

BEFORE THE HARYANA ELECTRICITY REGULATORY COMMISSION AT PANCHKULA

Case No. HERC/Petition No. 68 of 2025

Date of Hearing : 04.09.2025

Date of Order : 08.09.2025

In the Matter of

Petition under Section 86(1)(b) and Section 63 of the Electricity Act, 2003 read with Haryana Electricity Regulatory Commission (Conduct of Business) Regulations, 2019 seeking source approval along with Power Purchase Agreement (PPA) and adoption of tariff for procurement of 5 MW solar power from M/s Ramsons Organic at the tariff of Rs. 2.99/kWh discovered through tariff based competitive bidding conducted as per standard bidding guidelines for procurement of Solar power by Distribution licensees by Ministry of Power dated 28.07.2023 & subsequent amendments dated 17.11.2023, 02.02.2024 & 02.02.2025. Further, approval is also sought for execution of PPA for procurement of 10 MW Solar Power from five (5) solar power developers, who have given affidavit to match lowest tariff of Rs. 2.99/kWh discovered in RfS no.119/HPPC/Solar/LTP-III/500MW, in compliance to the order of this Hon'ble Commission dated 13.05.2025.

Petitioner

Haryana Power Purchase Centre, Panchkula (HPPC)

Respondent

Nil

Present on behalf of the Petitioner

1. Ms. Sonia Madan, Advocate
2. Mr. Lovepreet Singh, Advocate
3. Mr. Gaurav Gupta, Xen, HPPC

Quorum

**Shri Nand Lal Sharma
Shri Mukesh Garg
Shri Shiv Kumar**

**Chairman
Member
Member**

ORDER

Brief Background of the case

1. The present petition has been filed by HPPC, seeking approval of source along with Power Purchase Agreement (PPA) and adoption of tariff for procurement of 5 MW solar power from M/s Ramsons Organic at the tariff of Rs. 2.99/kWh discovered through tariff based competitive bidding conducted as per standard bidding guidelines for procurement of Solar power by Distribution licensees by Ministry of Power dated 28.07.2023 & subsequent amendments dated 17.11.2023, 02.02.2024 & 02.02.2025. Further, approval is also sought for execution of PPA for procurement of 10 MW Solar Power from five (5) solar power developers, who have given affidavit to match lowest tariff of Rs. 2.99/kWh discovered in RfS no.119/HPPC/Solar/LTP-III/500MW, in compliance to the order of this Hon'ble Commission dated 13.05.2025.
2. Petitioner's submissions are as under:-
 - 2.1 That the present Petition is being filed seeking approval of the Hon'ble Commission for setting up of Solar Photovoltaic Grid Interactive Power Station to be established in the State of Haryana, which shall include land, buildings, plant, machinery, ancillary equipment, material, switch-gear,

transformers, protection equipment, bay (s) for transmission system in the switchyard, dedicated transmission line up to the Delivery Point i.e. substation and all the other assets and the materials necessary to deliver the electricity generated by the Project to HPPC.

- 2.2 That HPPC on 17.10.2022, an agenda was placed before SCPP in its 67th meeting for procurement of RE Power within the State of Haryana. Considering the need for promotion of solar power and the associated benefit of balancing the distribution of load from peak hours to day time off peak hours, the Steering Committee for Power Planning (SCPP) in its 67th meeting decided to procure 100 MW of solar power with a maximum capacity up to 10 MW from any single generator to be set in the State of Haryana through tariff based competitive bidding. In compliance with the decision of SCPP, Request for Selection ('RfS') document along with Power Purchase Agreement ('PPA') were prepared based on the prevalent MoP guidelines for procurement of solar power, keeping ceiling tariff as Rs.3.38/kWh. However, certain deviations from standard guidelines were incorporated in the draft RfS and PPA, in the interest of procurer as well as seller.
- 2.3 That on 01.03.2023, a meeting was held wherein it was decided that the capacity pertaining to procurement of Solar Power be increased from 100 MW to 500 MW. Accordingly, SCPP in its 68th meeting approved increase of capacity pertaining to procurement of Solar Power from 100 MW to 500 MW.
- 2.4 As per the Clause 3.1.1 of RfS read with Clause 18 of the MNRE Guidelines, 2017, the Petitioner, by way of Petition No. 13 of 2023, approached this Hon'ble Commission seeking permission to float tender and invite applications for setting up of the Solar PV Plant in the State of Haryana on the conditions specified under Bidding documents and also approval of Tender/ RfS document and draft PPA along with deviations.
- 2.5 That the Hon'ble Commission vide Order dated 29.03.2023 in Petition no. 13 of 2023 approved the bidding document with deviations and ordered as under –
- "4. The Commission has considered the submissions of the petitioner including the reasons for certain deviations from the SBD. Admittedly, **there is a need to procure renewable energy including solar energy not only to fulfill RPO obligations but also to promote larger integration of clean sources to mitigate green house gas effect and move towards carbon neutrality. Further, setting up of such projects in Haryana will have the spin-off benefits in terms of reduction of transmission and distribution losses as solar power will be generated and consumed locally. Additionally, it will enable peak load management and thereby avoid investments, to a certain extent, in transmission and fossil fuel generation capacity.***
- 5. The deviations proposed from the SBD is also approved as the same has been considered to impart clarity and is no way hinders tariff based competition amongst the interested bidders.*
- 6. In terms of the above discussions, **the bidding document along with the proposed deviations irrespective of the capacity is approved.** Accordingly, the present petition stands disposed of." (Emphasis Supplied)*
- 2.6 That HPPC issued a tender dated 17.04.2023 using E-Tendering Portal ISN Electronic Tender Services through <https://www.bharat-electronictender.com> as the 'Procurer' for the procurement of 500 MW of Solar power with maximum of 10 MW from single solar power developer on a long-term basis. Subsequent to that, the technical and financial bids were received. The Ceiling tariff was mentioned as Rs. 3.38/kWh.

