

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 235/AT/2025

Coram:

Shri Jishnu Barua, Chairperson

Shri Ramesh Babu V., Member

Shri Harish Dudani, Member

Shri Ravinder Singh Dhillon, Member

Date of Order: 06 February, 2026

In the matter of

Petition under Section 63 of the Electricity Act, 2003 for the adoption of tariff for 2100 MW (including capacity of 900 MW under Greenshoe Option) Firm & Despatchable Power from ISTS connected RE Power Projects coupled with Energy Storage System selected through competitive bidding process under the Bidding Guidelines issued by the Ministry of Power, Govt. of India on 9.6.2023 and its amendments thereof.

And

In the matter of

NHPC Limited,
NHPC Office Complex, Sector-33,
Faridabad-121003, Haryana.

Versus

- 1 Essar Renewables Limited,**
Essar House, 11 K.K. Marg,
Mahalaxmi, Mumbai, Maharashtra.
- 2 Serentica Renewables India Private Limited,**
DLF Cyber Park, Block-B, 9th Floor,
Udyog Vihar, Phase-III, Sector-20,
Gurugram -122008, Haryana.
- 3 Juniper Green Energy Private Limited,**
Plot No 18, First floor, Institutional Area,
Sector-32, Gurugram -122001, Haryana.
- 4 Hexa Climate Solutions Private Limited,**
14th Floor, Vatika Business Park, Sohna Road,
Gurugram-122018, Haryana.
- 5 Avaada Energy Private Limited,**
C-11, Sector -65,
Noida-201301, Uttar Pradesh.

....Respondents

Parties present:

Shri Vyom Chaturvedi, Advocate, NHPC
Shri Akshay Goel, Advocate, NHPC
Shri Harsh Jadon, Advocate, NHPC
Shri Jagpal Singh, NHPC

ORDER

The Petitioner, NHPC Limited, has filed the present Petition under Section 63 of the Electricity Act, 2003 (hereinafter referred to as “the Act”) seeking adoption of tariff discovered through a transparent Competitive Bidding Process for procurement of 2100 MW Firm and Dispatchable power, including 900 MW capacity under the “Greenshoe Option”, from ISTS-connected Renewable Energy Power Projects coupled with Energy Storage Systems (hereinafter referred to as “FDRE”). The said capacity was selected through the tariff based competitive bidding process in accordance with the “Guidelines for Tariff Based Competitive Bidding Process for Procurement of Firm and Dispatchable Power from Grid Connected Renewable Energy Power Projects with Energy Storage Systems” notified by the Ministry of Power, Government of India, vide Resolution No. 23/03/2023-R&R dated 9.6.2023, as amended from time to time (hereinafter referred to as “the Competitive Bidding Guidelines, 2023”). The Petitioner has made the following prayers:

“1) Admit the present Petition.

2) Condone the delay in approaching the Hon’ble Commission for Tariff Adoption.

3) Adopt the Tariff discovered in the Competitive Bidding Process for individual Power Projects as listed in Table 1 & Table 2 at paragraph 9 above on terms and conditions contained in the PPA to be signed with RE-Power Generators being Respondent Nos 1 to 5 and a Trading Margin of Rs 0.07/kWh in addition to above Tariff is to be recovered from buying Utilities /Distribution Licensee/DISCOM(s) in terms of the PSA to be signed between NHPC & Utilities/ Distribution Licensee.

4) Pass such other and further order/ orders as are deemed fit and proper in the facts and circumstances of the case.”

Submission of the Petitioner

2. The Petitioner, NHPC Limited, has been designated as an Intermediary Procurer/Renewable Energy Implementing Agency (hereinafter referred to as “REIA”) by the Ministry of New and Renewable Energy (hereinafter referred to as “MNRE”), Government of India, vide Office Memorandum No. 283/33/2020-GRID SOLAR, for enabling procurement of FDRE power by Distribution Licensees/DISCOMs from ISTS-connected Renewable Energy Projects coupled with Energy Storage Systems, through a tariff-based competitive bidding process conducted in accordance with the “Competitive Bidding Guidelines, 2023” issued by the Ministry of Power, Government of India.

3. In line with the REIA-wise bidding calendar issued by MNRE, the Petitioner issued a Request for Selection (hereinafter referred to as “RfS”) vide Tender No. 2024_NHPC_800202_1 dated 15.3.2024 for the selection of the Renewable Energy Power Developers for the supply of the 1200 MW FDRE power from ISTS-connected Renewable Energy Projects with Energy Storage Systems under Tariff Based Competitive Bidding. Subsequently, vide Corrigendum No. 2 dated 7.5.2024, the RfS documents were amended to provide for an additional capacity of up to 1200 MW under the “Greenshoe Option” to the successful bidder(s) willing to execute Power Purchase Agreements (PPAs) with the Petitioner at the lowest tariff (L-1 rate) discovered in the Competitive Bidding Process (followed by e-reverse auction). Under this arrangement, the Petitioner, acting as the Intermediary Procurer/REIA, shall execute back-to-back PPAs with the successful Renewable Energy Power Generators and Power Sale Agreements (PSAs) with the Distribution Licensees/Buying Utilities.

4. The power procured under the RfS has been provisioned to be sold to various

Distribution Licensees/Buying Utilities in India. The Petitioner, NHPC Limited, has been appointed as the Intermediary Procurer for the procurement and sale of power from the successful Renewable Energy Power Generators (REPGs) to the Buying Utilities on a back-to-back basis, in accordance with the “Competitive Bidding Guidelines, 2023”. The Petitioner is acting as an intermediary with a trading margin of INR 0.07/kWh.

5. The Petitioner has further submitted that, as per the scheme under the RfS, the bidders have been selected through the process of e-bidding (Single Stage Two Envelope Bidding Process, Envelope-I: Technical Bid and Envelope-II: Financial Bid) followed by the E-Reverse Auction process. The online and offline bids (Part-I: Techno-Commercial) were opened on 28.6.2024, and the financial bids were opened on 23.8.2024. The e-Reverse Auction was conducted on 12.9.2024.

6. In response to the said RfS, the Petitioner received seven (7) bids, all of which were found technically responsive. Upon opening of the financial bids on 23.08.2024, six (6) bidders, except the H1 bidder, were declared successful for participation in the e-Reverse Auction conducted on 12.09.2024. Pursuant thereto, five (5) bidders emerged successful for allocation of the initial 1200 MW capacity. As per the provisions of the RfS, the Petitioner thereafter sought confirmation from the successful bidders regarding their willingness to avail capacity under the “Greenshoe Option” at the lowest (L1) tariff discovered. Based on the confirmations received, the Petitioner issued Letters of Award (LoAs) on 8.11.2024 to the successful bidders for an aggregate capacity of 2100 MW (comprising 1200 MW as initially allocated capacity and 900 MW under the Greenshoe Option).

