

SBEL/TS/03

Date: 17th April 2025

To
The Commission Secretary/TGERC,
Vidyut Nyantran Bhavan, Sy.No.145-P, G.T.S. Colony,
Kalyan Nagar, Hyderabad 500 045. Email id: secy@tserc.gov.in

Subject: Comments and Suggestions on Petition filed by TGDISCOMs for Procurement of 4000 MW (including 1000 MW for Women SHGs under INDIRA MAHILA SHAKTI Scheme) and Draft Model PPA under Component-A of PM KUSUM Scheme (OP No. 32/2025)

Dear Sir,

Updated Submission to TSERC: Additional Comments on PPA for PM-KUSUM Component-A

Following our earlier submission dated 16th April 2025 (Ref: SBEL/TS/02), we respectfully submit the following additional comments and suggestions on the draft PPA and associated processes under the PM-KUSUM Component-A scheme (OP No. 32/2025), based on further review of the circulated documents:

I. Definitions: Installed Capacity vs Project Capacity vs Contracted Capacity

Issue:

- "Installed Capacity" is defined ambiguously as the nameplate capacity or AC rating at the delivery point.
- "Project Capacity" is defined as the maximum AC capacity at the injection point.
- "Contracted Capacity" is referenced in energy-related clauses but not clearly defined or aligned with the above.

Suggestion:

- Clearly define and standardize these terms as follows:

Model Clause Suggestion:

"Installed Capacity" shall refer to the nameplate capacity of the solar PV modules (DC side).

"Project Capacity" shall mean the rated output of the inverter capacity at the Solar Plant (AC side).

"Contracted Capacity" shall mean the maximum AC capacity (in kW) agreed upon between the SPG and the Procurer under the PPA, which shall be the basis for energy accounting, CUF calculation, penalties, and incentives.

II. Clause 5.1 – Interconnection Responsibility

Issue: The clause places the entire responsibility of interconnection approvals and facilities on the SPG, which may be unfeasible, especially for SHG/farmer developers.

Suggestion: Clarify support role of TGREDCO/DISCOM, especially for SHG-based developers.

Model Clause Suggestion:

"In the case of projects developed by SHGs or small farmer-SPGs, TGREDCO and DISCOM shall provide facilitation through a single-window mechanism including provision of standard BOQs, technical formats, and coordination support for interconnection approvals and joint line sharing where feasible."

III. Clause 10.4 – Auxiliary Consumption from DISCOM

Issue: Limit of 0.1% of installed capacity is too restrictive.

Suggestion: Allow up to 1.0% or clarify basis of calculation.

Model Clause Suggestion:

"SPG shall be entitled to draw auxiliary power from the grid up to 1.0% of the Installed Capacity annually. Any drawal beyond this shall be charged as per prevailing HT-1 tariff. Net drawal shall be assessed on an annual basis."

IV. Clause 12 – Force Majeure Definition

Issue: Coverage of real-world risks such as seasonal variation, rainfall deficit, and pandemics is not clearly articulated.

Suggestion: Expand examples to reflect realistic operational risks.

Model Clause Suggestion:

"Force Majeure events shall include, but not be limited to: extreme climatic variations such as prolonged cloud cover, unseasonal rainfall affecting solar generation, regulatory delays, pandemic-related restrictions, and policy changes materially affecting the project implementation or operations."

V. Clause 11.6 – Payment Security Mechanism

Issue: Letter of Credit is provided, but no mention of escrow accounts or payment backstop for SHG developers.

Suggestion: Introduce optional credit enhancement for small developers.

Model Clause Suggestion:

"For SHG or small farmer SPGs, the Procurer may, at its discretion, provide an escrow mechanism or guarantee fund support to enhance the payment security framework."

VI. Clause 14.3 – Early Termination and Asset Treatment

Issue: Lack of clarity on capacity reallocation or refund norms in the event of Force Majeure-induced termination.

Suggestion: Include transitional handling of capacity and refund of Performance Bank Guarantee (PBG).

Model Clause Suggestion:

"In case of project termination due to proven Force Majeure or unviable financing terms, the SIA shall have the right to reallocate the capacity. The SPG shall be eligible for partial or full refund of PBG based on work completed and documentation submitted."

VII. Language and Structural Improvements

Issue: Multiple clauses have overly complex sentence structures.

Suggestion: Break key obligations into enumerated bullet points or sub-clauses for readability and enforceability.

Example:

Replace: "The SPG shall immediately after each synchronization/tripping... inform DISCOM... for avoidance of doubt..."

With:

1. The SPG shall inform DISCOM within 24 hours of any synchronization or tripping event.
2. All such events shall be logged and made available for audit.

VIII. Missing Clauses – Redressal & Approval Timelines

1. Grievance Redressal Contact

- Include a clause mandating publication of nodal officer contact details for each DISCOM/TGREDCO for resolution of developer issues (payments, approvals, synchronization).

Model Clause:

"TGREDCO shall designate a nodal officer and publish contact details on its portal for redressal of SPG grievances relating to approvals, payments, and project execution."

2. Standard Approval Timeline Annexure

- Suggest annexing a schedule similar to Rajasthan's SOP (JVVNL) for time-bound approvals.

Example Timeline Annexure (Annex-I):

- Interconnection Approval (11 kV): 7 working days
- Interconnection Approval (33 kV): 10 working days
- CT/PT & ABT Meter Inspection: 7 working days post-payment
- Synchronization Approval: 5 working days from application

We request the Hon'ble Commission to consider these additional recommendations while finalizing the PPA under the PM-KUSUM scheme for Telangana, especially in view of encouraging small and SHG-based developers to participate effectively.

Warm regards,



K. Srinivas

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Co-Chair – Energy Committee, FTCCI

Jt. Secretary – Telangana Solar Energy Association (TSEA)