



TELANGANA STATE ELECTRICITY REGULATORY COMMISSION
5th Floor, Singareni Bhavan, Red Hills, Hyderabad-500 004

O.P.No. 3 of 2016

Dated: 15.02.2016

Present

Sri Ismail Ali Khan, Chairman
Sri H.Srinivasulu, Member
Sri L.Manohar Reddy, Member

Between

1. The Southern Power Distribution Company of Telangana State Ltd (TSSPDCL)
2. The Northern Power Distribution Company of Telangana State Ltd (TSNPDCL)

.....Applicants

In the matter of Adoption of tariff u/s 63 – competitive bidding process – procurement of 2000 MW solar PV power by the Southern Power Distribution Company of Telangana State Ltd (TSSPDCL) and the Northern Power Distribution Company of Telangana State Ltd (TSNPDCL) – Reg

ORDER

The Southern Power Distribution Company of Telangana State Ltd (TSSPDCL) as lead procurer of TS Discoms (i.e., TSSPDCL and TSNPDCL) has filed a petition to adopt the tariff band discovered through transparent process under the e-procurement platform for procurement of 1988 MW solar power as follows.

Group	Quantum of capacity required	Tariff band proposed
Group-I	488 MW	Rs. 5.4991 per unit to Rs.5.7249 per unit
Group-II	1500 MW	Rs. 5.1729 per unit to Rs.5.5949 per unit

Before adopting the tariff band, the Commission has examined the documents submitted and details are as follows.

2. The Southern Power Distribution Company of Telangana State Ltd (TSSPDCL) represented by its Chief General Manager (Comml), Hyderabad, as the lead procurer on behalf of TSDICOMS, has submitted a proposal vide his Letter No.41/15, dated: 07.04.2015 for procurement of 2000 MW Solar PV power on a Long Term basis under the competitive and reverse bidding model with a maximum cut off rate of Rs.6.45 from the solar power developers (SPD) who will establish solar power projects at places located nearer to various substations i.e., 400/220kv, 220/132kv and 33/11 kv substations identified by the TS Discoms to supply the power at the 33kv, 132kv and 220kv voltages with maximum capacity addition permitted to each substation duly fixing district wise cap to scatter the generation throughout the state of Telangana.

3. The TS Discoms have made proposals at scattered locations in order to meet the demand of local area substations, which in turn reduce system losses and reduce the burden of upward system enhancement.

4. It was stated that TSDiscoms are anticipating a significant growth in energy demand as a result of the following developments:

- (a) Increase in supply hours to agriculture category from the present 6 hours to 9 hours with effect from FY 2016-17.
- (b) Increase in supply hours to Rural domestic households and rural industries in day time.

5. The TSSPDCL has also stated that the Govt. of Telangana directed vide letter dated : 18.03.2015 for procurement of 2000 MW solar power on reverse bidding process following the competitive and transparent bidding process duly indicating maximum cut off tariff rate of Rs.6.45 per unit. The TS Discoms have segregated the total requirement of 2000 MW in to two groups consisting of Group-I for 500 MW which may be procured at the 33kv voltage level and Group-II for 1500 MW at EHT voltages level i.e., 132kv and 220kv voltages. The ceiling prices are arrived considering the Transmission losses i.e., Rs.6.45 per unit at 33kv level and Rs. 6.32 per unit at 132kv level.

6. The Commission has accorded approval vide letter dated: 02.05.2015 on the proposal of the TSSPDCL for procurement of 2000 MW solar power with reverse competitive bidding process as indicated in proposal duly considering the anticipated demand growth, to encourage the renewable sources of energy which mandates the Commission under section 86 (1) (e) and section 61 (h) of Electricity Act,2003, GoI policy to encourage green power to reduce usage of fossil fuels and carbon emissions in order to avoid global warming.

7. The TSSPDCL has submitted the draft PPA for approval of the Commission on 01.05.2015. The Commission has uploaded on 21.05.2015 the draft PPA in the Commission website duly inviting comments and suggestions from all the stakeholders by 28.05.2015 duly following the transparent process. After considering the comments and suggestions received, the Commission has approved model PPA duly making certain modifications on 08.06.2015.

8. The TSSPDCL has floated the tenders under e-procurement platform duly uploading the RFP and PPA documents in their website and also published in the newspapers, Eenadu dated: 01.04.2015 and Namasthetelangana dated:01.04.2015 duly indicating the dates for pre-bid meeting and for submission of technical and financial bids.