Table-1

S. No.	Name of RE-PGs	Allocated Capacity (MW)	Tariff (Rs/kWh)
1	Essar Renewables Limited	300	4.37
2	Serentica Renewables India Private Limited	150	4.37
3	Juniper Green Energy Private Limited	200	4.37
4	Hexa Climate Solutions Private Limited	80	4.38
5	Avaada Energy Private Limited	470	4.38
	Total	1200	

Table-2 (Greenshoe Capacity)

S. No.	Name of RE-PGs	Capacity allocated under "Greenshoe option" (MW)	Tariff (Rs/kWh)
1	Essar Renewables Limited	-	-
2	Serentica Renewables India Private Ltd.	-	-
3	Juniper Green Energy Private Limited	50	4.37
4	Hexa Climate Solutions Private Limited	120	4.37
5	Avaada Energy Private Limited	730	4.37
	Total	900	

Hearing dated 20.3.2025

7. During the course of the hearing on 20.03.2025, notices were issued to the Respondents to file their replies. Further, vide Record of Proceedings ("RoP") of the same date, the Petitioner was directed to place on record a copy of the conformity certificate substantiating that the tariffs discovered in the bidding process were consistent with prevailing market tenders. The Petitioner was also directed to furnish justification for the allocation of additional capacity under the Greenshoe Option, whereby 120 MW (against the originally allotted capacity of 80 MW) was allocated to M/s Hexa Climate Solutions Private Limited and 730 MW (against the originally allotted capacity of 430 MW) was allocated to M/s Avaada Energy Private Limited, along with specific reasons for allocation of the excess capacity of 40 MW and 300 MW,

respectively, under the Greenshoe Option.

8. In compliance with RoP dated 20.3.2025, the Petitioner vide its affidavit dated 3.4.2025 submitted as under:

(a) In the present case, the bid submission date was in the month of June 2024. The tariff discovered in the tender invited by REIA's (i.e. NHPC, NTPC, SECI & SJVN) during FY 2023-24 for similar projects was in the range Rs. 4.25/kW for SJVN and Rs. 4.91/kWh for NTPC. The detail is as under:

Name of REIA	Capacity	Rate discovered (Rs. /kWh)	Discovery Month
NHPC	2400 MW	4.37 – 4.38	September, 2024
	1200 MW	4.48 – 4.56	December, 2024
NTPC	760 MW	4.69 – 4.70	November, 2024
SECI	630 MW	4.98 – 4.99	July, 2024
SJVN	1200 MW	4.25 – 4.26	October, 2024
	448 MW	4.82 – 4.91	February, 2025

(b) The Commission has also adopted the tariff of NTPC and SECI vide order dated 24.2.2025 in Petition No.226/AT/2024 and order dated 3.3.2025 in Petition No.312/AT/2024, respectively. Thus, it is certified that the rates identified during the bidding process are aligned with the prevailing market rates for similar REIA projects.

(c) As to the justification/reason for allocation of excess capacity (in case of Hexa Climate Solutions Ltd. (40 MW) and Avaada Energy Private Limited (300 MW) under Greenshoe Option, it may be noted that such additional capacity has been allotted to them as per the Clause 3.1(A)(a) & 3.1(A)(d) of the RfS. In 1st round of query to successful bidders for Greenshoe allocation, 4 out of 5 successful bidders shown willingness for additional capacity of 900 MW under Greenshoe Option i.e., Serentica Renewables India Private Limited for 150 MW, M/s Juniper Green Energy Private Limited for 200 MW, Hexa Climate Solutions Private Limited for 80 MW & Avaada Energy for 470 MW as per their eligibility and one of the successful bidder, namely, Essar Renewables Limited shown its inability to participate for Greenshoe Option. Therefore, out of the maximum 1200 MW Greenshoe allocation capacity, only 900 MW capacity was

sought by the successful bidders in the 1st round, i.e., 300 MW remained unallocated in the first round of Greenshoe Allocation.

(d) Thereafter, in the 2nd round of query, all 4 (four) willing bidders of the 1st round were asked to again submit willingness for the additional capacity (over and above already submitted) as per the eligibility documents in terms of the conditions of RfS and to submit breakup of the Greenshoe capacity. All successful bidders again showed their willingness to provide a capacity of 900 MW as detailed in para above. However, on scrutiny of the eligible financial criteria of Serentica Renewables India Private Limited, it was found that the bidder's net-worth was for the overall capacity of 150 MW only. Therefore, the said bidder was not considered for the additional capacity under the Greenshoe Option. Juniper Green Energy Private Limited revised its willingness from 200 MW (i.e. the willingness in the 1st round) to 50 MW, meeting its eligibility criteria. Accordingly, only 50 MW was allocated to it as additional capacity under the Greenshoe Option.

(e) Whereas Hexa Climate Solutions Private Limited asked for additional capacity of 40 MW in the second round, totaling 120 MW under the Greenshoe option. Subsequently, it again requested the additional 200 MW (over and above 120 MW confirmed earlier). However, since it fulfilled the eligibility criteria for only 200 MW, against a willingness of 320 MW (80 MW+ 40 MW+ 200 MW), it was allocated only 120 MW additional capacity under the Greenshoe Option. The said bidder fulfilled the eligibility criteria for a total capacity of 200 MW (80 MW under e-RA + 120 MW under Greenshoe option).

(f) Avaada Energy Private Limited, in the 2nd round, submitted willingness for the entire 1200 MW under the Greenshoe option. However, as per Clause 3.1 of the RfS document, the total capacity of 1200 MW, including Greenshoe capacity can be allocated to a single bidder. Accordingly, only 730 MW (i.e. 1200 MW – 470 MW under e-RA) was allocated to it.

(g) In view of the above, the 900 MW under the Greenshoe Option of 1200 MW has been allotted to the successful bidders as per their eligibility and after their consent for the additional capacity in accordance with Clause 3.1 of the RfS document.

Hearing dated 13.5.2025

9. During the course of the hearing, the learned counsel for the Petitioner reiterated the submissions made in the Petition and further submitted that the Petitioner, vide its compliance affidavit dated 3.4.2025, has furnished the additional information and clarifications sought by the Commission in terms of the RoP dated 20.3.2025. The learned counsel also submitted that none of the Respondents has filed any reply in the matter. Further, in response to the specific observation of the Commission regarding allocation of capacity under the “Greenshoe Option” to the successful bidders being higher than their originally allocated capacity, the learned counsel for the Petitioner submitted that the RfS issued in the present case permitted such allocation. In response to a further query of the Commission as to whether there are any enabling provisions in the Guidelines to this effect, the learned counsel submitted that there is no specific bar in the Guidelines against such allocation.

