2003 and provisions of the Guidelines for procurement of Solar Power through competitive bidding notified by Ministry of Power, Government of India seeking adoption of the tariff discovered through competitive bidding process conducted through RfS No. TPL/Solar/03/2020 dated 23.12.2020. Pursuant to e-reverse auction conducted on e-bidding portal, tariff discovered by the Petitioner is Rs. 2.22 per unit quoted by successful bidders in bid No. RfS No. TPL/Solar/03/2020 dated 23.12.2020 and its subsequent addendums dated 08.01.2021 and 22.01.2021 for which approval and adoption is sought.
- 5.1. The Petitioner TPL has filed the present Petition in its capacity as distribution licensee of Ahmedabad/Gandhinagar, Surat, Dahej SEZ and Dholera SIR areas. The Petitioner in order to meet the RPO targets as specified by the Commission in the GERC (Procurement of Energy from Renewable Sources) (Second Amendment) Regulations, 2018 decided to procure solar power by entering into long term agreements with Solar power project developer(s) who emerge as successful bidders under competitive bidding process and e-reverse auction. The Commission in aforesaid RPO Regulations has stipulated the RPO requirement of Distribution Licensees till FY 2021-22 as under:

Year	Minimum Quantum of purchase (in %) from renewable energy sources (in terms of energy in kWh)			
	Wind (%)	Solar (%)	Others (Biomass, Bagasse, Hydro and MSW) (%)	Total (%)
(1)	(2)	(3)	(4)	(5)
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

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 for procurement of 300 MW Solar power from the Grid

connected Solar PV Projects through RFS dated 23.12.2020 and its subsequent addendum dated 08.01.2021 and 22.01.2021 and provision of additional capacity upto 300 MW under 'Greenshoe option'.

- 5.2. It is observed that the Petitioner started the competitive bidding process (followed by e-reverse auction) as per Section 63 of the Electricity Act, 2003 vide RfS No. TPL/Solar/03/2020 dated 23.12.2020 and also issued subsequent addendums dated 08.01.2021 and 22.01.2021 for procurement of Solar power from the Grid connected Solar PV based Power Projects. We note that the Petitioner has issued tender on e-bidding portal *www.bharat-electronictender.com*, on 23.12.2020 and also gave wide publicity to the said tender by publishing a notice in two National newspapers having wide circulation to seek maximum participation from the bidders. The Petitioner also hosted the Bid Documents & Addendums on its website as well as on the e-bidding portal. Further, the Petitioner also held a Pre-Bid Meeting on 13.01.2021, wherein 17 bidders participated and Petitioner also issued another addendum on 22.01.2021 revised/modified clauses of RfS giving due consideration to the representations received from the bidders. As per the submissions of the Petitioner, post submissions of bids, e-bidding was carried out on 18.02.2021 wherein the four bidders qualified for the Reverse Auction are as under:

Sr. No.	Successful Bidder	Quantum (MW)	Tariff (Rs. /unit)
1	Torrent Power Limited/ ETS-IN-2020-RS0000192	150 MW	2.22
2	Adani Renewable Energy Holding Fifteen/ETS-IN-2020-RS0000283	150 MW	2.22
3	Renew Solar Power Pvt. Limited/ ETS-IN-2019-RS0000087)	150 MW	2.23
4	Juniper Green Energy Pvt. Limited/ ETS-IN-2019-RS0000050)	50 MW	2.26

- 5.3. From the above submissions, it is observed that Torrent Power Limited and Adani Renewable Energy Holding Fifteen Limited have emerged as successful bidders pursuant to such bidding. Further, Torrent Power Limited has expressed its willingness to execute PPA in respect of additional capacity offered under greenshoe option.

- 5.4. We note that the Petitioner received 5 bids and the technical bid opening was held on 11.02.2021 in the presence of Bid Evaluation Committee consisting of following officials:

Sr. No.	Name	Designation
1	Shri Naimesh Shah, Vice President	Chairman
2	Shri Kashyap Desai, Vice President	Member
3	Shri Mayank Gupta, Vice President	Member

- 5.5. It is observed that 5 bids were received offering 550 MW capacity against the tendered capacity of 300 MW. These bids were evaluated by the Bid Evaluation Committee and the technical evaluation report prepared and signed by the Members of the Committee and submitted with the Petition is reproduced below:

“EVALUATION COMMITTEE REPORT

Background

Torrent Power Limited – Distribution (TPL – D) decided to invite bids for purchase of power through competitive bidding process followed by e-reverse auction up to 300 MW with additional 300 MW under Greenshoe option from grid connected solar photovoltaic power projects in Gujarat for a period of 25 years vide its RfS No. “TPL/Solar/03/2020 dated 23.12.2020.