- 2.7 That technical and financial bids were opened on 18.08.2023 and 29.09.2023, respectively. Eight (8) bidders participated in the tender floated by the HPPC, out of which Seven (7) bidders with total offered capacity of 67 MW were found qualified. Financial Bids were opened and Electronic Reverse Auction ('E-RA') was conducted. The tariff discovered after E-RA was Rs 3.37/kWh.
- 2.8 That the HPPC approached this Hon'ble Commission by way of Petition No. 66 of 2023 seeking approval for the procurement of 67 MW Solar Power from 7 nos. Grid Connected Solar PV Power Projects and adoption of tariff for procurement of power at a discovered tariff of Rs. 3.37/kWh.
- 2.9 That the Commission vide its Order dated 05.01.2024 (Petition No. 66 of 2023) rejected the source approval stating that the discovered tariff is not competitive and aligned to prevalent market condition. Pursuant thereto, the Petitioner by way of Review Petition No. 1 of 2024, again approached this Hon'ble Commission seeking review/recalling/modification of the Order dated 05.01.2024. However, the Review Petition was dismissed by the Hon'ble Commission vide Order dated 12.04.2024, stating that the discovered tariff does not align even with the promotional KUSUM Scheme tariff (i.e., Rs.3.11/kWh) for Component-A. The relevant part of the Order is reproduced as under:

*"In this regard, the Commission further observes that in the present bidding documents ceiling tariff of Rs. 3.38/- per unit was kept, keeping in view of another petition (no. 48 of 2023) filed in the Commission seeking revision of levelized tariff from Rs. 3.11/kWh to Rs. 3.38/kWh for purchase of power under Component A of PM Kusum Scheme (Pradhan Mantri Kisan Urja Suraksha evam Utthaan Mahabhiyan) having capacity of 500 kW to 2MW. The Commission, vide its order dated 22.12.2023, while rejecting the prayer to increase the tariff, had directed the Discoms that after exercising due diligence and ascertaining the extent to which support is required in the tariff of Rs. 3.11/kWh in order to promote the scheme, they may consider to meet the extra tariff out of the Performance based Incentives (PBI) received from the ministry. **The Commission has also taken note of the submissions of the Chief Engineer, Commercial, UHBVNL, present during the hearing that even without offering PBI, 7 bidders of 2 MW each, have expressed interest to install generation capacity of 14 MW at tariff of Rs. 3.11/kWh in March, 2024. This gives a clear picture that the tariff sought to be approved does not align even with the promotional KUSUM Scheme tariff of component A. Thus, the price of Rs. 3.37/kWh discovered in the bidding under the present case, fails to muster the Commission's prudence check exercised in discharge of its function prescribed under Section 86 (1)(b) of the Electricity Act, 2003 i.e. 'regulate electricity purchase and procurement process of distribution licensees including the price at which electricity shall be procured from the generating companies or licenses or from other sources through agreements for purchase of power for distribution and supply within the State'.***

(Emphasis Supplied)

- 2.10 That the SCPP in its 76th meeting on 15.05.2024 took note of the observations of the Hon'ble Commission as stated in the Order dated 12.04.2024 and decided as under -

"The observation of the HERC were noted.