10. Vide RoP dated 13.5.2025, the Petitioner was directed to file, on affidavit, the information/clarifications, namely (i) the relevant provisions of the Guidelines, if any, providing for a “Greenshoe Option”, particularly, with regard to enabling the award of capacity under the Greenshoe Option higher than the originally allotted capacity; and (ii) whether any RfS/tender containing similar terms has earlier been the subject matter of a tariff adoption case before the Commission.

11. In compliance with RoP dated 13.5.2025, the Petitioner vide affidavit dated 29.5.2025 submitted that there are no guidelines on the above aspect. The Petitioner invites bids for the capacity as per the trajectory issued by MNRE, and to avoid multiple bids, the Greenshoe Option is incorporated in the RfS as the standard bidding practice adopted in RE tenders by all REIAs/Discoms. The process of allotment of capacity

under the Greenshoe Option is mentioned in Clause 3.1 of the RfS, and there are no Guidelines that provide for a Greenshoe Option separately. The Petitioner has also submitted that the Commission has adopted that tariff in case of SJVN Limited vide order dated 1.8.2024, in which Letters of Awards were issued while exercising the Greenshoe Option.

Hearing dated 20.6.2025

12. During the course of the hearing, the learned counsel for the Petitioner submitted that the directions issued vide RoP dated 13.5.2025 have been complied with. The learned counsel further submitted that no one appeared on behalf of the Respondents despite service of notice. Considering the submissions of the learned counsel for the Petitioner, the Commission reserved the matter for orders.

Analysis and Decision

13. In view of the above, we now proceed to consider the prayer of the Petitioner regarding the adoption of a tariff under Section 63 of the Electricity Act, 2003, in respect of the supply of 2100 MW (including a capacity of 900 MW under the Greenshoe Option) of Firm and Despatchable Power from ISTS-connected RE Power Projects coupled with Energy Storage Systems. As per the Petitioner, the tariff was discovered pursuant to a competitive bidding process carried out in accordance with the "*Guidelines for Tariff Based Competitive Bidding Process for Procurement of Firm and Dispatchable Power from Grid Connected Renewable Energy Power Projects with Energy Storage Systems*" dated 9.6.2023, issued by the Ministry of Power, Government of India.

14. Section 63 of the Act provides as under:

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

15. Thus, in terms of Section 63 of the Act, the Commission is required to adopt the tariff upon being satisfied that a transparent process of bidding in accordance with the guidelines issued by the Central Government under Section 63 of the Act has been followed in determining such tariff.

16. The Ministry of Power, Government of India, has notified the Guidelines under Section 63 of the Act vide Resolution No. 23/03/2023-R&R on 09.06.2023 for the procurement of Firm and Dispatchable power from grid-connected renewable energy power projects with energy storage systems. The salient features of the Guidelines are as under:

i) The specific objectives of the guidelines are: a) to provide firm and dispatchable power to distribution companies (DISCOMs) from renewable energy sources, b) facilitate renewable capacity addition and fulfilment of Renewable Purchase Obligation (RPO)/ Storage Power obligations (SPO) requirements, provide a transparent, fair, c) standardized procurement framework based on open competitive bidding with appropriate risk-sharing between various stakeholders, and d) provide a framework for the inter-State/ intra-State, long-term, sale-purchase of power as a further measure to derisk the sector. The guidelines require bid documents to be prepared in accordance with the guidelines and seek approval from the Government for deviations in the draft RfS, draft PPA, and draft PSA (if applicable) from these Guidelines and/or SBDs.

ii) The Renewable Energy Supply (RfS) outlines the requirements for a project's commencement of supply, including land acquisition, connectivity, and regular reporting requirements. The generator must supply firm and dispatchable renewable energy power, with peak hours declared by the DISCOM as specified in the RfS. The generator must offer 100% renewable energy but can source up to 5% from green market sources/bilateral agreements.

iii) The developer must combine the renewable energy generating system with energy storage to achieve the required availability against demand profile and performance criteria. A single tariff for supply of firm and dispatchable renewable energy power is quoted by the bidders at the CTUIL interconnection point. Bids are invited in Power Capacity (MW) terms, with a minimum quantum of 50MW

for economies of scale. A maximum of 50% of bid capacity can be allocated to a single bidder in a tender.

iv) The bidding evaluation parameter is the tariff per unit supply of firm and dispatchable renewable energy power, fixed for the entire term of the PPA. The bidder must submit separate technical and price bids, provide an Earnest Money Deposit (EMD), and meet eligibility criteria set out in the RfS document. The minimum number of qualified bidders is two, and any deviation from the tender conditions is rejected. The detailed procedure for evaluation of bids and selection of bidders is provided in the RfS document.

v) The Power Purchase Agreement (PPA) is a document involving the purchase of power from a generator. It outlines the PPA period, which can be 20 years or 25 years, and the power procurement terms. The generator must ensure supply meets specified conditions, such as RTC, load profile, and number of hours. The summation of generation schedules from multiple sources cannot exceed the contracted capacity. The generator can supply power beyond contracted capacity to third parties or power exchanges without a No-Objection Certificate (NOC). Developers with untied capacity may participate in the bid and receive a longer PPA period. If there is a shortfall in project availability due to the generator, the generator must pay a penalty, which is equal to one and a half times the tariff for the number of units not supplied. The generator is responsible for scheduling and punching at different Regional Load Dispatch Centers. The Deviation Settlement Mechanism (DSM) applies for deviations from the schedule, and charges are settled by the generator.

vi) The Electricity (Late Payment Surcharge and Related Matters) Rules, 2022, outline the provisions for payment security and force majeure. The Generator must inform the Procurer of a force majeure within 15 days and respond within 15 days. The Procurer may be constrained from scheduling power due to transmission infrastructure or grid unavailability. Compensation for offtake constraints is provided for generators who fail to meet the forecasting and scheduling process.

vii) For claiming compensation, generators must sell their power in the power exchange as a price taker, with compensation limited to the difference of actual generation up to declared capacity. If a generator defaults, the Procurer may terminate the PPA and pay damages equivalent to 24 months or the balance PPA period whichever is less. If the generator assigns or innovates rights or obligations contrary to the terms of the PPA, the Procurer may recover the damages through forfeiture of bank guarantee.