TPL – D had constituted a committee for evaluation of the bids (Evaluation Committee), consisting of the following members:

Sr. No.	Name	Designation
1	Shri Naimesh Shah, Vice President	Chairman
2	Shri Kashyap Desai, Vice President	Member
3	Shri Mayank Gupta, Vice President	Member

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

Details of Tender

<i>RfS Reference No.</i>	<i>RfS No. TPL / Solar/ 03/ 2020 dated 23.12.2020.</i>
<i>Capacity</i>	<i>Total 300 MW Solar Projects to be developed + additional</i>

	<i>capacity up to 300 MW under Greenshoe option</i>
Minimum Bid Capacity	<i>50 MW</i>
Term of PPA	<i>25 years from S.C.O.D.</i>
Technology	<i>Commercially established Solar Photovoltaic technology</i>

Publication of tender

TPL – D issued tender on e-bidding portal www.bharat-electronictender.com on 23.12.2020 and published the tender notice on 24.12.2020 for procurement of 300 MW Solar Power through tariff based competitive bidding process in following newspapers:

- 1. Business Standard (All Edition – Eng.): Delhi, Lucknow, Chandigarh, Kolkata, Bhubaneswar, Mumbai, Pune, Ahmedabad, Chennai, Kochi, Bangalore, Hyderabad.*
- 2. Mint (All Edition): Ahmedabad, Mumbai, Delhi, Kolkata, Chennai, Bangalore, Hyderabad (Chandigarh & Pune – Satellite editions)*

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.

Bid Process and Evaluation

Pre-bid meeting was conducted on 13.01.2021 and 17 companies participated in the pre-bid conference. Written clarifications were sought by 12 companies and responses to each were issued vide addendum dated 08.01.2021 and 22.01.2021 by TPL – D. Due date for submission of bid was 08.02.2021.

The technical bid opening event was convened on 11.02.2021. A total of 5 (five) responses for aggregate capacity of 550 MW were received by TPL – D. The list of the bidders and the capacity offered is as below:

Sr. No.	Bidder	Bidder's Quantum (MW)
<i>1</i>	<i>Adani Renewable Energy Holding Fifteen Limited</i>	<i>150</i>

2	<i>Torrent Power Limited</i>	150
3	<i>Renew Solar Power Pvt. Limited</i>	150
4	<i>Juniper Green Energy Pvt. Limited</i>	50
5	<i>Vector Green Energy Pvt. Limited</i>	50

On scrutiny of the bid documents submitted by participating bidders, all the bidders who had submitted their bids were found to be responsive and hence were deemed qualified for opening of their financial bids. Accordingly, the Committee recommended opening of financial bids of all the five bidders. Accordingly, the bids were opened on 18.02.2021 on e-bidding portal in the presence of the Committee.

Based on the evaluation of financial bids submitted, 4 bidders were shortlisted for e-reverse auction round as per the methodology prescribed in the RfS for shortlisting of bidders for E-reverse auction (Bidder with highest tariff i.e., Vector Green Energy Pvt. Limited got eliminated). E-reverse auction was conducted on e-bidding portal on 18.02.2021. The result of e-reverse auction is as under:

Sr. No.	Successful Bidder	Bidder's Quantum (MW)	Tariff (Rs. /unit)	Rank
1	<i>Torrent Power Limited/ ETS-IN-2020-RS0000192</i>	150	2.22	L1
2	<i>Adani Renewable Energy Holding Fifteen/ETS-IN-2020-RS0000283</i>	150	2.22	L1
3	<i>Renew Solar Power Pvt. Limited/ ETS-IN-2019-RS0000087)</i>	150	2.23	L2
4	<i>Juniper Green Energy Pvt. Limited/ ETS-IN-2019-RS0000050)</i>	50	2.26	L3

Committee Certification

At the end of e-reverse auction, M/s Adani Renewable Energy Holding Fifteen Limited and M/s Torrent Power Limited were found as successful bidders with quoted tariff of Rs. 2.22 per unit by both selected bidders for 150 MW each.