SCPP deliberated the agenda and after detailed discussion, it was decided that as the HDUs/HVPN faces evacuation issues and the solar power entrepreneur faces land issues, may segregate based on Haryana Enterprises and Employment Policy, 2020 (HEEP-2020, as amended from time to time), the state into following four regions: -

*Category A Block - 50 MW
Category B Block - 100 MW
Category C Block - 150 MW
Category D Block - 200 MW*

(*As per Annexure-3 of HEEP, 2020)

HPPC may now float a tender for procurement of 500 MW Solar Power with maximum of 10 MW from single solar power developer to be set up within the State of Haryana on long-term basis as per market determined/discovered price i.e. an open tender so as to take advantage of the present mature solar energy market and also achieve distributed generation & efficiency in evacuation.”

- 2.11 That RfS and the draft PPA was being prepared in line with the decision of SCPP dated 15.05.2024 along with guidelines issued by MoP dated 28.07.2023 and its amendment dated 17.11.2023 ,02.02.2024 & 02.02.2025.
- 2.12 That on 03.09.2024, Hon'ble APTEL decided Appeal No. 208 of 2017 filed against the Order of the Hon'ble Commission dated 19.09.2016/04.10.2016 passed in petition No. 9 of 2016.
- 2.13 That the pursuant to the passing of the Order dated 03.09.2024 by the Hon'ble APTEL (referred above), Solar Power Developers, who were appellant in the above-mentioned appeal, filed Petition no 68 of 2024 (Remand back Petition No. 9 of 2016) before this Hon'ble Commission seeking approval to execute PPAs as per the order of the Hon'ble APTEL dated 03.09.2024.
- 2.14 That the Petition No. 68 of 2024 was pending consideration of the Hon'ble Commission, on 29.01.2025, the Petitioner floated RfS No. 119/HPPC/SOLAR/LTP-III/500MW for procurement of 500 MW solar power with maximum capacity up to 10 MW by any single generator to be set up in the State of Haryana at the tariff discovered through competitive bidding (e-reverse auction). RFS document was amended with bucket filling approach as per the revised standard bidding guidelines dated 28.07.2023 issued by MoP. As per the said tender, last date for submission of bid was 12.03.2025. It was explicitly mentioned that the Solar Power Developer (SPD) shall be solely responsible for design, finance, procurement of land, engineering, procurement, construction, operation and maintenance of the Project(s) under and in accordance with the provisions of the PPA to be entered into between the Solar Power Developer and HPPC.
- 2.15 That a total of 5 bids were received against various categories i.e. one bid– Category Block-C and four bids- Category Block-D. On 13.03.2025, technical bids were opened and following bidders were found qualified: -
1. Ramsons Organic Ltd (5MW, CAT-C)
 2. Oriana Power Ltd (10MW, CAT-D)
 3. ATA Business Ventures Pvt. Ltd. (10MW, CAT-D)
 4. JBM Renewables Pvt. Ltd. (10MW, CAT-D)
 5. K.C. Solvent Extractions Pvt. Ltd, (5MW, CAT-D)
- 2.16 That before opening of the financial bids, the Hon'ble Commission, vide interim orders dated 20.02.2025 and 25.03.2025 passed in Petition No. 68 of 2024, considering Order of Hon'ble APTEL dated 03.09.2024, directed HPPC to reserve equivalent capacity in the RfS, for procurement of 500 MW solar power floated by HPPC, for successful bidders under NIT No: 54/CE/HPPC/LTP dated 26.05.2015.
- 2.17 That on 01.04.2025, Financial bids were opened and E-RA was carried out through online portal. Final tariff discovered after E-RA is tabulated as under:

Comparison of tariff quoted by bidders for purchase of 500 MW Solar power through competitive bidding process (followed by e-reverse auction) maximum upto 10 MW from single grid connected solar photovoltaic power project to be set up in Haryana.

Organization ID	Ramsons Organic Ltd	Oriana Power Ltd	ATA Business Ventures Pvt. Ltd.	JBM Renewables Pvt. Ltd.	K.C. Solvent Extractions Pvt. Ltd
Block Category	Cat -C	Cat- D	Cat- D	Cat- D	Cat- D
Project capacity in MW	5	10	10	10	5
Quoted tariff (Rs/kWh)	2.99	3.78	3.65	3.3	4.5
Tariff discovered after E-RA (Rs/kWh)	2.99	3.27	3.65	3.26	3.29

- 2.18 As per Clause 4.4 of RfS, 30 MW quantum among Category Block - “C” & “D” had to be allocated to the solar power developers, whose tariff falls within 5% of the tariff quoted by L-1 bidder. Clause 4.4 is reproduced for ready reference –

“4.4 Selection of Successful Bidders

4.4.1 After the discovery of lowest tariff, capacity offered by the L-1 bidder will be allocated first, then the following procedure will be followed for allocation of the remaining capacity on the basis of bucket filling.