viii) The lenders may exercise their rights of substitution in the event of a generator's default, but if lenders cannot substitute the defaulting generator within the stipulated period, the Procurer may terminate the PPA. If the Procurer/Intermediary procurer is in default due to failure in timely payment or repudiation of the PPA, the Generator may terminate the PPA at its discretion.

ix) The Electricity (Timely Recovery of Costs due to Change in Law) Rules, 2021, have been notified by the Ministry of Power. The bidding process for the project

will adopt a single stage, two-part (Technical Bid & Financial Bid) electronic mode. The Procurer will invite the generators to participate in the RfS for installation of the Renewable Energy Power Plants and supply of the RE Power with Energy Storage System. The developers, who have already set up capacity or have spare untied capacity, may also participate in the bid.

x) The Procurer will prepare bidding documents, including the RfS and draft PPA, in accordance with these guidelines and any SBDs. The RfS notice will be published in at least two national newspapers and its own website for wide publicity. Pre-bid conferences and written interpretation of the tender documents will be provided to the bidders.

xi) The Request for Selection (RFS) document will include bid responsiveness, technical criteria, financial criteria, liquidity, and the Quantum of the Earnest Money Deposit (EMD). The net worth requirement should be at least 20% of the estimated 'RE Project' cost or other criteria specified in the RfS. If a foreign company is selected as the successful bidder, it must comply with all the laws and provisions related to Foreign Direct Investment in India.

xii) The Power Purchase Agreement (PPA) between the RE Project and Procurer/Intermediate Procurer must clearly indicate the SCSD and quantum of supply. The procurement committee will evaluate the RfS bids and certify that the bidding process is conducted in conformity with the provisions of the RfS document. The evaluation authority has the right to reject all price bids if the rates quoted are not aligned with the prevailing market prices.

xiii) For transparency, the Procurer shall publicly disclose the names of the successful bidder(s) and the tariff quoted by them, along with their breakup into components, for at least 30 days. If the distribution licensee or Intermediary Procurer does not decide on the adoption of tariffs within 60 days of submission or 120 days from the date of the Power Sale Agreement (PSA), the Procurer(s) may grant an appropriate extension of time in SCSD to the generators.

xiv) Generators must provide bank guarantees/corporate guarantees/letters of undertaking to pay to the Procurer in terms of the RfS. These include Earnest Money Deposit (EMD) and "Payment on Order instrument"/ Letter of Undertaking. The damages/dues recovered by the Intermediary Procurer by encashment of the PBG upon default will be credited to the Payment Security Fund maintained by the Intermediary Procurer.

xv) The successful bidder must ensure that its shareholding in the SPV/project company executing the PPA does not fall below 51% at any time prior to one year from the SCSD, except with the prior approval of the Procurer. In case of generator default, the lenders are entitled to undertake "Substitution of Promoter" in concurrence with the Procurers.

xvi) The Renewable Energy (RE) Power Generation Scheme aims to ensure fairness and transparency in procurement by promoting standardization and uniformity in processes. Delays in power supply beyond the Supply Cycle Support System (SCSD) can result in penalties for the generator, such as

encashment of the Performance Bank Guarantee (PBG) or alternate instruments. For delays beyond six months, the contracted capacity will be reduced to the project capacity that has commenced supply within the SCSD plus six months, and the PPA for the balance contracted capacity will stand terminated.

xvii) Part Commencement of supply of power is accepted by the Procurer subject to the minimum capacity of 50 MW. However, the SCSD will not be altered due to the partcommencement of supply of power. If a component is ready for injection but the remaining component is unable to commence supply, the generator may commence supply from the component outside the PPA, with the first right of refusal vested with the End Procurer.

xviii) The Procurers must promote commercially established and operational technologies to minimize technology risk and achieve timely commencement of supply. Technical specifications for Solar PV/Wind/Hybrid Power Projects are specified by the Ministry of New & Renewable Energy.

xix) Dispute resolution is subject to the Appropriate Commission, CERC, or SERC/JERC. If difficulties arise in giving effect to any provision of these Guidelines or interpretation of the Guidelines, the Ministry of Power is empowered to do so with the approval of the Minister, New & Renewable Energy. Renewable energy components, including Energy Storage System (ESS) components charged with RE sources, are eligible for RPO compliance.

17. The Guidelines provide a framework for the long-term procurement of Firm and Dispatchable RE power at a tariff to be determined through a transparent process of bidding by the procurer(s) from the RE power projects having a size of 50 MW and above. The Guidelines provide that the generator shall supply Firm and Dispatchable RE power, with the prescribed availability against the procurer's demand profile, so that 100% of the annual energy corresponds to RE power. However, generators can source up to 5% of power (in energy terms) on an annual basis from green market sources. The Guidelines further provide that the developer shall combine the RE generating system with energy storage to ensure that it achieves the required availability against the demand profile, provided the power from the RE sources is used to store energy in the storage system.

18. The Petitioner has been designated as the nodal agency for the implementation

of the MNRE Schemes for setting up the inter-State Transmission System connected with the RE power projects, inviting bidding under tariff based competitive bidding process, entering into the PPAs with developers at the tariff discovered in the competitive bid process, and enter into the PSAs with the distribution licensees to enable them to procure the Firm and Dispatchable RE Power. The Petitioner acts as an intermediary agency in the purchase and sale of power under the PPAs and PSAs on a back-to-back basis.

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

S. No.	Event	Date
1	RfS issued by the Petitioner	15.3.2024
2	Date of Pre-Bid Meeting	28.3.2024
3	Corrigendum of RfS (including for date extension)	9.4.2024, 7.5.2024, 30.4.2024, 23.5.2024, 5.6.2024, 13.6.2024 and 25.6.2024
4	Last date of bid submission	21.6.2024
5	Opening of techno-commercial bids	28.6.2024
6	Opening of Financial bids	23.8.2024
7	Date of e-reverse auction	12.9.2024
8	Issuance of LoAs to successful bidders	8.11.2024

20. In accordance with the Bidding Guidelines, 2023, the Petitioner, in its capacity of Intermediary Procurer, issued the RfS documents dated 15.3.2024 for the selection of RE Power Developers for the supply of 1200 MW Firm & Despatchable power from ISTS-connected Renewable Energy Projects coupled with Energy Storage Systems on an “anywhere in India” basis under the tariff based competitive bidding. Subsequently, *vide* Corrigendum-2 to the RfS, an additional capacity of 1200 MW under “Greenshoe Option” was also incorporated in the RfS. The Petitioner has submitted that the Notice Inviting Tender (NIT) for the above RfS was also published in International Newspapers and on the websites of the Petitioner and CPP. In this

regard, the Petitioner has also placed on record the proof of publication along with the Petition.

