Before the
MAHARASHTRA ELECTRICITY REGULATORY COMMISSION
World Trade Centre, Centre No.1, 13th Floor, Cuffe Parade,
Mumbai 400005 Tel. 022-69876666
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Case No. 228 of 2025

Petition of the Tata Power Company Limited for adoption of Tariff for procurement of 250 MW Firm and Dispatchable power from Grid connected Renewable Energy (FDRE) project with Energy Storage System for a period of 25 Years.

Tata Power Company Limited – Distribution (TPC-D)… Petitioner

Juniper Green Energy Limited (JGEL)...
Navayuga Engineering Company Limited (NECL)...
ACME Solar Holdings Limited (ACME)…
Tata Power Renewable Energy Limited (TPREL)… Respondents

Coram

Sanjay Kumar, Chairperson
Anand M. Limaye, Member
Surendra J. Biyani, Member

Appearance:

For the Petitioner	:	Mr. Shri Venkatesh (Adv.)
For the Respondents	:	
JGEL		Ms. Monalisha Dash (Adv.)
NECL		Mr. Mustafa Kachwala (Adv.)
ACMESHL		Mr. Tabrez Malawat (Adv)
TPREL		Mr. Suraj Swayamprakash (Rep.)

ORDER

Date: 1 January 2026

1. Tata Power Company Limited – Distribution (TPC-D) has filed present Petition on 10 October 2025 under Section 63 of the Electricity Act, 2003. TPC-D also relied upon 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' notified by the Ministry of Power, Government of India dated 09 June 2023 read with successive amendments, for procurement of 250 MW Firm and Dispatchable power from Grid Connected Renewable Energy (RE) Projects with Energy Storage System on Build Own Operate (BOO) basis. Tenure of procurement is of 25 Years. TPC-D has filed the present Petition, post completion of the tariff based competitive bidding process for adoption of tariff and approval of the Power Purchase Agreements (PPA) to be executed with the successful bidders.

2. **TPC-D's prayers are as follows:**

"

(a) To admit the Petition as per the provisions under Section 63 of the Act;

(b) To accord approval for adoption of tariff of Rs. 4.76/kWh for the procurement of 70 MW from Juniper Green Energy Limited (as indicated under Table 7) for a period of 25 years;

(c) To accord approval for adoption of tariff of Rs. 4.43/kWh for the procurement of 50 MW from Navayuga Engineering Company Limited (as indicated under Table 7) for a period of 25 years;

(d) To accord approval for adoption of tariff of Rs. 4.43/kWh for the procurement of 50 MW from ACME Solar Holdings Limited (as indicated under Table 7) for a period of 25 years

(e) To accord approval for adoption of tariff of Rs. 4.77/kWh for the procurement of 80 MW from Tata Power Renewable Energy Limited (as indicated under Table 7) for a period of 25 years;

Table 7: Tariff for Adoption

Sr. No.	***Bidder Name***	***eRA Tariff (At STU Periphery)***	***Allotted Quantum in (MW)***	***Delivery Point***	***Tariff (Rs/kWh) (as given in the PPA)***
a	***b***	***c***	***d***	***e***	***f***
1	*Juniper Green Energy Limited*	*4.76*	*70*	*STU Periphery*	*4.76*
2	*Navayuga Engineering Company Limited*	*4.76*	*50*	*CTU Periphery*	*4.43*
3	*ACME Solar Holdings Limited*	*4.76*	*50*	*CTU Periphery*	*4.43*
4	*Tata Power Renewable Energy Limited (TPREL)*	*4.77*	*80*	*STU Periphery*	*4.77*
	Total		***250***		

(f) *Approve the Power Purchase Agreements signed by Tata Power-D with M/s Juniper Green Energy Limited, M/s Navayuga Engineering Company Limited, M/s ACME Solar Holdings Limited, and M/s Tata Power Renewable Energy Limited for procurement of the above FDRE power for the quantum (as indicated in* ***Error! Reference source not found.****)*

(g) *Condone any inadvertent omissions/errors/shortcomings and permit the Petitioner to add/change/modify/alter this filing and to make further submissions as may be required at a future date.*

(h) *Allow to consider the power sourced through FDRE sources to meet respective Renewable Consumption Obligation (RCO).*

(i) *Pass any such other and further reliefs as this Hon'ble Commission deems just and proper in the nature and circumstances of the present case."*

3. **TPC-D in its Case stated as follows:**

3.1. As part of its long-term power procurement strategy, TPC-D in its MYT Petition (Case No.210 of 2024) proposed to tie up power from Firm and Dispatchable Renewable Energy (FDRE) sources commencing from FY 2027-28. Considering TPC-D's submission, the Commission vide its Order dated 28 March 2025 had approved power purchase from FDRE. In said Order, the Commission noted that FDRE, being schedulable, will facilitate load matching and help optimize power purchase costs. Accordingly, the proposed FDRE power was duly considered in the ARR of TPC-D form FY 2027-28 onwards. In Order dated 28 March 2025, the Commission directed TPC-D to initiate the competitive bidding process well in advance so that the said FDRE power is available from FY 2027-28 onwards.

3.2. Accordingly, TPC-D has undertaken the competitive bidding process for procurement of 250 MW FDRE power through a Long-Term arrangement. The competitive bidding process has been conducted through e-Tendering and e-Reverse Auction on the ISN-ETS Portal, in accordance with the Guidelines dated 09 June 2023 and its amendments from time to time.