Capacity quoted by L-1 bidder at lowest rates shall be allocated first, then the capacity quoted by the next lowest bidder (Called L2 bidder) & so on, at the rate quoted by them may be allocated, if their final negotiated tariff falls within a 5 % from the tariff quoted by the L-1 bidder....”

Accordingly, following bids were decided to be considered for further negotiations –

Organization ID	Ramsons Organic Ltd	JBM Renewables Pvt. Ltd.	Oriana Power Ltd	K.C. Solvent Extractions Pvt. Ltd
Block Category	Cat -C	Cat- D	Cat- D	Cat- D
Project capacity (in MW)	5	10	10	5
Quoted tariff in bid (Rs/kWh)	2.99	3.3	3.78	4.5
Tariff discovered after E-RA (Rs/kWh)	2.99	3.26	3.27	3.29

- 2.19 That the above-mentioned discovered tariff was placed before 83rd SCPP meeting to approve the quantum and tariff discovered after E-RA between Category Block-‘C’ and ‘D’. After detailed deliberation, SCPP decided as under:-

“In detailed discussion it was noted that the lowest discovered tariff as Rs. 2.99/kWh and Rs.3.26/kWh for Category Block-C and Category Block -D respectively in the tender floated by HPPC with Category -D being higher of the two”

Since the difference between the tariff discovered among Category-C and Category-D is large, hence, Committee directed HPPC to call all the bidders (i.e. M/s JBM Renewables Pvt Ltd, Oriana Power Limited and M/s K.C. Solvent Extracts Pvt Ltd) who have submitted their bids in Category-D and their tariff falls within 5% of tariff quoted by L-1 bidder for negotiation on 25.04.2025.”

- 2.20 That on 25.04.2025, a meeting was held for negotiation with three nos. bidders, who had submitted their bid in Category Block - ‘D’ and whose tariff fall within 5% of tariff quoted by L-1 bidder. Bidders refused to reduce their tariff and conveyed that the final discovered tariff after E-RA be considered. Accordingly, it was decided by the committee constituted under the Chairmanship of Additional Chief Secretary/ Energy cum Chairman that bids under Category Block - ‘D’ cannot be considered due to large difference between the tariff discovered among Category-C and Category-D. Hence, bid of 5MW from Ramsons Organic Ltd. under Category - ‘C’ @ Rs.2.99/kWh alone had to be considered.
- 2.21 That on 13.05.2025, Final Order was passed in Petition No. 68 of 2024. Hon’ble Commission approved and directed HPPC to execute PPA with Virender Rawal (2MW), Karan Singh (4MW),

Anita Singh (2MW), Geeta Rani (2MW), Deepak Goyal (1MW), Jile Singh (1MW) at a lowest tariff (i.e. Rs.2.99/kWh) discovered by HPPC against NIT No.119/CE/HPPC/LTP-III/Solar/500MW dated 29.01.2025. The bidders were also allowed to form/incorporate a new company in terms of Clause 2.9 of the NIT No. 54/CE/HPPC/LTP dated 26.05.2015.

- 2.22 That as per the Order of the Hon'ble Commission, Sh. Virender Rawal (2 MW), Sh. Karan Singh (4 MW), Sh. Deepak Goyal (1 MW), Sh. Jile Singh (1 MW) and Ms. Anita Singh (2 MW) submitted their consent/willingness through affidavit to match the lowest discovered tariff (Rs. 2.99/kWh) for setting up of Solar power plant. However, Ms. Geeta Rani has not given consent/ affidavit to agree to the lowest discovered tariff.
- 2.23 That in view of the foregoing factual background, the present petition has been filed by the Petitioner seeking source approval along with Power Purchase Agreement (PPA) and adoption of tariff for procurement of 5 MW solar power from M/s Ramsons Organic at the tariff of Rs. 2.99/kWh discovered through tariff based competitive bidding and approval for execution of PPA for procurement of 10 MW Solar Power from five (5) solar power developers selected in RfS no.119/HPPC/Solar/LTP-III/500MW, in compliance to the order of this Hon'ble Commission dated 13.05.2025.
- 2.24 That the salient conditions of the PPA are reproduced hereunder for the ready reference –

I. **“Article 2.1 Term of Agreement:**

This Agreement shall become effective upon the execution and delivery thereof by the Parties hereto and unless terminated pursuant to other provisions of the Agreement, shall continue to be in force for such time until the completion of a period of 25 years (Twenty-Five) from the Scheduled Commercial Operation Date of the Project. This Agreement may be extended for a further period on mutually agreed terms and conditions at least one hundred eighty (180) days prior to the Expiry Date subject to approval of HERC.”