21. The last date for online submission of bids and the date for opening of technical bids were initially fixed as 12.4.2024 and 17.4.2024, respectively. These timelines, however, were extended from time to time through Corrigendum Nos. 1, 3, 4, 5 and, finally, Corrigendum No. 7, whereby the last date for submission of bids was extended up to 21.6.2024 (online), and the technical bids were scheduled for opening on 28.6.2024. On 5.4.2024, Tender Evaluation Committee was also constituted for the purposes of evaluation of bids, recommendations for award, etc., comprising the following:

Sr. No.	Department	Name & Designation of Tender committee member
1	Design (E&M) Division	Smt. Manisha Shrivastava, GGM (E)
2	RE&GH Division	Sh. Shiv Prasad Rathour, GGM (E)
3	Cost Engineering Division	Smt. Swati Garg, GM(C)
4	Finance Division	Sh. Ajay Kumar Jain, GM (Finance)
5	Contract Civil	Sh. Sanat Kumar, GM (C)

22. In response to the RfS, the Petitioner received seven (7) bids for a total of 2380 MW of aggregate capacity against the 1200 MW of capacity that was offered. The technical bids submitted by the bidders were opened on 28.6.2024 and were evaluated by the Tender Evaluation Committee (TEC). Upon TEC's evaluation, all seven (7) bids received were found to be technically responsive in accordance with the terms of the RfS. The following seven (7) bidders had submitted their bids as under:

S. No.	Name of Bidders	Qualified Capacity in MW	Tariff as per Price schedule in Rs. kWh	Inter-se Rank
1	Acme Solar Holdings Private Limited	600	4.39	L1
2	Essar Renewables Limited	300	4.54	L2

3	Serentica Renewable India Private Limited	150	4.71	L3
4	Juniper Green Energy Private Limited	200	4.78	L4
5	Hexa Climate Solutions Private Limited	80	4.79	L5
6	Avaada Energy Private Limited	600	4.83	L6
7	Renew Solar Power Private Limited	450	4.97	L7
Total Qualified Capacity (MW)		2380		

23. Financial bids of above seven (7) bidders were opened on 23.8.2024, and six (6) bidders were declared successful (except H1) for participating in e-Reverse Auction (e-RA). The e-RA was conducted on 12.9.2024, and the following bidders emerged as the successful bidders along with the capacity allocated & quoted tariff:

S. No.	Name of Bidders	Qualified Capacity in MW	Tariff as per price bid in Rs. kWh	Post e-RA Tariff in Rupees per kWh	Capacity Allocated in MW	Inter-se Position of Bidders
1	Essar Renewables Limited	300	4.54	4.37	300	L1
2	Serentica Renewables India Private Limited	150	4.71	4.37	150	L2
3	Juniper Green Energy Private Limited	200	4.78	4.37	200	L3
4	Hexa Climate Solutions Private Limited	80	4.79	4.38	80	L4
5	Avaada Energy Private Limited	470	4.83	4.38	470	L5
Total (MW)					1200	

24. As per Clause 3.1 of the RfS, all the above successful bidders were requested to submit their willingness for allocation of additional capacity under the Greenshoe Option (at L1) and to submit the eligibility criteria for this additional capacity. The Petitioner has submitted that all the successful bidders, except Essar Renewable Limited, submitted their willingness to be allocated capacity under the Greenshoe

Option. Of the maximum 1200 MW capacity available for allocation under the Greenshoe Option, 900 MW capacity allocation was sought by the successful bidders in the first round. Further, in the second round of queries, all four willing bidders from the first round were asked to again submit their willingness for additional capacity as per the eligibility documents as specified in the RfS and to submit the break-up of Greenshoe capacity. However, on scrutiny of the eligible financial criteria of Serentica Renewables India Pvt. Ltd., it was found that its net-worth is for an overall capacity of 150 MW only and accordingly, it was not considered for any additional capacity under the Greenshoe Option. Whereas, Juniper Green Energy Private Limited revised its willingness from 200 MW (in the first round) to 50 MW, and accordingly, the said bidder was allocated only 50 MW of additional capacity under the Greenshoe Option. On the other hand, Hexa Climate Solutions Private Limited asked for an additional 240 MW capacity under the Greenshoe Option. However, since it fulfilled the eligibility criteria for only 200 MW, it was allocated only 120 MW (80 MW under e-RA) under the Greenshoe Option. Avaada Energy Private Limited, in the 2nd round, submitted its willingness for the entire 1200 MW under the Greenshoe Option. However, since the maximum capacity that can be allocated to any bidder, including the capacity under the Greenshoe Option, as per Clause 3.1 of RfS, was 1200 MW, Avaada Energy Private Limited was allocated 730 MW (1200 MW – 470 MW under e-RA) under the Greenshoe Option. Thus, the total additional capacity allocated to the successful bidders under the Greenshoe Option in accordance with Clause 3.1 of the RfS is as below:

S. No.	Bidder's Name	Tariff in Rs./kWh	Capacity allocated under Greenshoe Option (MW)
1	Essar Renewables Limited	4.37	0
2	Serentica Renewables India Private Limited	4.37	0

3	Juniper Green Energy Private Limited	4.37	50
4	Hexa Climate Solutions Private Limited	4.37	120
5	Avaada Energy Private Limited	4.37	730
Total (in MW)			900

25. Thus, at the end of the exercise of the Greenshoe Option, total allocated capacity under the RfS stood at 2100 MW (i.e., 1200 MW under base allocation + 900 MW under Greenshoe Option allocation) as under:

S. No.	Name of RE-PG	Allocated Capacity (MW)	Tariff (Rs/kWh)	Allocated Capacity under Greenshoe Option (MW)	Tariff (Rs/kWh)
1	Essar Renewables Limited	300	4.37	-	-
2	Serentica Renewables India Private Limited	150	4.37	-	-
3	Juniper Green Energy Private Limited	200	4.37	50	4.37
4	Hexa Climate Solutions Private Limited	80	4.38	120	4.37
5	Avaada Energy Private Limited	470	4.38	730	4.37
TOTAL		1200		900	

26. The Petitioner issued the Letter of Award to the Successful Bidders on 8.11.2024, and the relevant portion of the Letter of Award issued to one of the successful bidders, namely, Avaada Energy Private Limited, is as under:

“Sub: Letter of Award for Selection of RE Power Developer for supply of 1200 MW “Finn & Dispatchable” power from ISTS Connected Renewable Energy Power Projects coupled with Energy7 Storage System on ‘anywhere in India basis’ under Tariff Based Competitive Bidding (TBCB)- Tranche-II

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1.0 This has reference to the following:

A. The “Guidelines for Tariff Based Competitive Bidding Process for Procurement of Power from Grid Connected Solar PV Power Projects” vide Gazette Resolution dated 09.06.2023 including its subsequent amendments and clarifications issued by Ministry of Power (MoP) (hereinafter referred to as “Guidelines”).