3.3. Noteworthy events in tendering process are as below:

Sr. No.	Event	Timeline
1.	Date of Start of e-Tender Stage	29.04.2025
2.	Pre-Bid Meeting	16.05.2025 @ 14:00 Hrs
3.	Last Date for Submission of Queries by Bidders	19.05.2025 @ 15:00 Hrs
4.	Issuance of Corrigendum-1 & Clarification	03.06.2025
5.	Issuance of Corrigendum-2 & Clarification	03.06.2025
6.	Issuance of Clarification_3	03.06.2025
7.	Issuance of Corrigendum-4 (Extension of Timelines for submission of bid)	19.06.2025
8.	Issuance of Corrigendum-5	26.06.2025
9.	Issuance of Corrigendum-6	30.06.2025
10.	Last Date and Time for submission of Online Bids	11.07.2025 @ 17:00 Hrs
11.	Last Date and Time for submission of Hard Copy of	14.07.2025 @14:00 Hrs

Sr. No.	Event	Timeline
	Documents	
12.	Date & Time of Opening of Technical Bid	14-07-2025 @15:00 Hrs
13.	Technical Evaluation Clarification raised by TPC-D	30.07.2025 @17:00 Hrs
14.	Last Date to Respond to Clarification raised by TPC-D	02.08.2025 @17:00 Hrs
15.	Last Date for Submission of Impact Due to ALMM Amendment – RfS for 250 MW Firm and Dispatchable RE Power with ESS	12.08.2025 @ 17:00 Hrs
16.	Date & Time of Opening of Price Bids.	13.08.2025 @ 11:00 Hrs
17.	Start of e-Reverse Auction	13.08.2025 @ 14:30 Hrs
18.	Close of e-Reverse Auction	13.08.2025 @ 16:01Hrs
19.	Issue of Letter of Award (LOA)	29.08.2025

3.4. In response to the Bids, the following bidders submitted their proposals:

List of Bidders with Capacity Offered

Sr. No.	Name of the Bidder	Capacity Offered (MW)	Location
1	TPREL	250	Maharashtra
2	JGEL	70	Maharashtra
3	SPI6PL	50	Maharashtra
4	NECL	50	Andhra Pradesh
5	ACME	50	Rajasthan
6	Stockwell Solar Services Pvt. Ltd.	90	Maharashtra

3.5. Upon evaluation of bids and consideration of clarifications submitted by the bidders, the Bid Evaluation Committee shortlisted TPREL, JGEL, SPI6PL, NECL and ACME as technically qualified for opening of financial bids.

3.6. TPC-D highlighted that bid submitted that SSSPL was not shortlisted by the Bid Evaluation Committee due to following reasons:

- The bidder failed to submit Format 7.10 i.e. Power Supply Profile of offered capacity, as mandatorily required under the RfS.
- The proposed Solar and BESS capacities were 90 MW and 90 MW/360 MWh, respectively, against the contracted capacity of 90 MW. With this configuration, it was not possible to fulfill TPC-D's requirement of maintaining 90% availability during peak hours. In fact, the RfS specifically mandated assured availability for any four-hour window between 17:00 and 24:00. Relying solely on 90 MW of solar capacity would not enable achieving the stipulated annual CUF of 40% for the contracted amount of 90 MW.

Accordingly, in terms of Clause 3.13 of the RfS, the bid of SSSPL was found to be 'non-responsive' on account of incomplete data and information submission as required under the provisions of the RfS. Hence, it was not considered for opening of financial bids.

3.7. Impact of notification of MNRE on ALMM for Solar Cells

3.7.1 During the course of technical evaluation of the prospective bidders, TPC-D observed that the Ministry of New and Renewable Energy (MNRE), vide its Office Memorandum (OM) dated 28 July 2025, has issued an amendment to its earlier O.M. No. 283/59/2024-Grid Solar dated 09 December 2024. The OM deals with the implementation of the Approved List of Models and Manufacturers (ALMM) for Solar PV Cells. This amendment was issued subsequent to the last date of bid submission in respect of the present RfS, and therefore, has a bearing on the evaluation process undertaken by TPC-D.

3.7.2 The Bid Submission Date for the present tender was 11 July 2025, i.e., prior to the 'Cut-off Date' stipulated in the subsequent OM dated 28 July 2025. Under OM notification, projects supplying power under this tender were mandated to use solar PV modules from ALMM List-I (for solar PV modules), while they were exempted from the requirement of using solar PV cells from ALMM List-II (for solar PV cells).

3.7.3 As on the Bid Submission Date i.e., 11 July 2025, the notification dated 09 December 2024 was the governing framework. Under the said notification, it was categorically mandated that the projects were required to be implemented through the use of solar PV cells enlisted in ALMM List-II.

3.7.4 Pursuant to the amendment dated 28 July 2025, whereby the mandatory condition of using solar PV cells from ALMM List-II was waived off (for projects with bid submission up to the prescribed cut-off date), TPC-D, vide its email dated 07 August 2025, requested all technically qualified bidders to re-evaluate and submit the impact of the said amendment on their initially submitted Price Offers. It was further communicated that the impact of the amendment, as submitted by the bidders in the prescribed format, would be duly considered by TPC-D along with their originally submitted IPO for the purpose of financial bid evaluation and for determination of the L1 bidder in the subsequent e-Reverse Auction.

3.7.5 In response to the aforesaid communication, all technically qualified bidders submitted their revised positions reflecting the impact of the ALMM amendment dated 28 July 2025, which resulted in a reduction of the IPO (Rs/kWh).

3.8. Thereafter, the IPOs were formally opened on 13 August 2025 at 11:00 hours in the presence of the concerned stakeholders. Details of the revised IPOs reflecting the impact of the ALMM Amendment dated 28 July 2025 i.e., Reduction in IPO as submitted by all the technically qualified bidders, are as follows:

Sr. No.	Bidder Name	Revised IPO (Rs/kWh)
1	JGEL	5.41
2	NECL	5.25
3	ACME	4.82
4	TPREL	5.38
5	SPI6PL	5.5

3.9. Evaluation of Bids after providing due corrections for Inter-state Charges and Losses

3.9.1 The published RfS (bidding document) expressly clarified that the evaluation point for tariff discovery shall be the Maharashtra STU periphery. Further, for the projects proposed outside the State of Maharashtra, an impact of 33 paise per unit being the estimated expenses towards ISTS charges and ISTS losses, shall be added to the quoted tariff for the purpose of evaluation.

3.9.2 Additionally, it was clarified that for such Inter-State projects, the issuance of the Letter of Award (LoA) would be subject to deduction of the aforesaid 33 paise per unit (as provided by TPC-D prior to bid submission) from the tariff discovered pursuant to the e-Reverse Auction.

3.10. Accordingly, the e-Reverse Auction commenced on 13 August 2025 at 14:30 hours through the ISN-ETS Portal. Upon conclusion of the e-Reverse Auction and the subsequent L-1 matching round, the discovered tariff of Rs. 4.76/kWh, as quoted by JGEL, NECL, and ACME emerged as the lowest (L-1). Further, the tariff quoted by TPREL at Rs. 4.77/kWh was found to be marginally higher.