II. **“Article 3.1.2 CUF Limits:**

- a) **Criteria for Generation:** *The Successful Bidder will declare the annual CUF of their Project at the time of submission of response to RfS, which shall be allowed to be modified until 1 year from Commercial Operation Date of the project. Thereafter, the CUF for the Project shall remain unchanged for the entire term of the PPA. The declared annual CUF shall, in no case, be less than 21%. The annual CUF will be calculated every year from 1st April of the year to 31st March next year.*

It shall be the responsibility of the SPD, entirely at its cost and expense to install such number of Solar panels and associated equipment (including arrangement of extra land for such installation) as may be necessary to achieve the required CUF, and no additional cost is to be claimed in this regard from HPPC. For this purpose, SPD shall make its own study and investigation of the GHI (Global Horizontal Irradiance) and other factors prevalent in the area which have implication on the quantum of generation. SPD shall maintain generation so as to achieve CUF in the range of $\pm 10\%$ their declared value during the entire duration of PPA i.e. 25 years from the COD of the plant

- b) **Shortfall in Generation:** *If for any Contract Year, it is found that the SPD (Solar Power Developer) has not been able to generate and supply minimum energy corresponding to the value of annual CUF within the permissible lower limit of CUF SPD will be liable*

to pay to the procurer, penalty for the shortfall in availability of energy. The amount of such penalty will be equal to 1.5 times PPA tariff for the shortfall in energy terms, in accordance with terms of the PPA. This compensation shall be applied to the amount of shortfall in generation during the Contract Year. However, this compensation shall not be applicable in events of Force Majeure identified under the PPA with HPPC, affecting supply of solar power by the SPD.

- c) **Excess Generation:** In case the generation is over and above 10% of declared annual CUF, the Solar Power Developer will be free to sell it to any other entity provided first right of refusal will vest with the HPPC and in case the HPPC purchases the excess generation, the same shall be done at the PPA tariff. The Solar Power Developer shall ascertain, well in advance, the availability of such excess generation, and shall intimate the same to HPPC at least 30 days prior to the proposed date of commencement of excess generation. HPPC shall thereafter, within a period of 15 days of receiving the above offer from the SPD, intimate its decision on the purchase of such excess energy. In the event the offer of the SPD is not accepted by HPPC within the said period of 15 days, such right shall cease to exist and the SPD, at its sole discretion, may sell such excess power to any third party.

However, in case generation is higher than the contracted capacity and causes disturbance in the system at the point where power is injected, the SPD will have to forego the excess generation and reduce the output to the rated capacity and shall also have to pay the penalty/charges (if applicable) as per applicable regulations / requirements / guidelines of HERC/SLDC or any other competent agency.

- d) **Re-powering:** SPD at its own cost and responsibility will be free to repower their Plant(s) from time to time during the PPA duration without any liability on HPPC. However, HPPC will be obliged to buy power only within the range of CUF specified in the PPA. Any excess generation shall be dealt as per the PPA.

III. **"Article 3.1.3 Grid Connectivity:**

- a) The SPD shall be required to obtain all information/approvals from Discoms/HVPSNL (as the case may be) and concerned authority with regard to the Interconnection Facilities, necessary to enable it to design, install and operate Plant and all interconnecting apparatus/ equipment on the SPD's side of the Delivery Point to enable delivery of electricity at the Interconnection/ Metering/Delivery Point.
- b) (The SPD shall be responsible for getting the grid connectivity and long term access (LTA) from Discoms/HVPSNL, as the case may be, at its own cost. For interconnection with the grid and metering, the SPD shall abide by the applicable Grid Code, Grid Connectivity Standards, Regulations on Communication System for transmission of electric power and other regulations (as amended from time to time) issued by Appropriate Commission and Central Electricity Authority (CEA).
- c) The responsibility of getting connectivity with the transmission system up to interconnection /Metering/Delivery point shall be entirely of the SPD at its own cost. The transmission of power up to the point of interconnection where the metering is done for

energy accounting shall also be the responsibility of the SPD at its own cost. The maintenance of Transmission system up to the interconnection /Metering/Delivery point shall be the responsibility of the SPD at its own cost. However, capital maintenance/major overhaul of the Generating Facility shall not be scheduled in "Paddy Season" i.e. 15th June to 15th October of any year.