Pursuant to emerging successful bidder, Torrent Power Limited has expressed its willingness to execute PPA in respect of additional capacity as may be offered under Greenshoe Option.

In view of above, Committee recommends to offer to the successful bidder base capacity as

well as capacity as decided by TPL – D under Greenshoe Option.

The Committee hereby certifies that the bid process and the evaluation has been conducted in conformity to the provisions of the RfS document.

.....”

From the Evaluation Report, it is apparent that all the 5 bidders offering capacity of 550 MW were found to be responsive and hence were deemed qualified for opening of their financial bids. Accordingly, the financial bids were opened on 18.02.2021 on e-bidding portal in presence of the Bid Evaluation Committee.

5.6. In view of the above situation, as per Clause 4.3.2 of the RfS documents, the Petitioner has to conduct e-reverse auction for the subscribed capacity of 300 MW. In this regard, it is necessary to refer Clause 4.3.2 of the RfS document as reproduced below:

“4.3 Reverse Auction (Step-3)

.....

4.3.2. Total eligible Bidders for reverse auction shall be decided as mentioned in the following example for Bid Quantity of 300 MW:

Assuming

T = Total number of techno-commercially qualified bidders, and

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

S_M = Total capacity of techno-commercially qualified bidders after ranking is done in ascending order from L1 onwards) such that (S_{M-1} < S_E MW and S_M ≥ S_E

S_E = Eligible Capacity for Award

<i>SE = (Eligible capacity for award)</i>	<i>(i) In case S_T < 300MW; S_E = 0.8 x S_T, (ii) In case S_T ≥ 300 MW; S_E = 0.8 x S_T, subject to maximum eligible capacity being 300 MW.</i>	
<i>n={</i>	<i>T, if T=m or m+1 m+(T-m)/2, if S_m ≥ S_E and m+(T-m+1)/2, if S_m ≥ S_E and</i>	<i>Where m = Total number of techno-commercially qualified bidders (after ranking is done in ascending order from L1 onwards) such that (S_{M-1} < S_E MW and S_M ≥ S_E) and 1 ≤ m ≤ T</i>

Total eligible bidders for e-Reverse Auction = Bidders from Sl. No. 1 to Sl. No. n.

For e.g. (Shortlisting of bidders for reverse auction):

Total bid capacity of techno-commercially shortlisted bidders = $S_T = 660$ MW

Eligible capacity for award = $S_E = 300$ MW

$S_M = 325$ MW

Therefore, $n = [4 + (8-4)/2] = 6$ as per the above formula.

Sl. No.	Techno commercially qualified Bidder	Rank	Capacity (MW)	T	M	SE	n	Shortlisted Bidders
1	B8	L1	55	8	4	300 MW	6*	B8
2	B5	L2	50					B5
3	B1	L3	145					B1
4	B4	L3	75					B4
5	B2	L4	80					B2
6	B3	L5	95					B3
7	B7	L6	75					
8	B6	L7	85					

* Thus, $n = 4 + (8 - 4)/2 = 6$ as per the above formula."

5.7. As per above referred clause, the financial bids of all 5 bidders were opened on 18.02.2021 on e-bidding portal in presence of Bid Evaluation Committee and as per terms and conditions of the bids, 4 bidders with aggregate capacity of 500 MW qualify for e-reverse auction and the Petitioner had conducted e-reverse auction.

5.8. E-Reverse auction was conducted on e-bidding portal on 18.02.2021 and result of e-reverse auction is reproduced below:

Sr. No.	Successful Bidder	Bidder's Quantum (MW)	Tariff (Rs. /unit)	Rank
1	Torrent Power Limited/ ETS-IN-2020-RS0000192	150	2.22	L1
2	Adani Renewable Energy Holding Fifteen/ETS-IN-2020-RS0000283	150	2.22	L1
3	Renew Solar Power Pvt. Limited/ ETS-IN-2019-RS0000087)	150	2.23	L2
4	Juniper Green Energy Pvt. Limited/ ETS-IN-2019-RS0000050)	50	2.26	L3

- 5.9. It can be observed from above that at the end of E-Reverse auction, two bidders, i.e., Torrent Power Limited and Adani Renewable Energy Holding Fifteen Limited were found successful bidders with quoted tariff of Rs. 2.22 per unit for total 300 MW capacity. However, as Torrent Power Limited has expressed its willingness to execute PPA in respect of additional capacity offered under Greenshoe Option, Committee recommended the offer to the successful bidder base capacity as well as capacity as decided by TPL – D under Greenshoe Option of 150 MW with quoted tariff of Rs. 2.22 per unit in terms of Clause 4.4.2 of the RfS document.
- 5.10. We further note that Clause 4.4 of the RFS document pertains to ‘Selection of Successful Bidders’. It is therefore, necessary to refer Clause 4.4 of the RFS documents which reads as under:

“.....