B. The Request for Selection (RfS) document vide RfS no. NH/CCW/CC-I/CO-301/PR 16923/45 dated 28.02.2024 including draft Power Purchase

Agreement (PPA), draft Power Sale Agreement (PSA) and subsequent amendments/clarifications/revisions/notifications issued by NHPC Limited and uploaded during the process of RfS on CPP Portal.

C. Your response to the RfS document submitted on CPP Portal vide Bid No. 3026518 dated 21.07.2024 against RfS for Setting up of 1200 MW [STS Connected FDRE Power Projects;

D. Your Bank Guarantee towards Earnest Money Deposit (EMD) submitted along with RfS vide BG No. **0328224IBG000141** dated 22.05.2024 issued by Indian Bank for an amount of Rs. 10.00 Crore with validity upto 30.06.2025.

E. Your Final tariff at the end of the e-Reverse Auction conducted on 12.09.2024 for the referred RfS for selection for ISTS Connected Solar Power Projects.

F. Your confirmation of tariff against allocation of capacity under Greenshoe Option With reference to above and subject to the provisions of RfS Document, we confirm having accepted your final offer concluded as a result of e-RA and issue this letter of award as per the following details:

Allocated Capacity (1200 MW)	Projects	Project Location	Inter-Connection Points Details	Declared Capacity Utilization Factor (CUF)	Applicable Tariff Rs. Per kWh) in figures and words
(i) 470 MW (Base Allocation)	(i) Solar PV Project: 1000 MW	Solar Component: Rajasthan	1000MW at 400 kV Level at Bhadla-IV PS, Rajasthan	62%	(i) Base Component 14.38 (Rupees Four and Thirty Eight paise only)
(ii) 730 MW (Greenshoe Allocation)	(ii) Wind Power Project: 1600MW (iii) ESS Component 150MW/300 MWh	Wind Component: (i) 900MW - Madhya Pradesh (ii) 500 MW - Andhra Pradesh (iii) 200MW - Maharashtra	600MW at 220kV at Mandasaur PS, Madhya Pradesh 300 MW at 220 kV at Chattarpur-PS, Madhya Pradesh 250MW at 220 kV at Ananthpur-II PS, Andhra Pradesh 250MW at 220 kV at Kumool-IV	62%	(ii) Greenshoe Allocation 4.37 (Rupees Four and Thirty Seven paise only)

			PS, Andhra Pradesh 200 MW at 220kV at Solapur- PS, Maharashtra		
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NHPC shall purchase the power generated from the proposed ISTS-Connected RE Power Projects under the above scheme subject to the following terms and conditions as stated in various documents referred above and briefly brought out hereinafter.”

2.0 The applicable tariff as mentioned above for power generated from the proposed FDRE Power Project for the term of Power Purchase Agreement (PPA) to be entered into between RE Power Generator (REPG) / Project Company and NHPC Limited, for the project, shall be firmed for the entire term of the PPA. The Capacity Utilization Factor (CUF) shall be governed in terms of Clause 3.10.

3.0 The award of the above Project is subject to the Guidelines including amendments/clarifications issued by Government of India and terms and conditions of the RfS Document including its clarifications/amendments issued by NHPC.

4.0 In terms of Clause 3.26 of RfS Document, the shareholding in the Project Company/SPV executing the Power Purchase Agreement (PPA), shall not fall below 51% at any time prior to 1 (One) year from the SCSD, except with the prior approval of NHPC.

5.0 Bidders selected by NHPC based on this RfS shall submit Performance Bank Guarantee(PBG) for a value of @ Performance Bank Guarantee = [INR 23,20,000 x Rated Installed Capacity of Solar component (MW) + INR 31,60,000 x Rated Installed capacity of Wind component (MW) + INR 36,60,000 x ESS Component (MW)] lakh/MW for each project as per Format 6.3B/6.3B(I)/6.3B(II) before signing of PPA, in line with Clause-3.24(ii), Section-3 of the RfS Document. For online confirmation of Bank Guarantee against Performance Security, the bank details of NHPC to be communicated to the issuing Bank is as under:

*Name of the beneficiary: NHPC Ltd.
Account No.: 10813608692
IFSC Code: SBIN0017313
Branch Code: 17313
Address of the Bank: State Bank of India, 5th Floor, Red Fort Capital, Parsvnath Towers, Bhai Veer Singh Marg, Gole Market. New Delhi – 110001.*

6.0 Success charges @ INR 1.00 Lakh/MW + GST@ 18% shall deposited by RE-PG corresponding to contracts capacity awarded vide this letter of award in terms of RfS clause 3.13.

7.0 PPA will be executed between NHPC and the selected bidder as per the breakup of the cumulative Project capacity awarded to the Bidder. The LoA is being issued in line with the Project capacity quoted in the Covering Letter (Format 6.1) as part of your response to RfS and subsequently allotted capacity during e-RA and your confirmation to the same, as applicable. However, the successful bidder shall have option to change the Project location before the Financial Closure as per Clause 3.27 of RfS Document.

Any change in State location of the Project(s) awarded shall not be permitted subsequent to the above deadline.

8.0 Power Purchase Agreement shall be signed between NHPC and successful bidders. The PPA shall be executed within 90 (Ninety) days of the date of issue of Letter of Award, if not extended by NHPC. Separate PPA will be executed between NHPC and REPG for each project. The installed Capacity break-up, as submitted as part of the Bidder's response to RfS shall remain unchanged until issuance of LOA. The above configuration can be changed subsequent to issuance of LOAs until the date as on achievement of Financial Closure for the project subject to minimum contracted capacity of each Project shall not be less than 50 MW (30 MW in case of Projects located in North-Eastern States and Special Category). Delays in meeting the project execution timeline on account of changes in the project parameters from the data as submitted in the Covering Letter (Format 6.1), shall be at the risk and cost of the Successful Bidder. The PPA shall be for a period of 25 years from the Scheduled Commissioning Date of the project. The PPA(s) will be signed after signing of PSA(s) for the respective Project(s). The REPD/RPG shall meet financial closure requirements for the Project in line with clause-3.27, Section-3 of the RfS document, within 18 (Eighteen) months from the Effective Date of the PPA. Accordingly, the REPD/RPG shall furnish the documents pertaining to compliance of financial closure as per the above provisions.