- d) The entire cost of transmission including cost of construction and O&M of line, interconnection facilities, any other charges, losses etc. from the Project up to the Interconnection/ Metering/Delivery Point shall be borne by the SPD and the same will not be reimbursed by HPPC. In case of non- availability of Grid and Transmission System during Term of this Agreement, for reasons not attributable to the SPD, the provisions of Article 3.4 shall be applicable."

IV. **"Article 3.4 Generation Compensation in Off take Constraints:**

3.4.1 Generation Compensation in Off take Constraints Due to Grid Unavailability Beyond Delivery Point

During the operation of the plant, there can be some periods where the plant can generate power but due to temporary transmission unavailability beyond Delivery Point the power is not evacuated, for reasons not attributable to the SPD. In such cases the generation compensation shall be addressed by HPPC in following manner:

Duration of Grid Unavailability beyond Delivery Point	Provision for Generation Compensation
Grid unavailability beyond Delivery Point in a contract year beyond 175 hours as defined in the PPA:	Generation Compensation = (Tariff X solar power (MW) offered but not Scheduled by Procurer) X 1000 X No. of hours of grid unavailability. However, in case of third-party sale or sale in the power exchange, as price taker, the 95% of the amount realised, after deducting expenses, shall be adjusted against the generation compensation payable, on monthly basis.

3.4.2 Payment in case of reduced off take

- a. SPD and HPPC shall follow the forecasting and scheduling process as per the regulations in this regard by the HERC. In case, plant is available to supply power but off take of power is not done by procurer except where the Breakdown is on account of events like consideration of grid security or safety of any equipment or personnel or other such conditions, the SPD shall be eligible for a Generation Compensation, from HPPC, limited in the manner detailed below:-

Reduced off take	Provision for Generation Compensation
Reduced off take beyond 175 hours in a years	Generation Compensation = (Tariff X solar power (MW) offered but not Scheduled by Procurer) X 1000 X No. of hours of grid unavailability. However, in case of third-party sale or sale in the power exchange, as price taker, the 95% of the amount realised, after deducting expenses, shall be adjusted against the generation compensation payable, on monthly basis.

- b. The Generation Compensation is to be paid as part of the energy bill for the successive month after receipt of JMR/State Energy Accounts (SEA), as applicable.

- c. *No back-down / curtailment to be ordered without giving formal/ written instruction for the same by SLDC.*
- d. *The details of back-down / curtailment, including justifications for such curtailment, to be made public by the concerned Load Dispatch Centre.*

3.4.3 *For claiming compensation, the generator must sell their power in the power exchange as a price taker. Thus, the compensation would be limited to the difference of the actual generation upto the declared capacity subject to a maximum upto the contracted capacity and the quantum of power scheduled by the procurer.*

V. **“Article 4.1.7 Part Commissioning:** *Part commissioning of the Project shall be accepted, without prejudice to the imposition of penalty, in terms of the PPA on the part which is not commissioned. However, the SCOD (Schedule Commercial Operation Date) will not get altered due to part- commissioning. Irrespective of dates of part commissioning or full commissioning, the PPA will remain in force for a period of 25 (twenty-five) years from the SCOD.”*

VI. **“Article 4.1.9 Penalty for Delay in Commissioning:** *The Project shall be commissioned by the SCOD. In case of failure to achieve this milestone, except due to reasons specified under Article 3.3 (i), HPPC shall encash the Performance Guarantee (PG) in the following manner.*

- a) *Delay upto six (6) months from SCOD: HPPC will encash total Performance Guarantee on per day basis and proportionate to the balance Capacity not commissioned.*
- b) *In case the commissioning of the project is delayed beyond Six (6) months from SCOD, the SPD's Event of Default as per Article 10.2.1 shall be considered to have occurred and the contracted capacity shall stand reduced to the project capacity commissioned up to SCOD plus 6 (Five) months. The PPA for balance capacity not commissioned shall be terminated and HPPC will forfeit the PG corresponding to the capacity not commissioned by SPD.*

The SPD acknowledges that the amount of Liquidated Damages fixed is genuine and reasonable pre-estimate of the damages that may be suffered by HPPC, as specified under this Agreement. In case of delays of plant commissioning due to reasons beyond the control of the SPD, HPPC after having been satisfied with documentary evidences produced by the SPG for the purpose, can extend the time for commissioning date without any financial implications to the SPD.”