9. The TSSPDCL has revised the submission of technical and financial bids dates from time to time duly considering the changes requested in pre-bid meeting and other factors. The revised bidding document is uploaded in e-procurement platform and in their website with revised dates for submission of technical and financial bids. The final date for submission of technical and financial bids was 10.07.2015.

10. The TSSPDCL has formed an evaluation committee for opening of the bids consisting of the following officers.

a. Pre-qualification bid:

- i. Chief General Manager (Comml. & RAC), TSSPDCL
- ii. Chief General Manager (Finance), TSSPDCL

b. Technical bids:

- i. Chief General Manager (Comml. & RAC), TSSPDCL

- ii. Chief General Manager (Finance), TSSPDCL
- iii. Chief Engineer(Comm. & IPC), TSPCC
- iv. Chief General Manager, O&M , TSSPDCL
- v. Chief General Manager (IPC & RAC), TSNPDCL

11. Further an evaluation committee comprising of the Chief General Manager/ IPC of both the Discoms was also constituted.

12. For technical qualification total 101 bids were received out of which 86 bidders were declared as technically qualified by the evaluation committee. The financial bids pertain to above technically qualified bidders were opened on 03.08.2015. Based on the price quoted and order of preference for location (name of substation) and quantum of capacity offered, the bidders were grouped as stated supra.

13. In financial bids the lowest price, highest price no. of bids and total quantum of capacity offered are given below.

Group with quantum	Lowest price offered	Quantum (in MW) offered at lowest price	Maximum price	Total quantum (in MW) offered	Total no. of bids quoted
Group-I (500MW)	Rs. 5.4991 per unit	15 MW	Rs. 6.45 per unit	1183 MW	128 nos.
Group-II (1500MW)	Rs. 5.1729 per unit	50 MW	Rs. 6.319 per unit	3442 MW	56 nos.

14. The evaluation committee of TSSPDCL has considered the maximum quoted price shown below in order to meet the quantum of MW as indicated below.

Group	Quantum of capacity	Maximum price considered by TSSPDCL
Group-I	494 MW	Rs. 6.0438 per unit
Group-II	1555 MW	Rs. 5.8888 per unit

15. The TS Discoms have sent the above details to the Govt. of Telangana vide letter No. 805/15, dated: 03.09.2015 to accord approval for the maximum price as indicated above, in order to meet the requirement in each group.

16. The Govt of Telangana vide letter dated: 09.12.2015 has fixed the cut off price for Group-I and Group-II as Rs.5.7249 per unit and Rs.5.5949 per unit respectively and directed the TS Discoms to negotiate with bidders who have quoted more than these cut off prices so as to match their quoted price to these cut off prices.

17. The TS Discoms have negotiated with the bidders those quoted higher price than that of the cut off price and finally, except one bidder, all these bidders with whom the price was negotiated, have matched their price to the cut off price.

18. The name of bidder, offered price and quantum of capacity allocated along with substation name and voltage at which offered are enclosed as Annexure.

Group	No. of bids	Quantum of capacity
Group-I	38 nos.	488 MW
Group-II	28 nos.	1500 MW

19. The Commission has examined the proposals of the TSSPDCL in detail, that is manner of bidding process carried out i.e., under e-procurement platform, wide publicity thorough newspapers, uploading in their website, process of technical bids evaluation and allocation of capacity with price. The Commission also examined provisions contained in section 63 of the Electricity Act, 2003 which is extracted below.

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.

20. The Commission has noticed that there are no specific guidelines issued under section 63 by the Govt. of India for procurement of power from renewable sources of energy, especially solar power. However, the TS Discoms have followed the MNRE guidelines/ documents issued under JNN Solar Mission.

21. On examination of the provisions contained in section 63 of Electricity Act, 2003, it is noticed that the bidding has been carried out in a transparent manner and within the guidelines available of MNRE, GoI. Therefore, the Commission in exercise of powers conferred on it u/s 63 of the Electricity Act, 2003 hereby adopts the tariffs

as proposed by the TSSPDCL for procurement of 2000 MW solar power for each successful bidder with capacity as annexed herewith.

This order is corrected and signed on this 15th day of February, 2016.