3.11. In terms of Clause 5.5.2(i) of the RfS, bidders quoting tariffs within the range of the lowest tariff (L1 tariff) plus two percent (2%) of the L1 tariff are also to be declared successful bidders. In the present case, TPREL, having quoted a final discovered tariff of Rs. 4.77/kWh (i.e., 0.21% above the L1 tariff), falls within the permissible range. Accordingly, TPREL has been allocated a capacity of 80 MW.

3.12. In view of the above, LoAs were issued to the successful bidders, namely JGEL, NECL, ACME, and TPREL, who had quoted the most competitive tariffs of Rs. 4.76/kWh and Rs. 4.77/kWh. Upon review, it was observed that the tariffs discovered are consistent with prevailing market trends as well as benchmark FDRE bids. The final rate and allocation of capacity to the aforesaid bidders is summarized below (At Maharashtra STU periphery):

Sr. No.	Bidder Name	Bid Quantity (MW)	Revised IPO (Rs/kWh)	E-Reverse Auction Tariff (Rs/kWh)	Rank	Difference (%) from L1
1	Juniper Green Energy Limited	70	5.41	4.76	L1	
2	Navayuga Engineering Company Limited	50	5.25	4.76	L1	
3	ACME Solar Holdings Limited	50	4.82	4.76	L1	
4	Tata Power Renewable Energy Limited (TPREL)	80	5.38	4.77	L2	0.21%
	Total	**250**				

3.13. <u>Comparison of Tariff with other Bids received in the Country</u>

3.13.1 As seen from the above table, during FY 2023 to FY 2025, seven (7) FDRE long-term procurement tenders have been conducted across the country, wherein tariffs were discovered through a transparent and competitive bidding process. The comparison of tariffs discovered in other recent FDRE Long term tenders are shown below:

Sr. No.	Buyer	Year	Bid	Capacity	Average Tariff in the Bid	Rate at Maharashtra Periphery (with CTU Charges and Losses of Rs. 0.33 per kWh)
				MW	**Rs/ kWh**	**Rs/ kWh**
1	SJUVN	2023	Selection of 1500 MW Firm Dispatchable Power from ISTS-Connected Renewable Energy (RE) Power Projects with Energy Storage Systems on Build-Own Operate (BOO) basis with 'Greenshoe Option' of Additional capacity up to 1500 MW.	1184	4.38	4.71
2	SJUVN	2024	Selection of RE Power Developers for Supply of 600 MW Firm and Dispatchable Power from ISTS-Connected Renewable Energy (RE) Power Projects with Energy Storage System in India under Tariff based Competitive Bidding with 'Greenshoe Option' of additional capacity up to 600 MW.	1200	4.25	4.58
3	NTPC	2024	Selection of 3000 MW Renewable Energy (RE) power projects connected with the inter-State transmission system (ISTS) and selected through a competitive bidding process.	1530	4.70	5.03
4	NHPC	2024	Selection of 1400 MW Firm & Dispatchable Power Renewable Energy (FDRE) Power Projects coupled with Energy Storage System.	1400	4.63	4.96
5	NHPC	2024	Selection of 1200 MW & dispatchable power from ISTS- connected RE Power Projects coupled with Energy Storage System.	1200	4.55	4.88
6	SECI	2024	Selection of RE Power Developers for Supply of 630 MW Firm and Dispatchable Power from ISTS-Connected Renewable Energy (RE) Power Projects in India (SECI- FDRE-IV).	630	4.98	5.31
7	SECI	2025	Selection of RE Power Developers for assured peak Supply of 8000 MWh (2000 MW x 4 Hrs.) from ISTS – Connected RE Projects in India, under Tariff – Based Competitive Bidding (SECI – FDRE-VI).	200	8.50	8.83

3.13.2 Evidently, the tariff discovered for long-term procurement of FDRE power has ranged from Rs. 4.25/kWh to Rs. 4.98/kWh, with a single exception where the discovered tariff was Rs. 8.50/kWh. For the purpose of meaningful comparison in the case of TPC-D, an additional rate of Rs. 0.33/kWh is required to be factored towards ISTS charges and losses, thereby increasing the comparable rate in the range of Rs 4.58/kWh to Rs 5.31/kWh.

3.13.3 In the present case of procurement of 250 MW FDRE Power, the discovered tariffs of Rs. 4.76/kWh and Rs. 4.77/kWh fall squarely within the range of tariffs discovered in comparable tenders.

3.13.4 Furthermore, the RfS issued by TPC-D specified that, for the first three years (i.e., up to 30 September 2030), during the time block of 11:00 hrs to 15:00 hrs, scheduling shall be restricted to 50% of the contracted capacity. After the completion of this initial three-year period, no such restriction would apply, and full scheduling shall be permissible until the end of the 25-year term.

3.13.5 It is relevant to note that upon due diligence, it has been observed that the discovered tariffs are competitive in the prevailing market scenario, particularly given the additional requirement of energy storage, firm dispatchability, and higher reliability standards envisaged under the bidding documents.

3.14. Accordingly, the present bidding process has led to the transparent discovery of competitive tariffs in line with Section 63 of the Electricity Act, 2003. On 29 August 2025, TPC-D has issued LoAs to the following successful bidders, as tabulated below:

List of Bidders to whom TPC-D has issued Letters of Award (LoA) and final Tariff

Sr. No.	Bidder Name	E RA Tariff (At STU Periphery)	Allotted Quantum in (MW)	Delivery Point	Difference (%) from L1
1	Juniper Green Energy Limited	4.76	70	STU Periphery	4.76
2	Navayuga Engineering Company Limited	4.76	50	CTU Periphery	4.43#
3	ACME Solar Holdings Limited	4.76	50	CTU Periphery	4.43#
4	Tata Power Renewable Energy Limited (TPREL)	4.77	80	STU Periphery	4.77
	Total		**250**		

\# Given impact of Inter State Changes and Losses the extent of 33 paise/ kWh

3.15. TPC-D prayed to adopt the tariff determined through aforesaid e-bidding process and approve the PPAs to be executed between TPC-D and the aforesaid successful bidders, in terms of Section 86(1)(b) of the Electricity Act, 2003.