9.0 The REPD/RPG/Project Company shall achieve commissioning of full capacity of the Project within 24 months or 30 months as the case may be from the Effective Date of the PPA as per the conditions stipulated in Clause 3.28, Section-3 of the RfS and relevant articles' of PPA. In case of failure to achieve the milestone, the REPD/RPG/Project Company shall pay the liquidated damage, which shall be levied on the REPD/RPG as per above provisions.

10.0 All disputes arising out of and/or in connection with the selection of Solar Power Projects under the said RfS and execution of PPA thereto shall be governed by laws of India and shall be subject to the jurisdiction of Courts of Faridabad.

11.0 PPA shall be signed only after signing of Power Sale Agreement (PSA) with the end procurer and NHPC shall not be liable on any account for any delay / inability in signing of PSA and PPA.

12.0 You are requested to report Executive Director (Renewable Energy & Green Hydrogen) Ahmedabad, NHPC Limited, Office No. 1710-1712, 17th Floor, Tower-A, Navratna Corporate Park, Ambli Road, Ahmedabad, Gujrat-380057 (email: re-co@nhpc.nic.in) for further direction and action in the matter.

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

27. As per Clause 11.4 of the Bidding Guidelines, 2023, the Intermediary Procurer such as the Petitioner herein, is required to approach the Commission for the adoption of tariff discovered, in terms of Section 63 of the Act, within 15 days of the discovery of tariff through e-RA auction or otherwise, in the transparent competitive bidding

process conducted in accordance the Guidelines. In the present case, the e-RA was conducted on 12.9.2024, and the LoAs to the Successful Bidders were also issued on 8.11.2024. However, the present Petition was belatedly filed by the Petitioner only on 27.12.2024 (Diary generation date). In this context, the Petitioner has also prayed for condonation of the aforesaid delay. The Petitioner has *inter alia* submitted that it had made a request to MNRE by letter dated 25.4.2024 for a review of the above provision, which is still under its consideration. The Petitioner has also submitted that it was unable to tie up the entire 2100 MW of power under the RfS within 15 days of the e-RA, and accordingly, there has been a delay in approaching the Commission for the adoption of the tariff. We have considered the Petitioner's submissions. The Commission, in its order dated 1.6.2024 in Petition No. 68/AT/2024, has addressed this specific issue of delay on the part of the Intermediary Procurer in approaching the Commission for the adoption of a tariff while instructing the Intermediary Procurer to strictly adhere to the said timeline in the future. In the Petitioner's case, the Commission has already issued a similar instruction vide order dated 20.3.2025 in Petition No. 366/AT/2025; accordingly, the Petitioner is expected to strictly adhere to the timelines specified in the Guidelines in future cases.

28. The Petitioner has also filed conformity certificates indicating that no deviations were made in the bid documents from the provisions of the Bidding Guidelines, 2023, and that the price of the selected offer is reasonable and consistent with the requirements as per Clause 11.2 of the Bidding Guidelines, 2023. It is also certified that all the conditions as per the RfS have been complied with. The relevant extract of the said conformity certificates is as under:

“ **CONTRACTS CIVIL DIVISION**
Name of Work: Selection of RE Power Developers for Supply of 1200MW "Firm and Dispatchable" power from ISTS connected Renewable Energy Power Projects

coupled with energy storage system on 'anywhere in India' basis under Tariff Based Competitive Bidding (TBCB)-Tranche-II

.....

It is certified that –

- (i) No deviation were made in the bid documents from the provisions of the FDRE Guidelines issued by MOP, GOI dated 09.06.2023.*
- (ii) Bid Evaluation Authority satisfied itself that the price of selected offer is reasonable and consistent with the requirement as per Clause 11.2 of the FDRE Guidelines issued by MOP, GOI dated 9.6.2023*

.....”

“ **CONTRACTS CIVIL DIVISION**

Name of Work: Selection of RE Power Developers for Supply of 1200MW "Firm and Dispatchable" power from ISTS connected Renewable Energy Power Projects coupled with energy storage system on 'anywhere in India' basis under Tariff Based Competitive Bidding (TBCB)-Tranche-II

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This is to certify that all conditions as per RfS document has been complied from NIT issue date to till date.

29. Pursuant to the direction *vide* Record of Proceedings for the hearing dated 20.3.2025, the Petitioner has also furnished a brief comparison of the tariff discovered in the tenders invited by other REIAs during the FY 2023-24 for similar projects and reiterated that the tariff discovered in the present case was in alignment with the prevailing market tenders. A brief comparison of tariffs discovered in other similar tenders, as furnished by the Petitioner, is as under:

Name of REIA	Capacity	Rate discovered (Rs. /kWh)	Discovery Month
NHPC	2400 MW	4.37 – 4.38	September, 2024
	1200 MW	4.48 – 4.56	December, 2024
NTPC	760 MW	4.69 – 4.70	November, 2024
SECI	630 MW	4.98 – 4.99	July, 2024
SJVN	1200 MW	4.25 – 4.26	October, 2024
	448 MW	4.82 – 4.91	February, 2025

30. Perusal of the above reveals that the tariff discovered under various tenders for the FDRE Projects during the FY 2024-25 ranged from Rs.4.25/kWh to Rs. 4.99/kWh.

However, the Petitioner has not indicated the power profile configuration in the above RfS/tenders (i.e., minimum availability during the peak hours, annual CUF requirement, etc.), and in the absence thereof, a simpliciter comparison of tariff may not serve any useful purpose. As pointed out by the Petitioner, the Commission has adopted that tariff for the similar FDRE Projects by order dated 26.8.2025 in Petition No. 312/AT/2025 (SJVN Limited v. Hero Solar Energy Private Limited and Ors.) and order dated 24.2.2025 in Petition No.226/AT/2024 (NTPC Limited v. ABC CleanTech Private Limited and Ors.). The tariff discovered in the former was in the range of Rs.4.25/kWh – Rs.4.26/kWh (e-RA was in October, 2024), whereas in the latter, it was in the range of Rs.4.64/kWh – Rs. 4.72/kWh (e-RA was in March, 2024). We have perused the power profile configuration indicated in the RfS of the said case and find them similar to the once incorporated in the present case and keeping in view that the tariff discovered in the present case falls within the above range of tariff, we are satisfied with the explanation and certification provided by the Petitioner in regard to reasonability of the tariff discovered in the present case.