Sd/-
(L.MANO HAR REDDY)
MEMBER

Sd/-
(H.SRINIVASULU)
MEMBER

Sd/-
(ISMAIL ALI KHAN)
CHAIRMAN

CERTIFIED COPY

TELANGANA STATE ELECTRICITY REGULATORY COMMISSION

ANNEXURE – I

List of Bidders to whom LOIs issued falling below cutoff Tariff for 2000 MW Solar Tender						
Group-1						
Sl. No	Name of the Company	Project No	Quote	Allotted capacity (MW)	Substation Allotted	District of Substation
1	M/s Suzlon Energy Limited	1	5.4991	15	132/33 Ramannapet SS	Nalgonda
2	M/s Suzlon Energy Limited	2	5.5171	15	132/33 Bhainsa SS	Adilabad
3	M/s Suzlon Energy Limited	3	5.5459	15	132/33 Kamareddy(lingapuram) SS	Nizamabad
4	M/s SATEC Envir Engineering (India) Pvt Ltd	1	5.58	8	33/11 nawabpet SS	Mahabubnagar
5	M/s Suzlon Energy Limited	4	5.5999	15	132/33 achampet SS	Mahabubnagar
6	M/s Mytrah Energy (I) Ltd	5	5.6467	15	132/33 gadwal SS	Mahabubnagar
7	M/s Mytrah Energy (I) Ltd	6	5.6667	15	132/33 nagarkurnool SS	Mahabubnagar
8	M/s Mytrah Energy (I) Ltd	1	5.6887	8	33/11 Thimmajipet SS	Mahabubnagar
9	M/s Mytrah Energy (I) Ltd	7	5.7137	15	132/33 thunkiballaram SS	Medak
10	M/s Narbheram Vishram	1	5.7249	15	132/33 Aitipamula SS	Nalgonda
				136		
Group-2						
Sl. No	Name of the Company	Project No	Quote	Allotted Capacity (MW)	Substation Allotted	District of the substation

1	M/s Sky Power Southeast Asia I Investments Limited	1	5.1729	50	220/132 Minpur SS	Medak
2	M/s Sky Power Southeast Asia II Investments Limited	1	5.2614	50	220/132 Siddipet SS	Medak
3	M/s Sky Power Southeast Asia III Investments Limited	1	5.3497	50	220/132 Kamareddy SS	Nizamabad
4	M/s Sky Power Southeast Asia III Investments Limited	2	5.3719	50	220/132 k.m.pally SS	Nalgonda
5	M/s Mytrah Energy (I) Ltd	16	5.5644	50	220/132 Wanaparthy SS	Mahabubnagar
	Group 2			250		

List of Bidders to whom LOIs issued who have matched to cutoff tariff Rs.5.7249/Kwh in Group 1 and Rs.5.5949/Kwh in Group -2

Group-1

Sl. No	Name of the Company	Project No	Quote	Allotted capacity (MW)	Substation Allotted	District of Substation
1	M/s Mytrah Energy (I) Ltd	2	5.7249	8	33/11 arvapally SS	Nalgonda
2	Acme Fazilka Power Private Limited	1	5.7249	15	132/33 Lingampet SS	Nizamabad
3	M/s Mytrah Energy (I) Ltd	4	5.7249	11	132/33 alampur SS	Mahabubnagar
4	Acme Fazilka Power Private Limited	2	5.7249	15	132/33 Mallaram SS	Karimnagar
5	M/s Solar Pack Corporation Technologies S.L.	2	5.7249	15	132/33 Ghanapur SS	Mahabubnagar
6	M/s Solar Pack Corporation Technologies S.L.	6	5.7249	15	132/33 Renjal SS	Nizamabad
7	M/s Mytrah Energy (I)	9	5.7249	15	132/33 Chegunta	Medak

	Ltd				SS	
8	M/s Mytrah Energy (I) Ltd	10	5.7249	15	132/33 Guntipally SS	Nalgonda
9	Acme Fazilka Power Private Limited	3	5.7249	15	132/33 Nandipet SS	Nizamabad
10	M/s Solar Pack Corporation Technologies S.L.	1	5.7249	10	132/33 achampet SS	Mahabubnagar
11	Ajay Kumar Ratilal Patel	1	5.7249	2	33/11 Ch. Shankarampet SS	Medak
12	Acme Fazilka Power Private Limited	4	5.7249	15	132/33 Godhur SS	Karimnagar
13	M/s Mytrah Energy (I) Ltd	8	5.7249	15	132/33 domagunda SS	Nizamabad
14	M/s Mytrah Energy (I) Ltd	11	5.7249	15	132/33 Thungathurthy SS	Nalgonda
15	M/s Solar Pack Corporation Technologies S.L.	3	5.7249	15	132/33 Gummadidala SS	Medak
16	M/s Shalaka Infra-Tech (I) Pvt Ltd	1	5.7249	15	132/33 alair SS	Nalgonda
17	Acme Fazilka Power Private Limited	5	5.7249	15	132/33 Kalvasrampur SS	Karimnagar
18	M/s Enrich Energy Pvt Ltd	1	5.7249	7	33/11 Turmamidi SS	Ranga Reddy
19	M/s Tata Power Renewable Energy Ltd	1	5.7249	15	132/33 Bellampally SS	Adilabad
20	M/s GEA BGR Energy System India Ltd	1	5.7249	2	33/11 damaragidda SS	Mahabubnagar
21	M/s Mytrah Energy (I) Ltd	12	5.7249	15	132/33 Shanigaram SS	Karimnagar
22	Acme Fazilka Power Private Limited	6	5.7249	15	132/33 Manthini SS	Karimnagar
23	M/s Mytrah Energy (I) Ltd	13	5.7249	15	132/33 reddypet SS	Nizamabad
24	M/s Solar Pack Corporation	5	5.7249	10	132/33 padmajiwadi	Nizamaba