3.16. Clarification issued by MNRE dated 23 September 2025 on OM dated 28 July 2025 regarding ALMM for Solar PV cells

3.19.1 On 23 September 2025, MNRE issued a clarification on the OM dated 28 July 2025 in which it has clarified that the OM dated 28 July 2025 does not directly / automatically relax the bid conditions in tenders wherein the last date of bid submission was between 09 December 2024 and 28 July 2025.

3.19.2 As per the clarification, the relaxation regarding the use of solar cells from ALMM List-II is not automatically applicable. If the LoA has been issued prior to 31 August 2025, or if the reverse auction has been conducted after 28 July 2025, the original bid conditions shall prevail. Consequently, the discovered tariff would have been based on the prices of solar cells sourced from ALMM List-II.

3.19.3 The imposition of the condition to use ALMM List-II cells would result in a higher tariff, in comparison to a scenario where such a condition is not imposed. Therefore, the impact of any reduction in tariff due to the relaxation allowed under the OM dated 28 July 2025 may be considered a Change in Law event, and its financial implications can be passed on to the beneficiaries in accordance with the applicable regulatory framework.

3.19.4 It is pertinent to note that TPC-D, through its email dated 07 August 2025, explicitly directed all bidders to take into account the relaxation granted by the MNRE under its OM dated 28 July 2025. In compliance with the said communication, all bidders, revised their IPOs downward prior to the reverse auction, considering the benefit of sourcing solar cells from ALMM List-I (i.e., without the restriction of procuring from ALMM List-II).

3.19.5 Therefore, since the benefit of the relaxation was already factored into the discovered tariff at the time of the bid, there arises no ground for claiming any additional impact under the Change in Law clause on account of the subsequent clarification issued by MNRE on 23 September 2025.

3.19.6 The clarification dated 23 September 2025 was issued after the conclusion of the bid process and after the issuance of the LoA on 29 August 2025. Hence, the tariff discovered through the bidding process already reflects the effect of the relaxation granted vide OM dated 28 July 2025, and there is no scope for invoking Change in Law on this account.

3.19.7 TPC-D has also issued a formal letter dated 09 October 2025 to MNRE seeking clarification on the applicability of MNRE's Clarification dated 23 September 2025, particularly in the context of the concluded bidding process for procurement of FDRE power.

3.19.8 MNRE Clarification dated 23 September 2025 attempts to retrospectively modify the operational effect of the earlier OM dated 28 July 2025, has significant bearing on the implementation of the power procurement process already concluded by TPC-D. In this regard, a response from MNRE on the aforesaid letter is currently awaited.

4. **ACME in its Reply dated 30 October 2025 stated as below:**

4.1 The tariff has been discovered after a transparent competitive bidding process as per MoP Guidelines. Further, the bidding process was conducted through the ISN-ETS portal.

4.2 Section 63 of the Electricity Act, 2003 mandates the appropriate Commission to adopt the tariff which has been discovered through a transparent bidding process in accordance with the Guidelines issued by the Central Government.

4.3 Recently, in ***Municipal Corporation of Delhi v. Gagan Narang*** [2025 SCC Online SC 19], the Hon'ble Supreme Court opined that the power to determine / adopt tariff of the appropriate Commission comes from a joint reading of Section 63 and Section 86 of the Electricity Act, 2003. While relying upon the findings in the landmark Judgment of *Jaipur Vidyut Vitran Nigam Limited v. MB Power (Madhya Pradesh) Limited, reported as (2024) 8 SCC 513*, the Hon'ble Supreme Court held that the appropriate Commission shall adopt the tariff discovered through competitive bidding process if the mandate under Section 63 of the Electricity Act, 2003 is fulfilled and if the appropriate Commission is satisfied that the interests of the generators, Discom and the consumers, are sufficiently balanced.

4.4 The statutory provisions with respect to the duties of the Commission vis-à-vis adoption of tariff are no longer *res integra*. The Commission, after being satisfied of the fact that the competitive bidding process has been conducted in a transparent manner and in accordance with the Guidelines notified by the Central Government, is obligated to adopt the tariff so discovered.

4.5 The tariff discovered in the E-RA conducted by TPC-D is in line with the prevailing market trend. The tariff discovered in nationwide tenders range between Rs. 4.25 / kWh to Rs. 4.98 / kWh. Therefore, even without suitably adjusting for the additional implication of Rs. 0.33 / kWh towards ISTS charges and losses, the tariff discovered in the present case, i.e., Rs. 4.77 / kWh and Rs.4.78 / kWh is well within the range of tariff discovered in similar scenarios. As such, the aforesaid fact suitably demonstrates that the competitive bidding process conducted by TPC-D is sufficiently transparent and reflects the prevailing market rates. Therefore, the present Petition ought to be allowed.

4.6 The Commission itself vide its Order dated 28 March 2025 in Case No. 210 of 2024 observed and held that owing to the benefits accruing from FDRE vis-à-vis scheduling, the procurement of same would facilitate the load matching. This, in turn, would facilitate in optimizing the power purchase costs.

4.7 FDRE provides significant benefits in the stability of scheduling, considering the incorporation of the ESS system which ensures round-the-clock supply of electricity from the generating company. Considering FDRE procurement prevents the undue variations and deviations, which entail an additional financial burden on the stakeholders.

4.8 Accordingly, FDRE serves as a vital and feasible option which has been duly acknowledged and recognized by the Commission vide its order dated 28 March 2025. Further, the proposed FDRE power is schedulable, will facilitate load matching and help optimize power purchase costs. Considering the same, the Commission ought to exercise its functions under Section 86 (1) (b) of the Electricity Act, 2003 to adopt the economically and technically feasible source of electricity, being FDRE, as proposed to be procured by TPC-D in the interest of consumer.

5. **E-Hearing in this matter was held on 4 November 2025.** The Advocate of TPC-D narrated the sequence of events in proposed procurement process. He asserted that present power procurement is planned by TPC-D after the Commission's directive in Order dated 28 March 2025 in Case No. 210 of 2024. The tariff discovered is in the range of Rs.4.76-4.77/kWh, which is market reflective. Advocate appearing on behalf of ACME supported the Petition. Advocate of NECL pointed out that it is intending to change the project location from Andhra Pradesh to Maharashtra along with restoration of tariff from Rs.4.33/kWh to Rs.4.76/kWh.