4.4.1 *In case of the last selected bidder, if the balance project capacity is less than the total project capacity mentioned by the bidder, then the balance capacity shall be awarded to the bidder till the total capacity is exhausted subject to a minimum allocation of 50 MW.*

Provided, in case the partial capacity (balance capacity till the total capacity on offer is exhausted) offered to the last Bidder after completion of the e-reverse auction is lower than 50% of the total quoted capacity by such Bidder, the Bidder shall have an option to refuse such offered partial capacity within 7 days of issuance of Letter of Award and the Bank Guarantee or Payment on Order instrument against EMD submitted by such Bidder shall be returned along with those of the unsuccessful Bidder(s).

Further, in case the partial capacity offered is greater than or equal to 50% of the total quoted capacity by such Bidder, then it shall be mandatory for the last Bidder to accept such partial capacity offered against its quoted capacity, subject to the total cumulative capacity awarded after e-RA to the successful Bidder(s) not exceeding 300 MW. In case the last Bidder refuses to accept such partial capacity offered by TPL-D, the Bank Guarantee or Payment on Order instrument against EMD submitted by such Bidder shall be encashed by TPL-D.

4.4.2 *In case of tie, among two or more Bidders (i.e., their last quoted tariff being the same) they will be considered in the chronological order of their*

last bid with preference to that Bidder who has quoted his last bid earlier than others.

4.4.3 In the above case (as mentioned in previous Section), if the time of quote also becomes exactly same among the Bidders at a tie, then the ranking among these Bidders shall be done as follow:

Step – 1: Lowest rank will be given to the Bidder who has quoted the lowest in Financial Bid (Electronic Form) and so on. If there is also a tie among any of these Bidders, then the following step (Step 2) will be followed.

Step – 2: Ranking will be done based on draw of lots.

4.4.4 At the end of selection process, Letter of Award (LOA) will be issued to all the Successful Bidder(s). In case of Consortium being selected as Successful Bidder(s), the LOA shall be issued to the Lead Member of the Consortium.

In all cases, TPL-D's decision regarding selection of Bidder through Reverse Auction or otherwise based on tariff or annulment of tender process shall be final and binding on all participating Bidders.

Also, TPL-D shall reserve the right to short close the capacity lower than 300MW at its discretion, if the prices are abruptly high.

.....”

5.11. As already recorded earlier, the Petitioner ensured wider participation and competition by publishing the Notice Inviting Tender in English Newspapers having large readership, organized pre-bid conference and also incorporated necessary changes suggested by the prospective bidders by issuing addendums to the bid documents. As the Bid Evaluation Committee evaluated the technical bids and declared 5 bidders as qualified for opening the financial bids, their financial bids were opened in their presence and e-reverse auction was conducted as per the eligibility criteria mentioned in the RfS document in respect of 4 eligible bidders for capacity of 300 MW. At the end of e-reverse auction, two bidders viz. (i) Torrent Power Limited for 150 MW and (ii) M/s Adani Renewable Energy Holding Fifteen Limited for 150 MW emerged as successful bidders with quoted tariff of Rs. 2.22 per unit. Thereafter, Torrent Power Limited expressed its willingness to execute PPA in respect of additional capacity under 'Greenshoe option' and accordingly, the Bid Evaluation Committee recommended to offer capacity to

Torrent Power Limited under 'Greenshoe option'.

- 5.12. 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 successful bidders with quoted capacity and allocated capacity to them as stated below:

Sr. No.	Name of the Company	Quoted Capacity (MW)	Allocated Capacity (MW)	Tariff (Rs./Unit)
1	Torrent Power Limited (Base Capacity)	150	150	2.22
2	M/s Adani Renewable Energy Holding Fifteen Limited	150	150	2.22
3	Torrent Power Limited (under Greenshoe Option)	150	150	2.22

- 5.13. The Commission, therefore, decides to adopt the discovered tariff of Rs. 2.22 per unit quoted by above referred bidders, viz., (i) Torrent Power Limited for aggregate capacity of 300 MW, as prayed by the Petitioner and (ii) M/s Adani Renewable Energy Holding Fifteen Limited for capacity of 150 MW.