31. In response to another query of the Commission regarding the enabling provisions in the Bidding Guidelines, 2023, if any, for offering additional capacity under the Greenshoe Option, the Petitioner has stated that the said Guidelines do not contain any provisions on offering the capacity under the Greenshoe Option and such an option is being incorporated in the RfS as it being standard bidding practice adopted in RE tenders by all REIAs/Discoms. It is also submitted that the process for allotting of additional capacity under the Greenshoe Option is set out in the RfS. The Commission observes that in the bidding process conducted by NHPC for an additional 900 MW under the Green Shoe Option, M/s Avaada Energy Private Limited has been allocated 470 MW in the first round and 260 MW in the second round under

the Greenshoe Option, aggregating to 730 MW, thereby exceeding the originally envisaged allocation. On the other hand, after scrutiny of the eligible financial criteria, M/s Juniper Green Energy Pvt Ltd., has been allocated 50MW instead of its willingness of 200MW in the first round, and M/s Serentica Renewables India Pvt Ltd. was denied an allocation under the Greenshoe Option. While the implementing agency may have included enabling provisions in the RfS to facilitate such allocation, the Commission is of the view that the enhanced allotment beyond the originally allotted capacity might raise concerns regarding transparency, consistency, and equal treatment of bidders under the Green Shoe allocation, particularly in light of the requirement to ensure a level playing field and maintain fairness in the competitive bidding framework.

32. The Commission notes that Section 63 of the Electricity Act, 2003 mandates that the procurement of electricity by the distribution licensees shall be undertaken through a transparent process of competitive bidding in accordance with the guidelines issued by the Central Government. Clause 2.4 of these Guidelines provides for the enhancement of tendered capacity under the same bidding framework, subject to the condition that such enhancement is of a similar nature and governed by identical terms and conditions as those of the original Request for Selection (RfS). It is, however, observed that the term “Greenshoe Option” is not defined or specifically provided for in the said Guidelines issued by the Ministry of Power. The mechanism adopted by NHPC under the “Greenshoe Option” appears to mirror the technical specifications, commercial terms, and bidding parameters of the original capacity; however, the Commission feels it would be desirable to have an explicit provision in the Guidelines for such a mechanism.

33. In this regard, reference is invited to Order No. 79/AT/2024 dated 01.08.2024

in the matter of M/s SJVN Limited, wherein this Commission, upon a detailed examination of the bidding process, had observed that the selection of successful bidders and the discovery of tariffs were undertaken through a transparent process of competitive bidding in consonance with the “Guidelines for Tariff Based Competitive Bidding Process for Procurement of Firm and Dispatchable Power from Grid Connected Renewable Energy Power Projects with Energy Storage Systems” dated 09.06.2023, issued by the Ministry of Power under Section 63 of the Electricity Act, 2003. In the said case, the Commission, *ex abundanti cautela*, permitted the allocation of additional capacity to certain developers after considering the purported “Greenshoe Option” proposed by the implementing agency. It has now come to the notice of the Commission that NHPC has been applying and operationalising the “Greenshoe Option” in subsequent bidding exercises as a matter of routine administrative practice, *de hors* any explicit provision or prior sanction under the Guidelines issued by the Ministry of Power. Such continued invocation of a mechanism not expressly recognised in the extant Guidelines may *prima facie* be viewed as inconsistent with the *ratio legis* of Section 63 of the Act, which underpins transparency and fair competition in tariff-based procurement.

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

35. Therefore, in terms of Section 63 of the Act, the Commission adopts the individual tariffs for the Renewable Energy Power Developers, as discovered and

agreed to by the successful bidder(s), but by restricting the allocation of additional capacity under the Greenshoe Option for Avaada Energy Pvt Ltd. and Hexa Climate Solutions Pvt Ltd. to 470 MW and 80 MW, respectively, in the first round, instead of 730 MW and 120 MW, respectively. Accordingly, the tariffs adopted for the individual projects by the Commission are as follows:

S. No.	Name of RE-PG	Allocated Capacity (MW)	Tariff (Rs/kWh)	Allocated Capacity under Greenshoe Option (MW)	Tariff (Rs/kWh)
1	Essar Renewables Limited	300	4.37	-	-
2	Serentica Renewables India Private Limited	150	4.37	-	-
3	Juniper Green Energy Private Limited	200	4.37	50	4.37
4	Hexa Climate Solutions Private Limited	80	4.38	80	4.37
5	Avaada Energy Private Limited	470	4.38	470	4.37
	TOTAL	1200		600	

36. In view of the foregoing, and keeping in mind the principles of transparency, fairness, and equal opportunity, the Commission directs all REIAs including NHPC to approach the Ministry of Power, Government of India, for a clarification on the Greenshoe option, including the manner/ specificity of allocation of additional capacity under the Greenshoe Option including limiting the allocation under Greenshoe option up to 50% of the originally allocated capacity, particularly where excess capacity arises due to non-acceptance by other bidders. Such clarification from the Ministry will ensure uniform incorporation of Greenshoe Option provisions across schemes, safeguard competitive neutrality, and provide regulatory certainty to all stakeholders in future bidding processes.

37. Prayer (2) of the Petitioner is answered in terms of paragraph 35 above. Moreover, as soon as the awarded capacity is tied up under the PPAs and PSAs, the

Petitioner shall place on record the copies of such PPAs and PSAs. Also, if the awarded capacity does not fructify into the PPAs and PSAs, the Petitioner shall also place on record such development(s) in the file of the present case.

38. The Petitioner, NHPC Limited, has also prayed for approval of the trading margin of Rs. 0.07/kWh to be charged in addition to the above Tariff, which is to be recovered from buying Utilities/Distribution Licensee/DISCOM(s) in terms of the PSA to be signed between NHPC & Utilities/ Distribution Licensee.

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

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

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

*“8(1) (d) * * * * **

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

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

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

42. The above two provisions are exceptions to the general stipulation regarding trading margin. In the present case, PSAs have not yet been signed. Once the PSAs

are executed with the distribution licensees, the trading margin shall be as per the provisions of such PSAs, which would be in consonance with Regulation 8(1)(d) of the Trading Licence Regulations, 2020. However, in the event of failure by the Petitioner to provide an escrow arrangement or an irrevocable, unconditional and revolving letter of credit in favour of the RE power generators, the trading margin shall stand limited to Rs. 0.02/kWh, in terms of Regulation 8(1) (d) and Regulation 8(1)(f) of the Trading Licence Regulations, 2020.

43. Petition No. 235/AT/2025 is disposed of in terms of the above.

Sd/-
(Ravinder Singh Dhillon)
Member

Sd/-
(Harish Dudani)
Member

Sd/-
(Ramesh Babu V.)
Member

Sd/-
(Jishnu Barua)
Chairperson