6. **NECL in its Reply dated 4 November 2025 stated as below:**

6.1 The published RfS expressly clarified that if the project is located outside the state of Maharashtra i.e. inter-state project, then the bidder shall quote the cost of ISTS transmission charges as Rs. 0.11 per kWh and the cost of transmission losses as Rs. 0.22 per kWh, in addition to the tariff to be quoted. Further, it was clarified that ISTS Charges and ISTS Losses quoted by inter-state project shall be used for the purpose of evaluation of bids, and it is only for the purpose of bringing inter-state projects at par with the intra-state projects.

6.2 As per the RfS conditions, for inter-state project, ISTS transmission charges of Rs. 0.11/kWh and ISTS transmission losses of Rs. 0.22/kWh, were to be deducted from the discovered tariff after e-Reverse Auction.

6.3 As NECL had submitted that the project location would be the state of Andhra Pradesh, TPC-D, issued the Letter of Award dated 30 August 2025 (LOA) to NECL following the RfS guidelines at a tariff of Rs. 4.43/kWh, after deducting Rs. 0.11 per kwh as cost of ISTS transmission charges and cost of ISTS transmission losses as Rs. 0.22 per kwh from the e-RA discovered tariff of Rs. 4.76/kWh.

6.4 NECL categorically clarified that it is not opposing the Petition. However, it is seeking for relocation of the project from Andhra Pradesh to Maharashtra with the applicable discovered tariff (after e-Reverse auction) of Rs. 4.76 per kWh pursuant to the auction conducted by TPC-D on 13 August 2025, in alignment with the spirit of the RfS.

6.5 Post issuance of the LOA, NECL vide its letter dated 02 September 2025 requested the TPC-D to allow a change of the project location from Andhra Pradesh to Maharashtra, along with restoration of tariff from Rs. 4.43/kWh to Rs. 4.76/kWh as the project would now be in the state of Maharashtra and ISTS transmission charges and losses will not be applicable. As per RfS condition, the cost of transmission charge & transmission loss for Project connected to with Maharashtra STU system shall be considered as NIL.

6.6 TPC-D vide its reply dated 15 September 2025 referred to the provisions of the RfS, clarifying that a change from ISTS to InSTS was allowed but without any change in tariff mentioned in the LOA or Power Purchase Agreement (PPA).

6.7 As per RfS conditions, the projects with partial capacity in Maharashtra (connected to InSTS) and balance capacity outside Maharashtra (connected to ISTS), the ISTS transmission charges and losses are to be considered proportionately based on the installed capacity outside Maharashtra connected to the ISTS network.

6.8 The condition as mentioned at Sr. No. 15: Clause 6.2.1 (ix) of RfS covers the request made by NECL, however, it does not grant relief in terms of tariff restoration, even though ISTS transmission charges and losses are not applicable if the project is in the state of Maharashtra.

6.9 NECL submitted that the Rs. 0.33/kWh does not reflect the actual ISTS transmission charges and losses but rather is used to evaluate the bids received by TPC-D. The proposed arrangement of change of location will be beneficial to TPC-D, as they would not be exposed to any variation in ISTS charges and losses during the life of the Project.

6.10 The principle of parity as per the bid terms and clarifications should be maintained. Retaining the deduction despite relocation to InSTS would amount to unequal treatment, as projects originally bid as InSTS continue at the discovered tariff after e-Reverse Auction. The principle of parity requires that once a project ceases to be ISTS, it should be treated at par with other Intra-state projects for which the cost of transmission loss charge & transmission loss is NIL and should be allowed at the tariff discovered after e-Reverse Auction i.e. Rs. 4.76/kWh. Continuing with a presumed deduction even when the project is no longer exposed to ISTS charges would create disparity and work against the principles of the bid and natural justice.

7. **TPC-D in its Rejoinder dated 11 November 2025 to NECL's Reply stated below:**

<u>Restoration of tariff from Rs. 4.43/kWh to Rs. 4.76/kWh on account of change of project location from ISTS to InSTS:</u>

7.1 RfS categorically prescribed the manner in which tariffs were to be evaluated and LoAs issued. S.No.7: Clause 3.14.2(II).2 of the RfS provides that for projects located outside Maharashtra i.e. inter-state projects, the bidder shall quote the cost of ISTS transmission charges as Rs. 0.11/kWh and transmission losses as Rs. 0.22/kWh in addition to the tariff to be quoted i.e. the loading of Rs. 0.33 Paise/ kWh.

7.2 It further clarifies that these amounts shall be used only for the purpose of evaluation so as to bring inter-state projects at par with intra-state projects. The clause also states that TPC-D shall issue the LoA after deducting ISTS charges and ISTS losses from the tariff discovered after e-Reverse Auction for inter-state projects, whereas LoAs for intrastate projects shall be issued at the discovered tariff without such deduction.

7.3 Accordingly, TPC-D rightly issued the LOA dated 30 August 2025 at Rs. 4.43/kWh (i.e. Rs. 4.76 minus Rs. 0.33). Having participated as an ISTS project with full knowledge of these provisions, NECL is estopped from questioning the deduction after issuance of the LOA. The Rs. 0.33/kWh adjustment is not a discretionary reduction but a mandatory and pre-declared component of the evaluation framework binding on all bidders. Accordingly, the allegation that TPC-D has wrongly deducted Rs. 0.33/kWh is factually unfounded and contractually untenable.

<u>Interpretation of Clause 6.2.1(ix) of the RfS – Scope of 'change of location without any</u>

change in mentioned tariff in LOA or PPA'

7.4 Clause 6.2.1(ix) of the RfS (S. No. 15 – Firm and Dispatchable RE Power Configuration) delineates, with precision, the circumstances in which a change in project location may be permitted. The clause exhaustively provides four distinct situations and prescribes the consequence in each case.

7.5 A change in project location from an ISTS site to an InSTS site is permitted, but only on the express condition that such relocation shall not entail any change in the tariff mentioned in the LOA or the Power Purchase Agreement. The language is categorical and prohibitory in nature and does not merely omit reference to tariff restoration but affirmatively forbids any alteration.