6. We also note that the Petitioner vide Affidavit dated 15.06.2021 submitted that in respect to green shoe option, the additional quantum of 150 MW will help not only to meet RPO compliance but also help in meeting power requirement at competitive rate which is beneficial to end consumers. It is also submitted that the Electricity (Late Payment Surcharge) Rules, 2021 notified by the Ministry of Power, Government of India dated 22.02.2021 are applicable for PPAs under Section 63 which become effective after the Rules come into force and accordingly the said Rules are applicable to all the PPAs signed after notification date including the PPAs under the present petition. The Petitioner has also agreed to execute the Supplemental PPAs and submit the copy of the PPAs alongwith the Supplemental PPAs duly executed between the parties.

- 6.1. We note that the Ministry of Power, Government of India vide Notification dated 22.02.2021 has notified the Electricity (Late Payment Surcharge) Rules, 2021. The relevant provision of the said Rules is reproduced as under:

“

2. Application.-These rules shall be applicable for payments to be made in pursuance of---

(a) Power Purchase Agreements, Power Supply Agreements and Transmission Service Agreements, in which tariff is determined under section 62 of the Act; and

(b) such Power Purchase Agreements, Power Supply Agreements and Transmission Service Agreements that become effective after these rules come into force, in which tariff is determined under section 63 of the Act.

.....”

From the above, it transpires that the said Electricity (Late Payment Surcharge) Rules, 2021 is applicable to the Power Purchase Agreements that became effective after date of its Notification i.e., 22.02.2021. Accordingly, the Petitioner shall require to sign the Supplemental Power Purchase Agreements with the successful bidders as referred in para above by incorporating the above provision in the PPA, in compliance with the stipulations of the Electricity (Late Payment Surcharge) Rules, 2021.

- 6.2. As the Petitioner issued the LoAs to the selected successful bidders on 12.04.2021 and has signed the PPAs with them because as per terms and conditions of tender, the PPAs are to be signed with successful bidders within 30 days from issuance of LOA. We also direct the Petitioner to sign the Supplemental Power Purchase Agreements with the successful bidders as referred in above paras, in compliance with the stipulations of the Electricity (Late Payment Surcharge) Rules, 2021. We note that the Petitioner is required to submit the copy of the aforesaid PPAs and therefore, we direct the Petitioner to submit copies of duly executed PPAs including Supplemental PPAs to the Commission alongwith an affidavit stating that the Articles/provisions of the PPAs are as per the bidding guidelines and deviations approved by the Commission from time to time. We also direct the Petitioner that for the purpose of transparency, after execution of the PPAs, publicly disclosed the name (s) of the successful bidder(s) and the tariff quoted by them together with the break up 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.

7. SUMMARY OF DECISIONS:

- 7.1. We decide to adopt the tariff discovered under the transparent competitive bidding process conducted by the Petitioner through RfS No. TPL/Solar/03/2020 dated

23.12.2020 as under:

Sr. No.	Name of the Company	Quoted Capacity (MW)	Allocated Capacity (MW)	Tariff (Rs./Unit)
1	Torrent Power Limited (Base Capacity)	150	150	2.22
2	M/s Adani Renewable Energy Holding Fifteen Limited	150	150	2.22
3	Torrent Power Limited (under Greenshoe Option)	150	150	2.22

- 7.2. We direct the Petitioner to sign the Supplemental Power Purchase Agreements with the successful bidders as referred in para above, in compliance with the stipulations of the Electricity (Late Payment Surcharge) Rules, 2021.
- 7.3. We direct the Petitioner to submit the copies of duly executed PPAs as well as Supplemental PPAs to the Commission. We also direct the Petitioner that for the purpose of transparency, after execution of the PPAs, publicly disclosed the name (s) of the successful bidder(s) and the tariff quoted by them together with the break up 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.
8. We order accordingly.
9. With this order the present Petition stands disposed of.

Sd/-
[S. R. Pandey]
Member

Sd/-
[Mehul M. Gandhi]
Member

Place: Gandhinagar.

Date: 12/07/2021.