IX. **“Article 5: Tariff**

5.1 *HPPC shall pay a fixed tariff of Rs /kWh, as discovered under the Competitive Bidding (followed by e-reverse auction) and as agreed by the Parties, for the entire term of this agreement, from the Commercial Operation Date for the energy supplied at the Metering Point, subject to Article 3.1.2 (iii) and 4.1.8.*

5.2 *In cases of early part-commissioning of the project prior to SCOD, HPPC shall reserve the right to purchase the generation at the PPA tariff till SCOD. However, in case the entire capacity is commissioned prior to SCOD, HPPC may purchase the generation at PPA Tariff. SPD will not be entitled to sell energy generated prior to SCOD or excess energy during any Contract Year to any other entity*

without offering such quantum to HPPC. HPPC shall have the right to purchase such quantum of excess energy at the Tariff as per Article 3.1.2 (iii) and 4.1.8.

5.3 *In case of delay in commissioning of the Project or part thereof beyond SCOD, the provisions as per Article 4.1.9 shall be applicable.”*

- 2.25 That the approval for procurement of solar power at the discovered tariff of Rs. 2.99 per kWh by this Hon'ble Commission will be consistent with the tender and provisions of the Electricity Act, 2003 as provided in the Preamble, Section 61(h) and Section 86 of the Electricity Act, 2003, the National Electricity Policy and National Tariff Policy notified by the Central Government under Section 3 of the Electricity Act, 2003 as well as the policies of the Government of Haryana.
- 2.26 That as per the Draft Solar Policy, 2023 issued by Government of Haryana, 6 GW of solar power installations by 2030, is aimed. Development of solar projects by independent power producers is being actively encouraged. There are clear directives of the Government to make efforts to boost the contribution of solar energy in Haryana's power mix, foster involvement from the private sector, incorporate new technologies, and promote the integration of solar power in the agricultural sector. In view of the same, the approval of setting up of solar plants in the State are pertinent to further the economic growth and to achieve the targets set up by the State Government.
- 2.27 That the solar generation within the State will also reduce the distribution losses as these solar power plants shall be sourced to the nearest load centre/distribution system through the interconnection point at STU/Discoms substation. Additionally, the State shall also be eligible to the 50% share of GST of the total project cost. There are also associated environmental benefits (less pollution), social benefits (local employment opportunities) and investment inflows with setting up of solar plants in the State.
- 2.28 That the selection of bidder against RfS dated 20.01.2025 has been done transparently and as per the guidelines and the provisions of the RfS. The discovered tariff is also reasonable and the selection has been considered in the interest of the State, which is fortified from the fact that the Category-D was dropped owing to large difference in the tariff between Category-C and Category-D bidders. The establishment of solar plants is essential to meet the directives of the Government of Haryana and as such, the approval of solar power as sought in instant petition, is in larger interest of the State.
- 2.29 That the HPPC is consistently making efforts to arrange a reliable and feasible power supply for the State of Haryana. Considering the position of power in the State and the growing requirement for power, the Petitioner is seeking the kind indulgence of this Hon'ble Commission to approve the source along with Power Purchase Agreement (PPA) and adopt tariff for procurement of 5 MW solar power from M/s Ramsons Organic at the tariff of Rs. 2.99/kWh discovered through tariff based competitive bidding. Further, approval be accorded for execution of PPA for procurement of 10 MW Solar Power from five (5) solar power developers, who have given affidavit to match the lowest tariff of Rs. 2.99/kWh discovered in RfS no.119/HPPC/Solar/LTP-III/500MW, in compliance to the order of this Hon'ble Commission dated 13.05.2025.
- 2.30 That the following main prayers have been made: -

- a) Admit the instant Petition;
- b) Grant approval of source and approval for execution of PPA (as attached) for the procurement of 5 MW solar power from M/s Ramsons Organic at the tariff of Rs. 2.99/kWh discovered through tariff based competitive bidding by setting up of Grid Connected Solar PV Power Projects as per the Guidelines for tariff based competitive bidding process for procurement of power from Grid connected Solar PV Power projects issued by MNRE, GOI, as amended from time to time for a period of 25 years;
- c) Grant approval for execution of PPA for procurement of 10 MW Solar Power from five (5) solar power developers, who have given affidavit to match the lowest tariff of Rs. 2.99/kWh discovered in RfS no.119/HPPC/Solar/LTP-III/500MW, in compliance to the order of this Hon'ble Commission dated 13.05.2025 by setting up of Grid Connected Solar PV Power Projects as per the Guidelines for tariff based competitive bidding process for procurement of power from Grid connected Solar PV Power projects issued by MNRE, GOI, as amended from time to time for a period of 25 years;
- d) Adopt tariff i.e. Rs 2.99/kWh discovered through competitive bidding under Section 63 of Electricity Act, 2003;
- e) Pass any such further order(s) or direction(s) that this Hon'ble Commission may deem fit and necessary in the facts and circumstances of the case.

