

GOVERNMENT OF INDIA
MINISTRY OF NEW AND RENEWABLE ENERGY
LOKSABHA

UNSTARRED QUESTION NO 1740

TO BE ANSWERED ON 28/11/2019

AUCTION OF RENEWABLE ENERGY PROJECTS

1740. SHRI SUSHIL KUMAR SINGH

Will the Minister of NEW AND RENEWABLE ENERGY be pleased to state:

- (a) the details of the renewable energy projects successfully auctioned by the Government along with the projects that received no bids and projects that have been tendered but not allocated yet;
- (b) whether the Government has reviewed the cause of the waning of interest of renewable energy producers for investing in India, as reflected by the percentage of auctioned projects that received no bids and if so, the details thereof;
- (c) the nature and reasons for the delays in allocation after successful awarding of auctioned projects;
- (d) whether the Government has also reviewed the cause of the cancellation and renegotiation of tariffs and tariff caps in Andhra Pradesh and its adverse effect in investor interest and if so, the details thereof; and
- (e) whether the Government proposes to tackle the uncertainties in the business and policy environments in renewable energy sector in consultation with States and if so, the details thereof?

ANSWER

THE MINISTER OF STATE (I/C) FOR NEW & RENEWABLE ENERGY, POWER and MoS for SKILL DEVELOPMENT AND ENTREPRENEURSHIP

(SHRI R. K. SINGH)

- (a) With respect to the tenders implemented by Solar Energy Corporation of India Limited (SECI), details of (i) tenders awarded, (ii) tenders that have received no bids and (iii) tenders issued and yet to be awarded, are enclosed at **Annexure-I**.
- (b) The participation of bidders in tenders for solar power projects has over the time been very encouraging with some tenders attracting bids of more than ten times the capacity to be allotted. However, in past few months, some solar tenders, have remained undersubscribed, which may be due to various reasons like delays in payments by distribution companies in some States, delays in adoption of tariffs by concerned State Electricity Regulatory Commissions, reopening of contracts by State Government of Andhra Pradesh, etc.
- (c) As per the current bidding practice, after the reverse auction, the Letters of Award are issued to the successful bidders. The issuance of Letters of Award to the successful bidders is itself construed as allocation to the successful bidders. Thus there is no delay in allocation after successful awarding of auctioned projects.

(d) The Government is aware that the State Government of Andhra Pradesh had constituted a 'High Level Negotiation Committee for PPAs' (HLNC) to 'review, negotiate and bring down the high wind and solar energy purchase prices'.

Considering the fact that such steps can have adverse effect on investor confidence, the Ministry of New & Renewable Energy (MNRE) has advised the State Government of Andhra Pradesh that the contractual agreements are sacrosanct and should not be revisited unless there is specific provision to do so in the agreement or a case of malafide/ corruption has been established.

(e) In order to address the issues in Renewable Energy sector, MNRE has taken following steps:

- (1) The State DISCOMs have been requested to honour Power Purchase Agreements (PPAs) and 'Must Run' status accorded to wind and solar power projects, as per provisions of Indian Electricity Grid Code 2010.
- (2) In order to address the issues of delayed payments by State distribution companies to Renewable Energy generators, the Government through Ministry of Power's Order No. 23/22/2019-R&R dated 28.06.2019 has made it mandatory for the Distribution Licensees to open and maintain adequate Letters of Credit (LCs) as Payment Security Mechanism if provided for under Power Purchase Agreements with Distribution Licensees.
- (3) Further, in order to strengthen the contractual provisions in the Contract (Power Purchase Agreements) between the solar power generators and the Procurers, and to facilitate setting up of Renewable Energy power projects, the Government, vide notification dated 22.10.2019 from Ministry of New & Renewable Energy, has made following major amendments to the 'Guidelines for Tariff Based Competitive Bidding Process for Procurement of Power from Grid Connected Solar PV Power Projects':
 - (i) Solar Power Generators have been allowed to submit documents/Lease Agreement to establish possession/right to use 100% (hundred per cent) of the required land in the name of the Solar Power Generator for a period not less than the complete term of the PPA, on or before the Scheduled Commissioning Date (SCD).
 - (ii) Clear and elaborate provisions for time extension and compensation to affected party in the event of natural and non-Natural Force Majeure events with specific provisions regarding termination due to natural and non-natural Force Majeure events have been included.
 - (iii) Quantum of compensation for back-down has been increased from 50% to 100% with provision for recognition of only written instructions of back-down.
 - (iv) Corresponding time extension in date for achievement of financial closure and scheduled commissioning date, in case there is a delay in adoption of tariff by the concerned State Electricity Regulatory Commission beyond a period of 60 days from the filing of such application.