7.6 Sub-clause (iv) of the Clause 6.2.1 (ix) of the RfS provides a converse situation i.e., where a project is shifted from an InSTS site to an ISTS site. Conditionalities specifically stipulates that in such case ISTS charges and losses shall be deducted at the rate of Rs. 0.33/kWh and a supplementary PPA shall be signed with new tariff. The deliberate inclusion of a downward adjustment mechanism only in one direction (InSTS to ISTS), coupled with the absence of any upward adjustment for the reverse (ISTS to InSTS), demonstrates that the bidding framework consciously ruled out any possibility of tariff enhancement.

7.7 The structure of the clause thus establishes a one-way adjustment regime, preserving consumer interest and ensuring tariff certainty. The purpose is to prevent bidders from deriving unintended financial gains by altering project configuration after bid submission, while simultaneously protecting the procurer from any additional cost liability. The clause therefore serves to maintain the sanctity and finality of the tariff discovered through the transparent competitive process conducted under Section 63 of the Electricity Act, 2003.

7.8 The interpretation put forth by NECL that Clause 6.2.1(ix) of the RfS 'covers' its request though not expressly granting it, is misconceived and contrary to basic principles of contractual construction. A clause cannot be read to imply a right that it explicitly negates. The RfS, being a statutory bidding document, must be interpreted according to its plain and unambiguous wording. Once the clause provides that relocation shall be allowed '*without any change in mentioned tariff in LoA or PPA,*' no further qualification or exception can be read into it.

7.9 Further, the use of the words '*without any change'* is absolute and leaves no scope for contextual or purposive dilution. The settled principle of *expressio unius est exclusio alterius* applies here squarely i.e., by expressly providing for tariff reduction in one case (InSTS to ISTS) and remaining silent on the opposite case, the RfS necessarily excludes any implied right to seek a tariff increase upon relocation from ISTS to InSTS.

7.10 Therefore, the claim of NECL that Clause 6.2.1(ix) of the RfS permits restoration of tariff upon relocation is ex facie untenable and amounts to a rewriting of the bidding terms. Such a construction would undermine the certainty of tariff discovery, disturb the level playing field among bidders, and defeat the very object of competitive procurement envisaged under the electricity Act, 2003.

Principle of parity and non-discrimination

7.11 The differentiation between ISTS and InSTS projects under Clause 3.14.2(II).2 of the RfS is not arbitrary but based on objective technical and commercial considerations. The clause specifically provides that for inter-state projects, an amount of Rs. 0.11/kWh towards ISTS transmission charges and Rs. 0.22/kWh towards ISTS losses shall be factored in, solely for the purpose of bid evaluation. The intent of this provision is to establish a uniform evaluation platform by accounting for the additional transmission costs associated with delivering power from projects situated outside Maharashtra to the STU periphery.

7.12 The concept of parity cannot be invoked to disturb the tariff discovered through a transparent competitive bidding process under Section 63 of the Electricity Act, 2003. The principle of parity ensures equality of opportunity among bidders at the time of participation, not equality of outcome after the award of contracts. Once bids are evaluated, tariffs discovered, and LOAs issued in accordance with the notified terms, the resulting contractual rights are final and binding. Any post-award modification, whether under the guise of 'restoration' or 'equal treatment' would amount to altering the bid conditions retrospectively and vitiating the integrity of the bidding process.

7.13 The other bidders, who participated under identical conditions and accepted the outcome of the auction, would be placed at a disadvantage if NECL were allowed a post facto upward revision of its tariff. Such a course would not only defeat the principles of fairness and transparency that govern competitive bidding but would also violate the mandate of Section 63 of the Electricity Act, 2003 which requires adoption of tariffs as discovered through the notified process, without any subsequent alteration.

Commercial decision and contractual finality

7.14 The relocation did not arise from any external compulsion, force majeure, or regulatory impediment, but from NECL's own business preference. Having elected to alter the project configuration on its own accord, NECL cannot seek to shift the financial consequences of that decision onto TPC-D. The RfS, LoA, and bidding framework do not contemplate any adjustment or compensation to a bidder for commercial decisions voluntarily undertaken after the award of contract.

7.15 If such requests for 'restoration' were permitted after the conclusion of bidding, it would open the door to post-award renegotiations, disturb the level playing field among bidders, and erode confidence in the transparency and fairness of the bidding process.

7.16 It is settled principle that a bidder who participates in a tender process with full knowledge of its terms and conditions is bound by those terms and cannot, after being declared successful, seek to vary them on grounds of convenience or commercial expediency.

7.17 The relocation neither alters TPC-D's procurement plan nor creates any incremental value for consumers. It merely reflects NECL's internal choice of project location, for which TPC-D cannot be made financially accountable.

Violation of Principles of the Bid and Natural Justice

7.18 The contention of NECL that continuation of the Rs. 0.33/kWh deduction creates disparity and works against the principles of the bid and natural justice is misplaced and contrary to the design and intent of the RfS.

7.19 The deduction of Rs.0.33/kWh is not a *post-facto* cost adjustment linked to the project's actual exposure to ISTS transmission charges and losses, but a pre-declared contractual mechanism forming part of the bidding framework itself. This deduction was therefore a pre-defined condition of award, not an operating cost element subject to later adjustment. Once the LOA was issued applying this mechanism, the tariff became final and binding under the RfS and Section 63 of the Electricity Act, 2003.

7.20 The plea that retaining this deduction post-relocation causes 'disparity' confuses contractual parity with actual post-award cost exposure. The RfS ensures parity at the evaluation stage, not perpetual equalization of all projects after award. NECL voluntarily participated and was awarded the project as an ISTS-connected bidder under the tariff framework it accepted; having derived the benefit of evaluation parity, it cannot now claim that the same mechanism offends fairness.

7.21 The subsequent relocation from ISTS to InSTS, undertaken at NECL's own discretion, cannot reopen or rewrite the contractual tariff structure. Accordingly, the continuation of the Rs.0.33/kWh deduction is not unjust or discriminatory; it is the inevitable and lawful outcome of the uniform bidding conditions that governed all participants. The tariff of Rs. 4.43/kWh determined through the transparent mechanism stands concluded and cannot be revisited on the ground of a change in project location.