Commission's Analysis and Order

3. The case was heard on 04.09.2025, wherein Ms. Sonia Madan, the learned counsel for the petitioner mainly reiterated the contents of the petition, which has not been reproduced for the sake of brevity and prolixity.
4. The Commission heard the arguments of the petitioner at length as well as perused the written submissions placed on record by it. The Commission has considered the submissions of the petitioner herein that the procurement of present power is being proposed in order to be aligned with the Government of India objective of achieving 280 GW solar target as part of a broader goal to achieve 500 GW of electricity from non-fossil fuel sources by 2030. HPPC further submitted that the present proposal is a part of continuous efforts being made by them to boost the contribution of solar energy in Haryana's power mix, foster involvement from the private sector, incorporate new technologies, and promote the integration of solar power in the agricultural sector.
5. The Commission has further taken note of the submissions of the petitioner that the selection of bidder has been done transparently and as per the guidelines and the provisions of the RfS. The petitioner has further submitted that the discovered tariff is reasonable and the selection has been considered in the interest of the State.
6. The Commission has also considered the averments of HPPC that as per Order of this Hon'ble Commission dated 13.05.2025 (Petition No. 68 of 2024), HPPC was directed to execute PPA with Virender Rawal (2MW), Karan Singh (4MW), Anita Singh (2MW), Geeta Rani (2MW), Deepak Goyal (1MW), Jile Singh (1MW) at a lowest tariff i.e. Rs.2.99/kWh discovered by HPPC

against NIT No.119/CE/HPPC/LTP-III/Solar/500MW dated 29.01.2025. The bidders were also allowed to form/incorporate a new company in terms of Clause 2.9 of the NIT No. 54/CE/HPPC/LTP dated 26.05.2015. Accordingly, Sh. Virender Rawal (2 MW), Sh. Karan Singh (4 MW), Sh. Deepak Goyal (1 MW), Sh. Jile Singh (1 MW) and Ms. Anita Singh (2 MW) have submitted their consent/willingness through affidavit to match the lowest discovered tariff (Rs. 2.99/kWh) for setting up of Solar power plant. However, Ms. Geeta Rani has not given consent/ affidavit to agree to the lowest discovered tariff. Therefore, the power is proposed to be procured through M/s. Ramsons Organic Ltd. having a capacity of 5 MW along with five other project developers aggregating to 10 MW covered under the order of this Commission dated 13.05.2025 @ Rs. 2.99/kWh for a period of 25 years, with CUF of at least 21%. As per the draft Power Purchase Agreement (PPA), compensation on account of shortfall in generation shall be calculated @ 1.5 times PPA tariff.

7. The Commission is of the considered view that the power proposed to be procured from M/s. Ramsons Organic Ltd. as well as other developers willing to execute PPA with HPPC at the tariff discovered in the bidding against NIT No.119/CE/HPPC/LTP-III/Solar/500MW dated 29.01.2025, would be considered for meeting the renewable purchase obligations (RPO) and will help to provide green and clean electricity to the electricity consumers of the State of Haryana at @ Rs. 2.99/unit, which is less than the average power purchase cost of the Discoms for the FY 2025-26 and thus, prima-facie appears to be reasonable. Considering the factors such as rise in prices of traded power, rising fuel costs and unavailability of linked coal/gas for generation of thermal and gas-based power, there is a need to procure competitive RE power at a feasible tariff.
8. In view of the above discussions, the Commission, in larger interest of the electricity consumers of the State as well as to enable Discoms to fulfil their RPO obligation, has considered it appropriate to adopt the tariff of Rs. 2.99/kWh discovered in the competitive bidding and accord the approvals as sought in the present petition i.e. source approval as well as approval of the draft Power Purchase Agreement (PPA) for the procurement of 15 MW grid connected solar power @ Rs 2.99/kWh.
9. In terms of the above order, the present petition is disposed of.

This order is signed, dated and issued by the Haryana Electricity Regulatory Commission on 08.09.2025.

Date: 08.09.2025
Place: Panchkula

(Shiv Kumar)
Member

(Mukesh Garg)
Member

(Nand Lal Sharma)
Chairman