Annexure-I

Annexure-I referred to in reply to part (a) of Lok Sabha Unstarred Question No. 1740 for reply on 28.11.2019

(A). Tenders awarded by Solar Energy Corporation of India Limited (SECI):

(i) Solar:

Sl. No.	Tender name	Total Capacity Tendered (MW)	Capacity (MW) for which subscriptions received	Capacity Awarded (MW)	Date of Letter of Award (LoA)	Remarks
1	750 MW VGF Scheme	750	2170	750	26.02.2014	
2	Maharashtra 450 MW Part-B	450	1350	350	10.03.2016	
3	Uttar Pradesh 440 MW	440	565	125	09.05.2016	
4	Maharashtra 50 MW Part-A	50	90	50	16.06.2016	
5	Chattisgarh 100 MW	100	160	100	02.07.2016	
6	Karnataka 1000 MW	1000	1230	970	02.07.2016	
7	Gujarat 250 MW Part-A	250	725	250	04.07.2016 29.07.2016 18.11.2016	
8	Andhra Pradesh 400 MW (Ananthapuramu Solar Park)	400	800	400	16.08.2016	
9	Uttar Pradesh Non Solar Park 160 MW	160	260	160	16.08.2016	
10	Uttar Pradesh (Re-bidding) 315 MW	315	155	40	08.09.2016	
11	Andhra Pradesh 100 MW (Ananthapuramu Solar Park)	100	200	0		Cancelled
12	Odisha 300 MW	300	340	270	22.11.2016	
13	Maharashtra 450 MW Part-B	450	1460	450	23.11.2016	
14	Rajasthan Bhadla 500 MW, Phase III Solar Park, (Part-1)	500	5500	500	16.08.2017	
15	Rajasthan Bhadla, 250 MW, Phase IV, (Part-1)	250	3250	250	16.08.2017	
16	Rajasthan Bhadla, 500 MW, Phase III, (Part-2)	500	4200	500	28.03.2018	
17	Rajasthan Bhadla, 250 MW, Phase IV, (Part-2)	250	2150	250	28.03.2018	
18	10GW ISTS Connected Solar PV Power Plant linked with 3GW (Per Annum) Solar Manufacturing Plant (Phase-I)	10000	2000	0	25.05.2018	Cancelled

Sl. No.	Tender name	Total Capacity Tendered (MW)	Capacity (MW) for which subscriptions received	Capacity Awarded (MW)	Date of Letter of Award (LoA)	Remarks
19	2000 MW (ISTS-I)	2000	3800	2000	27.07.2018	
20	3000 MW (ISTS-II)	3000	5100	600	10.08.2018	
21	Kadapa Solar Park 750 MW	750	1750	750	30.08.2018	
22	70 MW Amguri Solar Park, Assam	70	-	0	-	Cancelled
23	Pavagada Solar Park 200 MW	200	400	200	30.11.2018	
24	750 MW Grid Connected in Rajasthan Tranche-I (non-solar park)	750	2370	750	02.03.2019	
25	1200 MW (ISTS-III)	1200	1500	1200	05.03.2019	
26	1200 MW (ISTS-IV)	1200	2100	1150	25.07.2019	
27	750 MW Grid Connected in Rajasthan Tranche-II (non-solar park)	750	1100	680	16.09.2019	
28	2000 CPSU Scheme (Tranche-I)	2000	1153	922	28.09.2019	
29	1200 MW (ISTS-V)	1200	600	480	28.09.2019	
30	Maharashtra 50 MW	50	70	0	-	Cancelled
	TOTAL			14147		

