



# ASSAM ELECTRICITY REGULATORY COMMISSION

## ORDER SHEET

FILE NO. AERC 740/2020

PETITION NO: 06/2020

**CORAM:** HON'BLE SHRI S.C. DAS, CHAIRPERSON  
HON'BLE SHRI S. N. KALITA, MEMBER  
HON'BLE SMTI B. BORTHAKUR, MEMBER

### In the matter of

Miscellaneous Petition No. 06/2020 for concurrence on Procurement of 25 MW Power and adoption of tariff discovered through competitive bidding process from Azure Power Forty Pvt. Ltd. at Kamrup.

### In the matter of

Assam Power Distribution Company Limited (APDCL)

---- Petitioner

### ORDER 19.03.2020

1. Assam Power Distribution Company Ltd. (APDCL) filed a petition for concurrence of procurement of 25 MW Power and adoption of tariff from Azure Power Forty Pvt. Ltd. at Kamrup before the Commission. The Petition was registered as **Petition No. 06/ 2020**.
2. The Petitioner prayed for:
  - a) *To admit the present Petition;*
  - b) *To adopt the tariff of Rs. 3.24 per unit for 25 MW of Solar power from project developed by Azure Power Forty Pvt. Ltd. from the date of SCOD.*
  - c) *To pass any such other order(s) as the Hon'ble Commission deems fit and proper under the circumstances of the case and in the interest of justice.*
3. The Petitioner submitted that, Govt. of Assam has notified Assam Solar Energy Policy 2017 (hereinafter referred as ASEP) vide Gazette Notification No. PEL.65/2014/207 dated 24.01.2018 As envisaged in the Article 9 of the said policy, Assam will strive for achieving target of 465 MW of Grid connected Solar Power Plant by FY 2019-20
4. In accordance with the Guidelines for Tariff Based Competitive Bidding Process for Procurement of Power from Grid Connected Solar PV Power Projects notified vide No. 23/27/2017-R&R dated 03.08.2017 by Ministry of Power, bids were framed to get a better representation vis-à-vis spread of the capacity across the State so as to avoid any load restrictions.
5. After due consideration of the solar irradiance profile of various locations, the State was classified into four separate regions with due consideration of various location specific aspects for this purpose as depicted below:

Sl. No.	Bidding region	Covering Districts
1	Region 1	Dhubri, Kokrajhar, Chirang, Baksa, Udalguri, Darrang
2	Region 2	Goalpara, Bongaigaon, Barpeta, Nalbari, Kamrup
3	Region 3	Sonitpur, Nagaon, Morigaon, KarbiAnglong, Dima Hasao, Lakhimpur, Dhemaji
4	Region 4	Cachar, Hailakandi, Karimganj

6. Accordingly, four different Request for Submission (RfS) documents were prepared in line with the guidelines for Tariff Based Competitive Bidding Process for Procurement of Power from Grid Connected Solar PV Power Projects notified vide No. 23/27/2017-R&R by Ministry of Power dated 03.08.2017.
7. RfS was floated in the official e-bidding portal for procurement of power i.e. Discovery of Efficient Electricity Price (DEEP) portal ([www.mstcecommerce.com](http://www.mstcecommerce.com)) of the Ministry of Power. After following all norms and processes of bidding, e-reverse auction was conducted at DEEP portal.
8. Azure Power India Pvt. Limited has come out successful in the bidding process with lowest offered tariff of Rs. 3.24 per unit for entire requisitioned quantum of 25 MW.
9. Accordingly, LoA was issued in favor of Azure Power India Pvt. Limited vide No. CGM(COM)/APDCL/Solar PV Developer RfS/2017-18/51 dated 15th June, 2018.
10. In accordance with the Clause 3.1(b) of the RfS, Azure Power Forty Pvt. Ltd.(hereinafter referred as Developer), a wholly owned subsidiary of Azure Power India Pvt. Ltd. requested for execution of the PPA for this project. Copy of the Certificate of Incorporation, Article and Memorandum of Association were enclosed.
11. Accordingly, Power Purchase Agreement (PPA) was executed between APDCL and Developer on 25.06.2018.
12. In pursuance to its obligation, the Developer has already arranged 129.767 Acres of land at Kamrup district under different arrangements viz. sale and lease (95.03 Acres already firmed up).
13. The Petitioner/APDCL filed a petition for adoption of the tariff u/s 63 of the Electricity Act 2003 after execution of the PPA.
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. In contrast to tariff determination under Section 62 of the Act, role of the Commission in case of tariff discovery through the competitive bidding process undertaken under Section 63 of the Act is essentially confined to adoption of tariff, on being satisfied that transparent process of bidding in accordance with the guidelines have been followed in determination of such tariff.
16. As per MNRE, GoI memorandum no. 11/6/2019-EFM dated 5th September, 2019 States that, no public hearing is required for adoption of tariff discovered through competitive bidding process.
17. The petitioner i.e. APDCL submitted the following documents:
  - a) Copy of the RfS document
  - b) Copy of the system generated bid sheet
  - c) LoA was issued in favour of Azure Power India Pvt. Limited
  - d) Copy of the Certificate of Incorporation, Article and Memorandum of Association
  - e) Power Purchase Agreement (PPA).
  - f) Related land documents
  - g) Copy of the notification of Govt. of Assam for land acquisition for Solar Power projects with issuance of Notification vide No. RDM-15011/283/2018-LS-REV-4 dated 28.01.2019

18. The documents submitted by APDCL were examined and found to be in order. The project has been scheduled to be commissioned within a period of eighteen (18) months from the date of execution of PPA.
19. The declared CUF (Capacity Utilization Factor) as per PPA shall not be less than 16.21% (+/-) and shall be allowed to revise once within first year of COD.
20. Regarding requirement of the instant power of 25 MW, the Commission noted that, APDCL will be benefited by buying the instant Solar Power, as it will help APDCL in fulfilling the Solar RPO obligations.
21. Having considered the above mentioned facts and submissions made by APDCL, the Commission has allowed the purchase of 25 MW Power from Azure Power Forty Pvt. Ltd. at Kamrup and adopted the tariff of Rs. 3.24 per unit (KWH) discovered through process of competitive bidding.
22. Accordingly, the Petition No.06/2020 is disposed off.

s/d

**(B. Borthakur)**  
**Member, AERC**

s/d

**(S. N. Kalita)**  
**Member, AERC**

s/d

**(S. C. Das)**  
**Chairperson, AERC**