

BEFORE

THE UTTAR PRADESH ELECTRICITY REGULATORY COMMISSION LUCKNOW

Petition No. 1505/2019

Date of Order: 09.12.2019

PRESENT:

Hon'ble Sri Raj Pratap Singh, Chairman Hon'ble Sri Kaushal Kishore Sharma, Member

IN THE MATTER OF: To seek approval of PSA with SECI dated 15.11.2018 for procurement of

200 MW solar power.

UP Power Corporation Ltd., (through its Chief Engineer -PPA-R) 14th Floor, Shakti Bhawan Extn., 14-Ashok Marg, Lucknow

.....Petitioners:

In the presence of:

- 1. Sri Atulya Kumar Naik, AGM (PS), SECI
- 2. Sri S.K. Sinha, CE-PPA
- 3. Sri C.P. Maurya, AE-PPA

ORDER

(Date of hearing: 21.11.2019)

- 1. UPPCL entered into PSA with SECI on 15.11.2018 for procurement of 200 MW solar power from Pavagda Solar Park at tariff of Rs. 2.89 per unit including trading margin of 7 paisa per unit for 25 years. UPPCL has submitted that matter falls in the jurisdiction of the Commission for adoption of tariff and approval of PSA and thus has filed instant petition.
- 2. it is submitted that SECI is designated by GoI as nodal agency for implementation of MNRE scheme for developing grid connected solar power capacity including Phase-II Batch -IV of National Solar Mission and plays roles of intermediary procurer inline with the provisions of guidelines for tariff based competitive bidding process for procurement of power from grid connected solar power projects, issued by GoI vide resolution dated 03.08.2017.
- 3. SECI issued RfS no. SECI/NSM/P2-B4-T14/RfS/KSA/012018 dated 05.01.2018 for selection of SPD for development of cumulative capacity of 200 MW in the Pavagada Solar Park in Karnataka. SBE Five Ltd. was declared as successful bidder in this bidding and LOI was issued on 30.11.2018.

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- 4. SECI informed UPPCL vide letter dated 28.09.2018 that it wish to sell 200 MW power from Pavagada Solar park to UPPCL at tariff determined in bidding process with trading margin 7 paise per unit i.e. Rs. 2.89 per unit for the period of agreement. Also, that there shall be no interstate transmission charges and losses levied on this power and this power shall be qualified for fulfilment of RPO.
- 5. UPPCL vide letter dated 11.10.2018 agreed to procure offered power and subsequently PSA was executed with SECI on 15.11.2018.
- 6. Subsequent to signing of PSA, 4 PPAs were signed between SECI and SBG Cleantech Projeto Five Pvt. Ltd. (which is a subsidiary company of SBE Five Ltd.) of 50 MW each on 04.01.2019 totaling 200 MW. It is submitted that SBG Cleantech Projecto Five Pvt. Ltd. is a subsidiary of SBE Five Ltd and clause 3.5 A (vi) of RfS provides that project can be executed through SPV i.e. fully owned subsidiary of successful bidder.
- 7. UPPCL submitted copy of "No deviation certificate" issued by SECI dated 11.11.2019 confirming that PSA entered with UPPCL was as per guidelines for tariff based competitive bidding process for procurement of power from grid connected solar power projects, issued by GoI vide resolution dated 03.08.2017 and that there is no deviation.
- 8. UPPCL submitted copy of "conformity certificate" issued by SECI confirming in respect of above RfS that bidding process was done in confirmation to the provision of RfS and applicable guidelines of GoI and that there was no deviation from the resolution dated (No. 23/27/2017-R&R dated 03.08.2017). Further, UPPCL also submitted copy of "No deviation certificate" issued by SECI dated 13.11.2019 confirming that PPAs were signed in accordance with Rfs and guidelines for tariff based competitive bidding issued by MoP GoI and that there is no deviation from the resolution dated (No. 23/27/2017-R&R dated 03.08.2017).
- 9. UPPCL also submitted "procurer certificate" dated 20.11.2019 issued by CE-PPA stating that PSA/PPA executed with SECI, in reference to aforementioned RfS, is done in line with RfS and applicable guidelines issued by MoP GoI for tariff based competitive bidding.
- 10. In respect of sequence of event with respect to aforementioned RfS, it was submitted as follows:

Sr. No.	Milestone	Date
1	RfS issued by SECI	05.01.2018
2	Pre-bid meeting	25.01.2018
3	Amendment and clarification to RfS	25.04.2018
4	Opening of techno commercial bid	10.05.2018
5	Opening of financial bid	16.05.2018
6	e-reverse auction	18.05.2018

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7 Issuance of LOA to successful bidder	30.11.2018
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- 11. Considering all above and the submissions made by the petitioner, the Commission approves the PSA dated 15.11.2018 between UPPCL and SECI at tariff of Rs. 2.89 (including 7 paisa trading margin of SECI) for 25 years for 200 MW solar power and the PPAs dated 04.01.2019 signed between SECI and SBG Cleantech Projeto Five Pvt. Ltd. in respect of aforementioned PSA.
- 12. The petition is disposed of accordingly.

(Kaushal Kishore Sharma)

Member

Place: Lucknow Dated: **9**.12.2019 (Raj Pratap Singh) Chairman