(ii) Wind:

Sl. No.	Tranche	Total Capacity Tendered (MW)	Capacity (MW) for which subscriptions received	Total capacity awarded (MW)	LOA Date
1	Tranche-I	1000	2593.9	1049.9	05.04.2017
2	Tranche-II	1000	2892	1000	03.11.2017
3	Tranche-III	2000	3699.8	2000	23.02.2018
4	Tranche-IV	2000	2933.2	2000	01.06.2018
5	Tranche-V	1200	2190	1190	24.10.2018
6	Tranche-VI	1200	2325.6	1200	17.06.2019
7	Tranche-VII	1200	600	480	19.06.2019
8	Tranche-VIII	1800	550.8	440.8	28.09.2019
	Total	11400		9360.7	

(iii) Hybrid:

Sl. No.	Tranche	Total Capacity Tendered (MW)	Capacity (MW) for which subscriptions received	Total capacity awarded (MW)	LOA Date
1	Tranche-I	1200	1050	840	25.01.2019
2	Tranche-II	1200	900	600	18.06.2019
	Total	2400		1440	

(B). Tenders by SECI in which no bids were received:

(i) Solar:

Sl. No.	Tender name	Tendered Capacity (MW)	Date of Issue of RfS	Last Date of Receipt of Bids	Remarks
1	Gujarat - 5000 MW VGF Scheme	150	07.09.2016	15.09.2017	No bids received
2	275 MW Grid Connected Solar PV Projects in Uttar Pradesh	275	14.08.2019	23.10.2019	No bids received
	Total	425			

(ii) Wind: Nil

(iii) Hybrid: Nil

(C). Tenders by SECI which are yet to be awarded:

(i) Solar:

Sl. No.	Tender name	Tendered Capacity (MW)	Date of Issue of RfS	Remarks
1	250 MW Grid Connected in Dondaicha Solar Park Maharashtra	250	17.08.2018	PSA signing awaited
2	7500 MW Solar PV Projects in Leh and Kargil Districts, Jammu & Kashmir	7500	31.12.2018	Last date for bids 31.01.2020
4	500 MW Grid Connected Solar Photovoltaic Power Projects in Tamil Nadu (Phase-I)	500	05.04.2019	Last date for bids 09.12.2019
3	7 GW ISTS Connected Solar PV Power Plant linked with 2 GW (Per Annum) Solar Manufacturing Plant (Phase-II)	7000	26.06.2019	Last date for bids 13.11.2019 under techno-commercial evaluation
5	1200 MW ISTS Connected Solar Projects (ISTS-VI)	1200	28.06.2019	To be awarded shortly
6	CPSU Scheme (Tranche-II) Including Mini and Micro Grid Connected Solar PV projects	1500	01.08.2019	To be awarded shortly
	Total	17950		

(ii) Wind:

Sl. No.	Tranche	Total Capacity Tendered (MW)	Date of Issue of RfS	Last Date of Receipt of Bids
1	Tranche-IX	1200	20.09.2019	05.12.2019
	Total	1200		

(iii) Hybrid:

Sl. No.	Tranche	Total Capacity Tendered (MW)	Date of Issue of RfS	Last Date of Receipt of Bids
1	1200 MW ISTS Connected RE projects with Peak Power Supply (ISTS-VII)	1200	01.08.2019	29.11.2019
2	Round-the-Clock (RTC) Supply of 400 MW RE Power to NDMC & DNH	400	18.10.2019	03.12.2019
	Total	1600		