Commission's Analysis and Rulings:

8. The present Petition arises from the competitive bidding process conducted by TPC-D for procurement of 250 MW FDRE power for a period of 25 years. Pursuant to the said process, LOAs were issued on 29 August 2025 to the successful bidders i.e., JGEL, NECL,ACME and TPREL, at tariffs ranging between Rs. 4.43 / kWh and Rs. 4.77 / kWh. TPC-D is seeking the approval of the Commission for adoption of the discovered tariffs under Section 63 of the Electricity Act, 2003 and approval of the draft PPAs to be executed with the successful bidders, in conformity with the MoP Guidelines and the Commission's Order dated 28 March 2025 in Case No. 210 of 2024

9. The Commission notes that as a part of its long-term power procurement strategy, TPC-D in its MYT Petition in Case No.210 of 2024 proposed to tie up power from FDRE sources commencing from FY 2027-28. The Commission vide its Order dated 28 March 2025 recognized the procurement from FDRE and ruled following:

"

5.5.6 Considering the fact that power from FDRE being schedulable, it will be able to supply in accordance with the load and certainly aid in optimising the power purchase cost. ***Accordingly, the Commission has considered the power from FDRE as proposed by TPC-D. However, the Commission directs TPC-D to timely initiate the process of competitive bidding for procurement of FDRE power so that said power is available from FY 2027-28 onwards as projected by TPC-D.***"

Considering above directives, TPC-D initiated the procurement process.

10. Considering the above background and submissions on record, the Commission frames following issues for its consideration:

    a. Whether Competitive bidding process is followed in accordance with the Guidelines notified under Section 63 of the Electricity Act, 2003

    b. Whether tariff discovered through competitive bidding is market reflective.

    c. Interpretation of RfS conditions governing change in project location.

In subsequent paragraphs, the Commission has scrutinized above aspects with reference to the present Petition filed by TPC-D for tariff adoption.

11. **Issue (A): Whether Competitive bidding process is followed accordance with the Guidelines notified under Section 63 of the Electricity Act, 2003**

11.1. The Commission notes that TPC-D has prepared the tender documents based on MoP's Guidelines for Tariff based Competitive Bidding process for procurement of Firm and Dispatchable power from grid connected RE power projects with Energy Storage systems dated 09 June 2023 and its successive amendments.

11.2. On 29 April 2025, TPC-D published the notice for inviting bids for procurement of 250 MW power from FDRE projects coupled with Energy Storage systems. In response, 6 bids of cumulative capacity of 560 MW were received on the ISN- ETS Portal.

11.3. TPC-D constituted Bid Evaluation Committee to evaluate the bids received. TPC-D has clarified the queries raised by the potential bidders. Further, TPC-D followed the 2 Stage bidding process.

11.4. Upon evaluation, following bidders found to be technically qualified:

Sr. No.	Name of the Bidder	Capacity Offered (MW)	Location
1	TPREL	250	Maharashtra
2	JGEL	70	Maharashtra
3	SPI6PL	50	Maharashtra
4	NECL	50	Andhra Pradesh

Sr. No.	Name of the Bidder	Capacity Offered (MW)	Location
5	ACME	50	Rajasthan

The Committee in its report noted that the bid submitted by M/s. Stockwell Solar Services Private Limited was non-responsive on account of non-submission of Format 7.10 (Power Supply Profile of Offered capacity), as mandated in RfS.

11.5. The Commission notes that during bidding process, MNRE vide its Office Memorandum (OM) dated 28 July 2025, has issued an amendment to its earlier O.M. No. 283/59/2024-Grid Solar dated 09 December 2024. As per amended OM notification, projects supplying power under present tender were mandated to use solar PV modules from ALMM List-I (for solar PV modules), while they were exempted from the requirement of using solar PV cells from ALMM List-II (for solar PV cells).

TPC-D, vide its email dated 07 August 2025, requested all technically qualified bidders to re-evaluate and submit the impact of the amendment dated 28 July 2025 on their initially submitted Price Offers. In response, all technically qualified bidders submitted their revised positions reflecting impact of ALMM amendment. TPC-D opened the IPO on 13 August 2025. Revised IPOs are as below:

Sr. No.	Bidder Name	Revised IPO (Rs/kWh)
1	JGEL	5.41
2	NECL	5.25
3	ACME	4.82
4	TPREL	5.38
5	SPI6PL	5.50

The Commission noted that TPC-D has rightly anticipated the impact of ALMM amendment leading to reduced tariff and appropriately factored into IPO stage itself. For the purpose of financial bid evaluation and for determination of the L1 bidder in the subsequent e-Reverse Auction, TPC-D has considered the revised IPO.

E- Reverse Auction (e-RA) process was conducted on 13 August 2025. Upon conclusion of the e-Reverse Auction and the subsequent L-1 matching round, the discovered tariff of Rs. 4.76/kWh, as quoted by JGEL (70 MW) , NECL (50 MW) , and ACME (50 MW) emerged as the lowest (L-1). Further, the tariff quoted by TPREL (80 MW) at Rs. 4.77/kWh was found to be marginally higher.

11.6. The Commission notes that TPC-D has conducted transparent process of bidding which is in accordance with the guidelines notified by the Government of India. Hence, first mandatory condition for adoption of tariff has been met.

11.7. On 29 August 2025, TPC-D has issued LOAs to the following successful bidders. Details of the same are as below:

Sr. No.	Bidder Name	E RA Tariff (At STU Periphery)	Allotted Quantum in (MW)	Delivery Point	LoA Tariff
1	JGEL	4.76	70	STU Periphery	4.76
2	NECL	4.76	50	CTU Periphery	4.43#
3	ACME	4.76	50	CTU Periphery	4.43#
4	TPREL	4.77	80	STU Periphery	4.77
	Total		**250**		

\# After deducting impact to the extent of 33 paise/ kWh on account of InSTS Changes and transmission Losses.

12. **Issue (B): Whether tariff discover through competitive bidding is market reflective.**

12.1. TPC-D stated that tariff discovered under the present bidding process i.e. Rs. 4.76/kWh and Rs. 4.77/kWh is reflective of market conditions.