	Technologies S.L.				SS	d
25	M/s Solar Pack Corporation Technologies S.L.	4	5.7249	15	132/33 Thukkapur SS	Medak
26	M/s Paramount Minerals & Chemicals Limited	1	5.7249	2	33/11 Turmamidy SS	Ranga Reddy South
27	Acme Fazilka Power Private Limited	7	5.7249	15	132/33 Janagaon SS	Warangal
28	M/s Mytrah Energy (I) Ltd	14	5.7249	15	132/33 Tandur SS	Ranga Reddy South
	Group 1			352		

Group-2

Sl. No	Name of the Company	Project No	Quote	Allotted Capacity (MW)	Substation Allotted	District of the substation
1	M/s Shapoorji Pallonji Infrastructure Capital Company Private Ltd.,	1	5.5949	100	400/220 Veltoor SS	Mahabubnagar
2	M/s Mytrah Energy (I) Ltd	17	5.5949	50	220/132 k.m.pally SS	Nalgonda
3	M/s Suzlon Energy Limited	7	5.5949	100	400/220 Veltoor SS	Mahabubnagar
4	M/s Energon Soleq India Power Resources Pvt Ltd	1	5.5949	50	220/132 Minpur SS	Medak
5	M/s Energon Soleq India Power Resources Pvt Ltd	2	5.5949	50	220/132 Sadasivpet SS	Medak
6	M/s Renew Solar Power Private Limited	1	5.5949	143	400/220 Dichipally SS	Nizamabad
7	M/s Mytrah Energy (I) Ltd	18	5.5949	50	220/132 kamareddy SS	Nizamabad
8	M/s Suzlon Energy	6	5.5949	50	220/132	Mahabubn

	Limited				wanaparthi SS	agar
9	Acme Fazilka Power Private Limited	11	5.5949	50	220/132 Nirmal SS	Adilabad
10	Acme Fazilka Power Private Limited	12	5.5949	50	220/132 Sadasivapet SS	Medak
11	Acme Fazilka Power Private Limited	10	5.5949	45	132/33 Medak SS	Medak
12	M/s Shapoorji Pallonji Energy (Gujarat) Private Limited	1	5.5949	34	220/132 Kamareddy SS	Nizamabad
13	Acme Solar Power Technology Private Limited	1	5.5949	50	220/132 Bhonigir SS	Nalgonda
14	Acme Fazilka Power Private Limited	8	5.5949	30	132/33 Siricilla SS	Karimnagar
15	M/s Mahindra Susten Private Limited	1	5.5949	50	220/132 nirmal SS	Adilabad
16	M/s Renew Solar Power Private Limited	2	5.5949	65	220/132 Minpur SS	Medak
17				30	132/33 Mulkanoor SS	Karimnagar
18	M/s Sun Edison	25	5.5949	48	220/132 k.m.pally SS	Nalgonda
19	M/s Hero Solar Energy Private Limited	1	5.5949	40	220/132 Siddipet SS	Medak
20	M/s Renew Solar Power Private Limited	4	5.5949	48	220/132 Mandamarri SS	Adilabad
21	Acme Fazilka Power Private Limited	9	5.5949	30	132/33 Jagithyal SS	Karimnagar
22	M/s Mahindra Susten Private Limited	3	5.5949	42	220/132 Waddekothapally SS	Warangal
23	M/s Sun Edison	22	5.5949	45	220/132 Waddekothapally SS	Warangal
Total allocation in Group-2			1250			