12.2. The Commission notes that in recently concluded tenders, following tariffs have been discovered:

Sr. No.	Buyer	Year in which e-RA conducted	Bid	Capacity (MW)	Discovered Tariff (Rs./kWh)
1	SECI	2024	Selection of RE Power Developers for Supply of 630 MW Firm and Dispatchable Power from ISTS- Connected Renewable Energy (RE) Power Projects in India (SECI-FDRE-IV).	630	4.98-4.99
2	SECI	2025	Selection of RE Power Developers for assured peak Supply of 8000 MWh (2000 MW x 4 Hrs.) from ISTS – Connected RE Projects in India, under Tariff – Based Competitive Bidding (SECI – FDRE-VI).	200	8.50
3	SJUVN	2023	Selection of 1500 MW Firm Dispatchable Power from ISTS- Connected Renewable Energy (RE) Power Projects with Energy Storage Systems on Build-Own Operate (BOO) basis with 'Greenshoe Option' of Additional capacity up to 1500 MW.	1184	4.38-4.39
4	SJUVN	2024	Selection of RE Power Developers for Supply of 600 MW Firm and Dispatchable Power from ISTS- Connected Renewable Energy (RE) Power Projects with Energy Storage System in India under Tariff based Competitive Bidding with 'Greenshoe Option' of additional capacity up to 600 MW.	1200	4.25

Sr. No.	Buyer	Year in which e-RA conducted	Bid	Capacity (MW)	Discovered Tariff (Rs./kWh)
5	SJUVN	2025	Selection of 1200 MW Firm Dispatchable Power from ISTS- Connected Renewable Energy (RE) Power Projects with Energy Storage Systems on Build-Own Operate (BOO) basis with 'Greenshoe Option' of Additional capacity up to 1200 MW.	448	4.82-4.91
6	NTPC	2024	Setting up a 3000 MW firm and dispatchable energy from ISTS connected Renewable Energy (RE) Power project	1530	4.64-4.72
7	NHPC	2024	Selection of 1400 MW Firm & Dispatchable Power Renewable Energy (FDRE) Power Projects coupled with Energy Storage System.	1400	4.55-4.64
8	NHPC	2024	Selection of 1200 MW & dispatchable power from ISTS- connected RE Power Projects coupled with Energy Storage System.	1200	4.37-4.38

12.3. From above, it is evident that tariffs discovered are varying from Rs.8.25/kWh to Rs.4.25/kWh. Generally design of FDRE tenders is requirement specific. Differentiating factors such as Location conditions (requirement of Co-location of Storage system), Delivery point, Delivery Profile-Peak hour window, Availability during peak hour window, Penalties for shortfall, mandatory minimum storage capacity sizing etc. lead to varying tariffs. Hence, direct comparison of tariff is inappropriate, but range of tariff can be an indicative factor.

While evaluating the bids, TPC-D has considered impact to the extent of 33 paise/ kWh on account of InSTS Changes and transmission Losses. If the same is considered, landed tariff at Maharashtra STU periphery will be in the range of Rs.4.58-8.83/kWh for projects mentioned in Para 12.2 above. The tariff discovered in present bidding exercise is within the range of already discovered tariffs and reasonable in view of tender conditions.

12.4. The Commission also notes that the proposed tariffs is lower than the approved Long-term Power Purchase cost of TPC-D, indicating potential cost savings.

12.5. Hence, the Commission is of the opinion that tariff discovered by TPC-D for FDRE project with energy storage systems under present Petition is reflective of market conditions. Section 63 of the Electricity Act, 2003 mandates the Commission to adopt the tariff if such tariff has been determined through transparent process of bidding in accordance with the guidelines issued by the Central Government.

12.6. In view of the foregoing, the Commission notes that tariffs discovered by TPC-D fulfils the requirements for adoption as set out in Section 63 of the EA, 2003 and MYT Regulations. Accordingly, the Commission adopts proposed power procurement from FDRE Projects coupled with energy storage systems.

13. **Issue (C): Interpretation of RfS conditions governing change in project location.**

13.1. NECL in its submission contended that TPC-D has deducted Rs. 0.33/kWh (towards ISTS losses and charges) from the discovered tariff of Rs. 4.76/kWh and applied the reduced tariff of Rs 4.43/kWh in the LoA. It is intending to change the project location from an ISTS-connected site to an InSTS-connected site within Maharashtra, the said deduction ought to be restored, and the tariff reinstated to Rs. 4.76/kWh.

Clause 6.2.1(ix) of the RfS permits change of project location without any change in tariff. The said clause was intended only to ensure parity and should not preclude restoration of tariff in case of relocation to an InSTS site.

13.2. While rebutting NECL's claim, TPC-D submitted that Clause 6.2.1(ix) of the RfS permits restoration of tariff upon relocation is *ex facie* untenable and amounts to a rewriting of the bidding terms. Such a construction would undermine the certainty of tariff discovery, disturb the level playing field among bidders, and defeat the very object of competitive procurement envisaged under the Electricity Act, 2003.

13.3. The Commission notes that NECL and TPC-D are disputing interpretation of RfS conditions governing change of project location. The scope of the present proceedings is limited to adoption of tariff based on procedural compliance. It cannot be extended to adjudication of dispute under Section 86 (1) (f) of the Electricity Act, 2003. Hence, the Commission directs NECL and TPC-D to resolve the issue amicably as per provision of RfS and bidding conditions. Otherwise, Parties are free to approach the Commission under appropriate provisions of law.

14. Hence the following Order:

<u>ORDER</u>

1. **Petition in Case No. 228 of 2025 is allowed.**
2. **The Commission accords its approval to TPC-D's proposal for procurement of 250 MW power from FDRE projects coupled with energy storage system at a tariff as stipulated in Para (11.7) for 25 years tenure.**
3. **The power procured from projects considered in this Petition shall be considered for meeting the Renewable Purchase Obligation requirement of TPC-D.**
4. **TPC-D shall execute the Power Purchase Agreement within (30) days from the date of this Order and copy of the same shall be submitted for records of the Commission.**

Sd/-	Sd/-	Sd/-
(Surendra J. Biyani)	**(Anand M. Limaye)**	**(Sanjay Kumar)**
Member	**Member**	**Chairperson**

MAHARASHTRA ELECTRICITY REGULATORY COMMISSION
॥ आदित्य हृदयम् ॥

(Dr. Rajendra G. Ambekar)
Secretary